



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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December 5, 2023

Delivered electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Complaint regarding Washington State BPW (Business & Professional Women) PAC, PDC Case 141746

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on August 25, 2023. The complaint alleged that Washington State BPW (Business & Professional Women) PAC (BPW PAC), a committee registered with the PDC during calendar years 2018, 2019, 2020, 2021, 2022 & 2023, may have violated RCW 42.17A.235 & .240 for failure to timely file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), including an accurate carry forward amount from one calendar year to the next and accurate disclosure of the source of a contribution.

PDC staff reviewed the allegations and supporting documentation; the applicable statutes, rules, and reporting requirements; the response provided by attorney and member of BPW PAC Nancy L. Sorensen on behalf of the Respondent; the applicable PDC reports filed by the Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, and other relevant information, to determine whether the record supports a finding of one or more violations.

Based on staff’s review, we found the following:

- Washington State BPW (Business & Professional Women) PAC registered with the PDC in 2017 under the “Mini Reporting” option, and again on March 5, 2023, under the “Mini Reporting” option and most recently listed Silvia Valine as Chair and Eldean Montgomery as Treasurer.
- WAC 390-16-115 describes the general registration requirements for continuing committees intending to use the “Mini Reporting” option. In submitting the initial committee registration (C-1pc report), the committee must declare that it will not exceed the contribution or expenditure limits set out in WAC 390-16-105 and must also file a C-1pc between January 1st and January 31st for each year in which the committee intends to use the mini reporting system. Failure to file a new registration statement during January will automatically terminate the committee's entitlement to use the mini reporting system until such time as a new C-1pc is filed.

Failure to timely file C-3 reports and C-4 reports

- The complaint alleged that BPW PAC failed to timely file two C-3 reports and one C-4 report covering campaign activity for calendar years 2018 to 2023. The evidence of the

late reporting was submitted in the form of a spreadsheet where the projected due date was assumed solely based on the reporting schedule for committees registered under the “Full Reporting” option, participating in elections during the calendar year and without consideration of the dollar amount disclosed on each report.

- In addition, the spreadsheet alleged that one amended report was submitted late but did not provide any specific information about the activity that purportedly was omitted from the original or otherwise edited.
- During the review of the alleged late reporting spreadsheet, PDC staff found that the majority disclosed small dollar amounts under the reporting threshold (more than \$750 as of April 1, 2023, and more than \$200 in prior years) for monthly C-4 reports, or were amendments as discussed above.
- After receipt of the complaint, BPW PAC submitted fifty-six original or amended C-3 reports and twenty original or amended C-4 reports. One C-4 report was submitted late but before the complaint.
- Although the C-4 reports were submitted late, they corrected the carry forward balance and proved that BPW PAC remained eligible for the “Mini Reporting” option from 2018 to February 28, 2023, as described in WAC 390-16-105.
- Staff noted that BPW PAC’s submission of C-3 and C-4 reports normally required under the “Full Reporting” option was consistent with staff guidance for committees that failed to actively choose mini reporting at the beginning of the calendar year and then disclose activity that occurred while technically under full reporting.

Inaccurate carry forward balance

- The complaint alleged that the BPW PAC failed to disclose an accurate carry forward amount on C-4 reports.
- During the investigation, staff found that the C-4 report covering January 1, 2018 to October 31, 2018, showed a cash on hand balance of \$4,230.19 and the subsequent C-4 report covering January 1, 2022 to February 28, 2023, began with a zero balance.
- Between March 8, 2023, and October 8, 2023, C-4 reports were submitted disclosing contribution and expenditure activity for calendar years 2018 through the end of February 2023, before BPW PAC submitted a new C-1pc under the “Mini Reporting” option. The C-4 reports submitted during this timeframe corrected the carry forward balance for 2018 through the current year.

Incorrect source of monetary contribution

- The complaint alleged that the BPW PAC incorrectly identified the source of a \$552 monetary contribution as “several” on a C-3 report originally filed on April 9, 2023.
- In her response, Ms. Sorensen explained that some donors’ contributions had been lumped together but that none had given more than \$100.
- Staff found that BPW PAC submitted several new and amended C-3 reports for calendar year 2018, reattributing these contributions as small, un-itemized donations.

It appears that although BPW PAC failed to submit a new committee registration each year to select the “Mini Reporting” option, and was, therefore, required to file under the “Full

Reporting” option, the committee did not accept more than \$500 in the aggregate from one source nor exceeded the contribution and expenditure limit of no more than \$5,000. The treasurer worked with PDC Filer Assistance staff to complete reports disclosing campaign activity as required under the “Full Reporting” option, including activity from 2018, most of which is beyond the statute of limitations for enforcement action.

Based on our findings staff has determined that, in this instance, failure to timely and accurately file campaign reports dating back from calendar year 2018 forward due, in large part, to a failure to re-register under the “Mini Reporting” option regardless of being eligible for mini reporting, does not amount to a finding of a violation that warrants further investigation.

Pursuant to WAC 390-37-060(1)(d), however, the Respondent will receive a formal written warning concerning failure to timely and accurately file reports disclosing campaign activity, specifically including a correct carry forward balance, and a failure properly to identify the source of contributions. The formal written warning will include staff’s expectation that Washington State BPW (Business & Professional Women) PAC either timely and accurately files all future required reports of contributions and expenditures or registers under and adheres to “Mini Reporting” restrictions at the start of each calendar year. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed all allegations in this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdcc@pdc.wa.gov.

Sincerely,

Electronically signed
Jennifer Hansen
Compliance Officer

Endorsed by,

Electronically signed
Peter Frey Lavalley
Executive Director

cc: Washington State BPW (Business & Professional Women) PAC