



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111  
• FAX (360) 753-1112 • Toll Free 1-877-601-2828 • E-mail: [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)

May 13, 2016

Kittitas County Democratic Central Committee  
Attn: Steve Verhey, Chair  
1932 E Village Drive  
Ellensburg WA 98926

Subject: PDC Case 2066, Order sent electronically to Mr. Verhey at "verheys@hotmail.com"

Dear Mr. Verhey:

Enclosed is a copy of the Public Disclosure Commission's Order Imposing Fine that was entered in the above-referenced case. The Presiding Officer assessed a \$500 civil penalty against the Kittitas County Democratic Central Committee, of which \$400 of the penalty was suspended on the following conditions:

1. The Kittitas County Democratic Central Committee commits no further violations of RCW 42.17A for four years from the date of the Order.
2. The \$100 non-suspended portion of the penalty is paid within 60 days from the date of the Order.
3. The Kittitas County Democratic Central Committee files its Monetary Contributions reports (C-3 reports) and Summary Contribution and Expenditure reports (C-4 reports) for calendar year 2013 using the required electronic method.

Please file the 2013 C-3 and C-4 reports electronically, and pay the \$100 non-suspended portion of the penalty **by July 13, 2016**. Please make the check or money order payable to the "WA STATE TREASURER" and reference PDC Case 2066 in the memo line of the check or money order, and mail the penalty to:

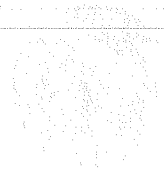
WA State Treasurer - Public Disclosure Commission  
Financial Office  
PO Box 41465  
Olympia, WA 98504-1465

Thank you for your participation in the Brief Enforcement hearing. If you have any questions, please contact me at (360) 664-8854; or by email at [kurt.young@pdc.wa.gov](mailto:kurt.young@pdc.wa.gov).

Sincerely,

Kurt Young  
PDC Compliance Officer

Enclosures: Final Order in PDC Case 2066, and Appeal Rights



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BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

Kittitas County Democratic Central Committee  
Attn: Steve Verhey, Chair  
1932 E Village Drive  
Ellensburg WA 98926

In Re Compliance with RCW 42.17A

Kittitas County Democratic Central  
Committee

Respondent.

PDC Case 2066

Findings of Fact,  
Conclusions of Law, and  
**Order Imposing Fine**

A brief enforcement hearing (brief adjudicative proceeding) was held by the Public Disclosure Commission (PDC) on May 11, 2016, in Room 206, Evergreen Plaza Building, 711 Capitol Way, Olympia, Washington to consider whether the Kittitas County Democratic Central Committee violated: (1) RCW 42.17A.205 by failing to timely file a Committee Registration (C-1 PC report) within ten days disclosing any materials changes to the committee information or leadership, such as a new treasurer; (2) RCW 42.17A.235 and .240 by failing to file Monetary Contributions reports (C-3 reports) and Summary Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities undertaken during calendar year 2013; and (3) RCW 42.17A.245 by failing to file contribution and expenditure reports for calendar year 2013 using the required electronic method.

The hearing was held in accordance with Chapters 34.05 and 42.17A RCW and Chapter 390-37 WAC. A brief enforcement hearing notice was sent to Steve Verhey, Chair of the Kittitas County Democratic Central Committee on April 27, 2016. Commission Chair Katrina Asay was the Presiding Officer. The Commission staff was represented by Kurt Young, Compliance Officer. Mr. Verhey participated by telephone on behalf of the Respondent and provided comments to the Presiding Officer.

**Stipulation**

The parties jointly submitted a signed Stipulation as to Facts and Violations (Stipulation). **Order Exhibit #1.** Mr. Young summarized the Stipulation and asked the Presiding Officer to accept the Stipulation and assess an appropriate penalty. The Presiding Officer accepted the Stipulation as to Facts and Violations.

**Dismissal Memorandum to Presiding Officer**

PDC staff submitted a Memorandum to the Presiding Officer requesting dismissal of one of the allegations made against the Kittitas County Democratic Central Committee concerning the failure to timely file C-1pc reports. **Order Exhibit #2.** Mr. Young summarized the Dismissal Memorandum and asked the Presiding Officer to dismiss the allegation.

Mr. Young summarized the Stipulation and asked the Presiding Officer to accept the Stipulation and assess an appropriate penalty.

Having considered the evidence, the Presiding Officer finds as follows:

**FINDINGS OF FACT**

Based upon the Stipulation and the Dismissal Memorandum, which are attached and incorporated by reference, the Presiding Officer:

1. Finds that the facts are established as provided in the Stipulation.
2. Dismissed the allegation as described in the Memorandum.

**CONCLUSIONS OF LAW**

Based upon the Stipulation and Dismissal Memorandum, the Presiding Officer concludes:

1. This matter was duly and properly convened and all jurisdictional, substantive and procedural requirements have been satisfied.
2. The Respondent violated RCW 42.17A.235 and .240 by failing to timely file Monetary Contributions reports and Summary Contribution and Expenditure reports disclosing contribution and expenditure activities undertaken during calendar year 2013.
3. The Respondent violated RCW 42.17A.245 by failing to file Monetary Contributions reports and Summary Contribution and Expenditure reports for 2013 using the required electronic method.
4. The Respondent did not violate RCW 42.17A.205.

**ORDER**

ON the basis of the foregoing Findings of Fact and Conclusions of Law,

**IT IS HEREBY ORDERED** that the Respondent is assessed a \$500 civil penalty, of which \$400 is suspended on the following conditions:

1. **The Respondent commits no further violations of RCW 42.17A for four years from the date of the Order; and**

2. The \$100 non-suspended portion of the penalty is paid within 60 days from the date of the Order.
3. The 2013 C-3 and C-4 reports disclosing contribution and expenditure activities must be electronically filed within 60 days from the date of the Order.

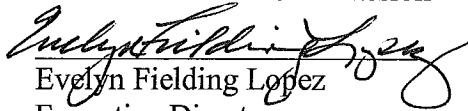
**IT IS HEREBY ORDERED that the allegation concerning violations of RCW 42.17A.205 against the Respondent are dismissed.**

If the Respondent fails to comply with any of these conditions, the suspended portion of the penalty will become immediately due and payable without further action by the Commission.

This is an **Initial Order** of the Public Disclosure Commission.

Entered this 13th day of May, 2016.

Public Disclosure Commission

  
Evelyn Fielding Lopez  
Executive Director

I, <u>Kurt Young</u> , certify that I <sup>emailed</sup> mailed a copy of this order to the Respondent/Applicant at his/her respective address postage pre-paid on the date stated herein.	
Signed <u>WKM</u>	Date <u>5/13/16</u>

Enclosures:

Information about Appeal Rights  
Stipulation as to Facts and Violations  
Dismissal Memorandum to Presiding Officer

THE UNIVERSITY OF CHICAGO  
DIVISION OF THE PHYSICAL SCIENCES  
DEPARTMENT OF CHEMISTRY

REPORT OF THE  
COMMISSION ON THE ORGANIZATION  
OF THE DEPARTMENT OF CHEMISTRY  
AND THE DIVISION OF THE PHYSICAL SCIENCES

Submitted to the  
FACULTY OF THE DIVISION OF THE PHYSICAL SCIENCES  
AND THE FACULTY OF THE DEPARTMENT OF CHEMISTRY

by  
THE COMMISSIONERS  
JAMES H. COOPER, Chairman  
ROBERT M. MILNER, Secretary

CHICAGO, ILLINOIS  
1964

**INFORMATION ABOUT APPEALS OF INITIAL ORDERS,  
FURTHER APPEAL RIGHTS,  
AND ENFORCEMENT OF FINAL ORDERS**

**APPEALS**

**REVIEW OF INITIAL ORDER - BY THE COMMISSION**

The presiding officer will issue an initial order following a brief enforcement hearing. Any party may request the Commission **review** an initial order. Parties seeking the review must:

- Make the request orally or in writing, stating the reason for review. *WAC 390-37-144.*
- Deliver the request so it is received at the Commission office within **TWENTY-ONE (21) BUSINESS DAYS** after the postmark date of the initial order.

A Respondent does not need to pay a penalty until after the Commission rules on the request. If the Commission is unable to schedule a meeting to consider the request within twenty (20) business days, the initial order becomes a **final order** and the request will automatically be treated as a **request for reconsideration** of a final order (unless the party advises the Commission otherwise, such as by withdrawing the request). See more information on reconsideration below.

If the request for review was an oral request, it must now be confirmed in writing. The matter will be scheduled before the full Commission as soon as practicable. If the Commission does not receive a request for review within twenty-one (21) business days, the initial order will automatically become a **final order**. At that point, the Respondent is legally obligated to pay the penalty unless reconsideration has been sought or the matter has been timely appealed to Superior Court. *RCW 42.17A.755; RCW 34.05.470; RCW 34.05.570.*

**RECONSIDERATION OF FINAL ORDER – BY THE COMMISSION**

Any party may ask the Commission to **reconsider** a final order. Parties seeking reconsideration must:

- Make the request in writing;
- Include the specific grounds or reasons for the request; and
- Deliver the request to the PDC office so it is received within **TWENTY-ONE (21) BUSINESS DAYS** of the date that the Commission serves this order upon the party. *WAC 390-37-150.*

- Note: the date of service by the Commission on a party is considered the date of mailing by U.S. mail if the order is mailed, or the date received if the order is personally served. RCW 34.05.010(19). (The Commission orders are generally mailed via U.S. mail.)

Within twenty (20) business days after the petition for reconsideration is filed, the Commission may either act on the petition or notify the parties in writing of the date by which it will act. If neither of these events happens within twenty business days, the Commission is deemed to have denied the petition for reconsideration. *WAC 390-37-150.*

A Respondent is not required to ask the Commission to reconsider a final order before seeking judicial review by a superior court. *RCW 34.05.470(5).*

### **FURTHER APPEAL RIGHTS – SUPERIOR COURT**

A **final order** issued by the Public Disclosure Commission is subject to **judicial review** under the Administrative Procedure Act (APA), chapter 34.05 RCW. *RCW 42.17A.755.* The procedures are provided in the APA at RCW 34.05.510 - .574.

### **ENFORCEMENT OF FINAL ORDERS**

If **enforcement** of a final order is required, the Commission may seek to enforce a final order in superior court under RCW 42.17A.755 - .760, and recover legal costs and attorney's fees if a penalty remains unpaid and no petition for judicial review has been filed. This action will be taken without further order by the Commission.





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**BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON**

In the Matter of Enforcement Action  
Against

Kittitas County Democratic Central  
Committee

Respondent.

PDC Case 2066

Stipulation as to Facts, and  
Violations

The parties to this Stipulation, the Public Disclosure Commission Staff, through its Executive Director, Evelyn Fielding Lopez, and Steve Verhey, Chair of the Kittitas County Democratic Central Committee, submit this Stipulation as to Facts and Violations in this matter.

The parties agree that the Presiding Officer has the authority to accept, reject or modify the terms of this Stipulation. The parties further agree that in the event that the Presiding Officer suggests modification to any term of this agreement, each party reserves the right to reject that modification. In the event either party rejects a modification, this matter will proceed to hearing before the Commission.

**Jurisdiction**

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to RCW 42.17A, the state campaign finance and disclosure laws; RCW 34.05, the Administrative Procedure Act; and WAC 390.

**Facts**

1. The Kittitas County Democratic Central Committee (KCDCC) is a bona-fide County political party organization.
2. KCDCC has been registered and reporting with the Public Disclosure Commission (PDC) as political party committee dating back to at least 1997.
3. On January 31, 2012, KCDCC filed a Committee Registration (C-1 PC report) selecting the Full Reporting option, which requires frequent and detailed reports to be filed disclosing contribution and expenditure activities. The C-1pc report listed Debbie Strand as treasurer, and Theresa Petrey as the only other committee officer.

4. On January 7, 2013, KCDCC filed its 7-day Pre-General Election C-4 report for the 2012 election disclosing \$12,055 in total contributions received, and \$7,480 in total expenditures made with a cash on hand balance totaling \$4,575.
5. On June 24, 2014, KCDCC amended its C-1 PC report, listing KCDCC as an "Other Political Committee" still under the Full Reporting option, with Debbie Strand as the treasurer, and Steve Verhey as the party Chairperson.
6. In 2013, political party committees such as KCDCC under the Full Reporting option were required to file monthly C-3 reports and C-4 reports by the 10th of each month disclosing contribution and expenditure activities incurred in the previous calendar month, if more than \$200 was received or spent since the previous C-4 report was filed.
7. During calendar year 2013, KCDCC failed to file any C-3 or C-4 reports disclosing contribution and expenditure activities. For calendar years 2014 and 2015, KCDCC filed its C-3 and C-4 reports sporadically, typically sending in several months of late reported contribution and expenditure activities on multiple reports to catch up with the reporting requirements.
8. On January 13, 2016, KCDCC filed a total of 22 C-3 and C-4 reports for 2013 activities, disclosing the committee had received a total of \$3,634 in monetary contributions and made expenditures totaling \$5,750. The contribution and expenditure activities were disclosed by KCDCC in a range from 765 to 1,077 days late.
9. The 2013 late reported monetary contributions included contributions received from individuals between \$25 and \$250, a low-cost fundraiser, and small contributions of \$25 or less.
10. During 2013, the late filed C-4 reports submitted by KCDCC disclosed that the party organization made no expenditures for any contributions to candidates.
11. The 2013 KCDCC expenditures included a \$1,000 expenditure for a Central Washington University scholarship; several expenditures totaling \$650 for office supplies; a \$600 expenditure for the rental of a storage unit; a \$383 expenditure for an election-related newspaper advertisement; a \$375 expenditure for a fair booth rental; a \$300 expenditure for travel for KCDCC committee members to attend two conferences; a \$250 expenditure for insurance; and a \$200 expenditure for telephone bills.
12. The electronic filing requirements in RCW 42.17A.245 requires political committees, that expended \$5,000 or more in the previous calendar year to file the C-3 and C-4 reports using ORCA or similar campaign finance filing software. KCDCC disclosed making more than \$7,000 in committee expenditures during calendar year 2012, which required KCDCC to file its 2013 C-3 and C-4 reports electronically.

13. To date, KCDCC has failed to file its 2013 C-3 and C-4 reports electronically.
14. Mr. Verhey, KCDCC Chair stated that in 2013, the party's by-laws specified that the Secretary, Hanna Fredeen was responsible for filing the PDC committee reports. Due to health issues, the need to care for an aging parent, personality conflicts with other KCDCC party members, and possibly confusion over how to use ORCA, Ms. Fredeen failed to make PDC filings in 2013.
15. KCDCC updated the party's by-laws listing that the Treasurer is responsible for filing the PDC reports. In addition, KCDCC has implemented new internal controls that include the Secretary checking the PDC website to ensure that the proper PDC reports are filed and posted.

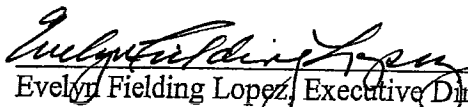
**Statutory Authority and Rule**

RCW 42.17A.235 and .240 requires political committees under the Full Reporting option, including political party organizations to timely file C-3 and C-4 reports disclosing campaign contribution and expenditure activities.

RCW 42.17A.245 requires political committee that expects to expend five thousand dollars or more in the current year shall file all contribution reports and expenditure reports required by this chapter by the electronic alternative provided by the commission.

**Violation**

Based on the Stipulation of Facts set forth above, the Kittitas County Democratic Central Committee, violated RCW 42.17A.235 and .240 on multiple occasions by failing to timely file C-3 and C-4 reports for calendar year 2013, and RCW 42.17A.245 by failing to file its C-3 and C-4 reports electronically as required.

  
 Evelyn Fielding Lopez, Executive Director  
 Public Disclosure Commission

5/6/2016  
 Date Signed

  
 Representative of Kittitas County Democratic  
 Central Committee

5 May 2016  
 Date Signed

THE UNIVERSITY OF CHICAGO

Department of Chemistry  
5780 South University Avenue  
Chicago, Illinois 60637

Dear Mr. [Name]:

Reference is made to your letter of [Date].

The information you requested is being reviewed and will be provided to you as soon as possible.

Very truly yours,  
[Signature]

[Name]  
[Title]

[Handwritten notes or signatures]

[Handwritten notes or signatures]



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**Memorandum**

To: Katrina Asay, Chair, Public Disclosure Commission

From: Kurt Young, PDC Compliance Officer

Date: May 10, 2016

Subject: Kittitas County Democratic Central Committee partial dismissal of allegation memorandum for Presiding Officer, PDC Case 2066

A Brief Enforcement Hearing has been scheduled for May 11, 2016, concerning allegations that the Kittitas County Democratic Central Committee (KCDCC) violated: (1) RCW 42.17A.235 and .240 by failing to file Monetary Contributions reports (C-3 reports) and Summary Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities undertaken during calendar year 2013; and (2) RCW 42.17A.245 by failing to file contribution and expenditure reports for 2013 using the required electronic method.

There was one additional allegation listed in the complaint that staff is recommending be dismissed based on the information below.

**Allegations:**

The complaint alleged that the KCDCC may have violated RCW 42.17A.205 by failing to file a Committee Registration (C-1 PC report) within ten days of any materials changes to the committee information or leadership, such as a new treasurer.

**Findings:**

PDC staff reviewed and investigated the allegation listed in the complaint regarding the failure to timely amend the C-1 PC report, and found the following:

- On January 31, 2012, KCDCC filed a C-1 PC report selecting the Full Reporting option, and listing Debbie Strand as KCDCC treasurer, and Theresa Petrey as KCDCC Chair.
- On June 24, 2014, KCDCC an amended C-1 PC report, listing KCDCC as an "Other Political Committee" under the Full Reporting option, and disclosing that Debbie Strand was the KCDCC treasurer, Steve Verhey was KCDCC chair, and Hanna Fredeen was KCDCC Secretary.

- Mr. Verhey stated in his communication with PDC staff that at the KCDCC's reorganization meeting held on December 7, 2014, two KCDCC party officers were replaced. The KCDCC officers that were replaced included James Green, who had served as KCDCC Second Vice-Chair and is the complainant in this matter, and Hanna Fredeen who had served as KCDCC Secretary.
- Mr. Verhey also stated at the December 7, 2014 meeting, that he was re-elected to his second term as KCDCC Chair, and that he was first elected KCDCC Chair in December, 2012.
- KCDCC filed a C-1 PC report on January 7, 2016 indicating they are an, "Other Political Committee" and selecting the Full Reporting option.

**Staff Recommendation:**

While the investigation found that the Kittitas County Democratic Central Committee likely violated RCW 42.17A.205 by failing to timely update its C-1PC reports concerning changes to its party officers, staff recommends that the Presiding Officer dismiss the allegation since staff does not believe this constituted a material violation of RCW 42.17A, and the KCDCC officer information was available to the public through over means.