



**State of Washington  
PUBLIC DISCLOSURE COMMISSION**

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July 29, 2021

Sent Electronically to Zachary Zappone, and Andrew Taylor, 2020 Ministerial Campaign  
Treasurer

Subject: PDC Audit Report Cover Letter for 2020 Zachary Zappone Campaign, PDC Audit No.  
20-16

Mr. Zappone and Mr. Taylor:

This letter is to inform you that PDC staff has completed the limited-scope audit of the 2020  
Zachary Zappone for State Representative Campaign (Campaign). Staff's audit found:

- The Campaign substantially complied with the candidate reporting requirements found in RCW 42.17A and WAC 390, concerning the timely and accurate filing of the Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) reviewed as part of this audit.
- Documentation provided for selected expenditures as part of the Campaign books of account verified the expenditure information disclosed on the Schedule A to C-4 reports.
- Practices concerning contribution and expenditure activities and internal control procedures were sound and properly facilitated the timely and accurate disclosure of activities undertaken by the Campaign during the 2020 election cycle.

Thank you both for fully cooperating with PDC staff concerning this audit. If you have questions, you may contact me by e-mail at [kurt.young@pdcc.wa.gov](mailto:kurt.young@pdcc.wa.gov).

Sincerely,

Endorsed by:

s/ \_\_\_\_\_  
Electronically Signed Kurt Young,  
PDC Compliance Officer

s/ \_\_\_\_\_  
Electronically Signed Peter Lavallee,  
PDC Executive Director



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BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

In RE COMPLIANCE WITH  
RCW 42.17A

2020 Zachary Zappone for State  
Representative Campaign

Respondent.

PDC Audit No. 20-16

Audit Report

**I.**

**Audit Scope**

- The Public Disclosure Commission (PDC) has the authority under RCW 42.17A.105 and .110 to conduct audits of candidates, committees, and other filing entities.
- Initiative 134, a statewide initiative concerning campaign finance and contribution limits was overwhelmingly approved by voters in 1992 and included the requirement for the PDC to conduct audits of filers. The audits are meant to provide the public with information about candidates, political committees, and other filers, and to determine those filers' degree of compliance with the reporting requirements and provisions of RCW 42.17A.
- The audit findings provide PDC staff with an opportunity to identify problem areas in reporting campaign or committee contribution and expenditure activities that may suggest a need to revise advice and guidance given to filers, to recommend or initiate changes in the law, to adopt or revise the rules for reporting, and if necessary, for enforcement. The Commission believes that the primary purposes of conducting audits are to:
  1. Verify that the information disclosed on candidates and political committee campaign finance reports is timely and accurate in accordance with RCW 42.17A.
  2. Determine whether candidates and political committees are in substantial compliance with the law, rules, and reporting requirements.
  3. Evaluate record keeping and reporting procedures used by filers and suggest corrective action to ensure future compliance with the law, or law/rule changes as necessary depending on the audit findings.

- PDC staff initially selected four State Senate races from the 2018 election cycle, involving eight candidates for limited-scope audits to be conducted based on the audit criteria established by staff.
- The audit criteria included both 2018 Senate candidates in each Legislative District to have been in a contested 2018 general election, with both candidates disclosing significant contribution and expenditure activities, and the election having generated significant public interest. Those eight audits have been completed, and PDC staff selected eight candidates for State Representative from the 2020 election cycle to conduct limited-scope audits based on the same audit criteria listed above.

## II.

### **Audit: Respondent Background**

On May 18, 2020, Zachary Zappone filed a Candidate Registration (C-1 report) declaring his candidacy for election to the office of State Representative in the 6th Legislative District, Position #1 in 2020, selecting the Full Reporting Option and listing Andrew Taylor as the Ministerial Campaign Treasurer.

- On May 18, 2021, PDC staff sent an email to Mr. Zappone and Mr. Taylor, and attached a letter notifying them that staff was conducting audits of four 2020 contested State Representative races as previously explained in an earlier email sent to both of them. The letter stated staff was conducting a limited-scope audit of the two 2020 candidates that ran for State Representative, Position #1 in the 6th Legislative District, which included Mr. Zappone.
- The letter requested documentation maintained by the Campaign for selected expenditures made during the 2020 election cycle, in addition to a brief narrative concerning general contribution and expenditure campaign practices, including the record keeping of the campaign books of account in order to complete the audit work.
- As noted above, the audits provide the PDC and the public with an opportunity to determine the degree of compliance with the PDC reporting requirements, thereby enhancing and strengthening the public's confidence in the campaign finance information being disclosed by filers. The audits also assist in identifying areas in the reporting of campaign contribution and expenditure activities that may suggest a need to update or revise the advice on the PDC website in the PDC online candidate manuals, and from Filer Assistance staff, and areas of potential changes in the law or amendments made to the PDC rules to further clarify a specific reporting requirement.
- The limited-scope audits consist primarily of reviewing the Monetary Contributions reports (C-3 reports), and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) filed by each Campaign, and queries conducted by PDC staff of the contribution and expenditure databases on the PDC website.
- The information is reviewed to determine the Campaign's timeliness and accuracy in disclosing contribution and expenditure activities undertaken on the C-3 and C-4 reports in accordance with the reporting requirements found in RCW 42.1A.235 and .240.

### **III.** **Audit Findings**

- The 2020 Zachary Zappone for State Representative Campaign (Campaign) disclosed receiving a total of \$192,941.62 in contributions, and \$192,788.24 in total expenditures made during the 2020 election cycle, with a cash on hand balance of \$724.01 as of April 30, 2021.

#### **Timeliness and Accuracy in the filing of C-3 reports disclosing contributor information:**

- Candidates appearing on the 2020 primary and general election ballots who selected the Full Reporting option were required to file weekly C-3 reports every Monday beginning June 1, 2020 through the date of the general election, disclosing contributions that were received and deposited the previous seven days.
- Prior to June 1, 2020, candidates were required to file monthly C-3 reports for deposits of campaign contributions made during the month or period covered by the C-4 report.
- RCW 42.17A.220 requires candidates to timely deposit monetary contributions received into the campaign bank account or depository within five business days of receipt.
- For the 2020 election cycle, the Campaign filed reports disclosing 488 separate monetary and in-kind contributions received during the period covering May 18 through December 31, 2020, totaling \$192,941.62. The largest contributors to the 2020 Campaign included the following:
  1. Four monetary and in-kind contributions totaling \$83,656.25 were received from the House Democratic Campaign Committee (HDCC) during the 2020 election, that included a \$50,000 and a \$25,000 monetary contribution, both received on September 28, 2020.
  2. Three monetary and in-kind contributions totaling \$31,441.62 were received from the Washington State Democratic Central Committee (WSDCC) during the 2020 election that included a \$30,000 monetary contribution received on October 10, 2020.
  3. Four monetary and in-kind contributions totaling \$6,120.53 were received from the 6<sup>th</sup> Legislative District Democrats, that included a \$3,000 monetary contribution received on October 2, 2020.
- The Campaign disclosed receiving small un-itemized monetary contributions on 52 C-3 reports filed during the 2020 election totaling \$1,679.82.
- Based on the number of C-3 reports filed by the Campaign for the 2020 election, staff reviewed approximately every fifth C-3 report filed for contributions received and deposited beginning June 1, 2020, when the C-3 report accelerated reporting requirements began for 2020 candidates. Under that reporting requirement, C-3 reports are required to be filed every Monday for contributions received and deposited the preceding seven calendar days. The following 2020 C-3 reports filed by the Campaign were reviewed by staff and selected for inclusion in the chart below:



<b>Date Received</b>	<b>Date Deposited</b>	<b># of contributors and description</b>	<b>Total C-3 Amount</b>	<b>C-3 Filing Date</b>	<b>Days Late</b>
6/3/2020	6/3/2020	Two-page C-3 report with 11 contributors that contributed between \$30 to \$250.	\$1,430	6/5/2020	0
6/10/2020	6/10/2020	One-page C-3 report with three contributors that contributed between \$25 to \$100.	\$200	6/10/2020	0
6/20/2020	6/20/2020	One-page C-3 report with a \$1,000 contribution from The Truman Fund.	\$1,000	6/22/2020	0
6/29/2020	6/29/2020	Two-page C-3 report with 16 contributors that included a \$500 and a \$250 monetary contribution from two individuals.	\$1,535	7/6/2020	0
7/2/2020	7/2/2020	One-page C-3 report with four contributors that included a \$1,000 contribution from an attorney in New York.	\$1,300	7/6/2020	0
7/9/2020	7/9/2020	One-page C-3 report with one \$1,000 contribution from an individual in San Francisco.	\$1,000	7/13/2020	0
7/28/2020	7/28/2020	One-page C-3 report with four individuals that contributed between \$50 to \$200.	\$450	8/3/2020	0
8/3/2020	8/3/2020	One-page C-3 report with a \$5,000 candidate loan from Mr. Zappone.	\$5,000	8/10/2020	0
8/25/2020	8/25/2020	One-page C-3 report with one \$1,000 contribution from Denny Heck for Congress.	\$1,000	8/31/2020	0
9/11/2020	9/11/2020	Four-page C-3 report with 31 contributors that included all contributions from individuals between \$10 to \$250.	\$3,125	9/14/2020	0
9/28/2020	9/28/2020	One-page C-3 report with one \$25,000 contribution from the House Democratic Campaign Committee.	\$25,000	9/29/2020	0
9/28/2020	9/28/2020	One-page C-3 report with one \$50,000 contribution from the House Democratic Campaign Committee.	\$50,000	9/29/2020	0
10/5/2020	10/5/2020	Two-page C-3 report with six contributors that included two \$500 monetary contribution from WA Values PAC and WA Housing Alliance.	\$1,380	10/6/2020	0
10/8 – 10/13/2020	10/13/2020	One-page C-3 report with six contributors that included a \$1,000 contribution from Nicholas Hanauer.	\$1,400	10/13/2020	0
10/19/2020	10/19/2020	One-page C-3 report with eight contributors that included a \$1,000 contribution from the WA State Building & Construction Trades Council PAC.	\$2,330	10/20/2020	0
10/27/2020	10/27/2020	One-page C-3 report with two \$500 contributors that included IBEW PAC Educational Fund & Spokane Regional Labor Council.	\$1,000	10/28/2020	0
		<b>Total</b>	<b>\$97,150</b>		

- PDC staff reviewed the 16 C-3 reports filed by the Campaign and listed in the chart above that totaled \$97,150 in contributions received and represented 50.35 percent of the \$192,941.62 in total contributions received during the 2020 election cycle. As noted in the table above, the Campaign timely filed all 16 of the C-3 reports reviewed by staff as part of this audit.

- In addition, the review verified that the Campaign timely deposited the contributions received within five business days of receipt in accordance with RCW 42.17A.220 for all 16 of the C-3 reports reviewed by staff as part of this audit.
- PDC staff downloaded the 2020 contribution database for the Campaign as a CSV file into an Excel spreadsheet, formatted and sorted the spreadsheet, and then conducted a review of the 2020 contributor information disclosed on C-3 reports. As part of that review, staff confirmed the Campaign complied with the 2020 election contribution limits which were \$1,000 for the primary and general elections for any individual, political committee, business, labor union, association, other entities and persons (other than the caucus political committee listed above).
- Staff's review indicated the Campaign disclosed the Employer and Occupation information for 94 individuals that contributed more than \$100, although staff would note the number included individuals that also contributed less than \$100. The 94 individuals contributed \$22,615 in total contributions received, plus the Campaign disclosed an additional 34 individuals as "Not Employed" that contributed a total of \$6,565.
- The PDC audit procedures included staff identifying contributors that made monetary contributions to the Campaign and then verifying or confirming the information disclosed for that specific contribution.
- For these audits, staff verified or confirmed selected contributions received by the Campaign by reviewing the expenditure reports of continuing political action committees (PAC) that were registered and required to file C-3 and C-4 reports with the PDC in CY 2020, that made contributions in 2020 to the Campaign. Staff reviewed the contribution spreadsheet and selected 10 PAC contributors that made monetary contributions between \$500 to \$1,000 to the Campaign during the 2020 election. Once selected, staff reviewed the C-4 report filed by the PAC disclosing the contribution to the Campaign, and the corresponding C-3 report filed by the Campaign disclosing the PAC contribution. The review included listing the date the contributions were received, the date the contributions were deposited, and the date the C-3 report was filed.
- The contribution information from the Campaign C-3 reports and the contribution expenditure information from the PAC C-4 reports was entered into the chart below and included the following:

<b>Date Received Campaign</b>	<b>Contributor name</b>	<b>Amount</b>	<b>C-3 Report Filed</b>	<b>Date Made by Donor on C-4 report</b>	<b>Disclosed by Donor</b>	<b>Days Rec'd After Made</b>
9/2/2020	The Truman Fund	\$1,000	9/7/2020	8/26/2020	C-4 report	7
9/9/2020	WEA PAC	\$1,000	9/9/2020	9/2/2020	C-4 report	7
9/15/2020	WA Teamsters Legislative League	\$1,000	9/21/2020	9/9/2020	C-4 report	6
9/15/2020	AFT Washington COPE	\$1,000	9/21/2020	9/3/2020	C-4 report	12
9/17/2020	Spokane Firefighters Union PAC	\$1,000	9/21/2020	9/8/2020	C-4 report	9
9/29/2020	WA Machinists Council	\$500	9/30/2020	9/18/2020	C-4 report	11
10/2/2020	6 <sup>th</sup> Legislative District Democratic Central Comm	\$3,000	10/3/2020	10/2/2020	C-4 report	0

10/16/2020	WA Values PAC	\$500	10/16/2020	9/2/2020	C-4 report	44
10/19/2020	IBEW Local 77 PAC	\$500	10/20/2020	10/8/2020	C-4 report	11
10/19/2020	WA St Building/Construction Trades Council PAC	\$1,000	10/20/2020	10/12/2020	C-4 report	7

- The review indicated that the Campaign received and deposited all ten of the contributions selected for review within five business days of receipt as required by statute. As noted in the chart above, the Campaign disclosed the contributor's names for the 10 monetary contributions from the selected PAC's between zero to 44 days from the date the PAC's disclosed making the contributions. Staff based that information solely on the dates the expenditure for the contribution were disclosed as having been made by the PAC on the corresponding C-4 report, and the date the contribution was disclosed as having been received on the C-3 report filed by the Campaign.

#### **Timeliness and Accuracy in the filing of C-4 reports, providing expenditure information:**

- Candidates under the Full Reporting option in 2020 were required to file monthly C-4 reports by the 10th of each month disclosing contribution and expenditure activities incurred in the previous calendar month. Candidates appearing on the 2020 primary and general election ballots were required to file the following C-4 reports:
  - A 21-day Pre-Primary Election C-4 report was due on July 14, 2020, covering the period June 1 through July 13, 2020.
  - A 7-day Pre-Primary Election C-4 report was due on July 28, 2020, covering the period July 14 through July 27, 2020.
  - A Post-Primary Election C-4 report was due by September 10, 2020, covering the period July 28 through August 31, 2020.
  - A 21-day Pre-General Election C-4 report was due on October 13, 2020, covering the period September 1 through October 12, 2020.
  - A 7-day pre-General Election C-4 report was due on October 27, 2020, covering the period October 13 through October 26, 2020.
  - A Post-General Election C-4 report was due by December 10, 2020, covering the period October 27 through November 30, 2020.
- During 2020, the Campaign timely filed C-3 and C-4 reports throughout the year including the 21-Day and 7-Day Pre-Primary and Pre-General Election C-4 reports as detailed in the chart below.

<b>C-4 Report</b>	<b>Date Due</b>	<b>Date Filed</b>	<b>Contributions Received</b>	<b>Expenditures Made</b>	<b>Expenditure details</b>	<b>Days Late</b>
May 2020	6/10/2020	6/5/2020	\$3,885.15	\$1,586.74	Two in-kind contributions from the WSDCC totaling \$1,441.62 for voter info/DB; and two in-kind cont. from	0

					the candidate totaling \$111.33 for PO Box and web domain.	
21-Day Pre Primary C-4 report	7/14/2020	7/14/2020	\$19,544	\$3,070.68	Two in-kind contributions from an individual totaling \$1,500 for video editing; \$1,000 expend. to Leadership for Educational for service.	0
7-Day Pre Primary C-4 report	7/28/2020	7/28/2020	\$1,280.19	\$787.45	A \$477.80 expenditure to Lawton Printing to print 2,500 slim jims.	0
Post-Primary C-4 report	9/10/2020	9/1/2018	\$15,583	\$6,932.12	A \$2,366.19 expenditure to Preferred Labor Sign for 500 yard signs; \$1,300 to NWP Consulting for digital ads; a \$1,000 IK cont. for graphic design from an individual.	0
21-Day Pre-General C-4 Report	10/13/2020	10/13/2020	\$131,175	\$39,205.34	Three expenditures to Genius Monkey totaling \$6,800 for digital ads (Sept/early Oct.); \$8,375.18 for postage for 36,320 mail pieces; two expenditures totaling \$6,000 for loan repayment to the candidate; \$5,491 for two expenditures to IHeart Media for radio ads thru November 3 <sup>rd</sup> .	0
7-Day Pre-General C-4 report	10/27/2020	10/27/2020	\$14,167.50	\$66,806.51	Four expenditures to NWP Consulting for Comcast Cable TV buy totaling \$35,000 from 10/7 thru 11/3; two expenditures to Lawton Printing totaling \$15,164.33 to print 36,230 & 10,021 mail pieces; and two expenditures to US Postal Service totaling \$10,489.69 for postage for two mailings.	0
Post General election C-4 report	12/10/2020	12/9/2020	\$4,800.53	\$62,438.82	Two expenditures to Lawton Printing totaling \$19,543 to print 35,377 & 27,118 mail pieces; three expenditures to NWP Consulting totaling \$16,140 for TV media buy on local Spokane stations and digital ad buy on Deploy; two expenditures to HEG LLC totaling \$10,077.48 for robo calls (10/10 thru 11/3).	0

- The Campaign disclosed a \$6,000 debt on the Post-Primary Election C-4 report for two candidate loans made on August 3, 2020 (\$5,000) and on August 4, 2020 (\$1,000).

- There were two candidate loans disclosed as having been made on August 3 and 4, 2020, totaling \$6,000. The \$6,000 candidate loans were both repaid by the Campaign on October 11, 2020.
- The C-4 reports timely disclosed expenditure information for payments made to vendors, largely involving political advertisements, and other miscellaneous Campaign services provided during the 2020 election cycle. The vendors receiving the largest Campaign expenditures during the 2020 election included the following:
  1. Eight expenditures were made to Northwest Passages Consulting (NWP Consulting) for four cable TV media buys, two local Spokane area TV media buys, and two digital advertising buys.
  2. Six expenditures were made to Lawton Printing Services totaling \$37,574.41 to print Campaign postcards, walking pieces and slim jims.
  3. Eight expenditures were made to the US Postal Service totaling \$25,437.69 for postage for campaign mailers and political advertisements.
  4. Two expenditures were made to HEG LLC totaling \$10,077.48 to place 23,994 telephone connections.
- As part of the audit, PDC staff requested the Campaign provide copies of the books of accounts maintained for the expenditures listed below that were made by the 2020 Campaign including supporting documentation such as invoices, receipts, cancelled checks, notes, emails, etc.
- On June 16, 2021, the PDC received an email from Andrew Taylor, Campaign Ministerial Treasurer, that included PDF attachments providing the copies of the requested books of account documentation for the expenditures listed in the Audit letter. **Audit Exhibit #1** In addition, the documents also included a letter concerning the 2020 campaign practices such as contribution and expenditure processing procedures, and the maintenance of the campaign books of account. **(Audit Exhibit #2)**
- The Campaign expenditures selected for review are detailed below and included a summary of each expenditure such as the date, amount and a description of the services disclosed on the C-4 reports. The summary was taken from copies of the books of account information provided by the Campaign as detailed below.

Campaign expenditures made to Northwest Passage Consulting (NWP)

- PDC staff requested documentation for the following expenditures made to NWP in 2020 by the Campaign: (1) three \$10,000 expenditures made on October 15, 16, and 19, 2020, for three media buys for “advertising on Comcast Cable, Spokane Zone 1/7 – 11/3”; (2) a \$6,000 expenditure made on October 30, 2020, for “On Line Media: Digital on Deploy; Comcast Ad Buy”; (3) a \$6,000 expenditure made on October 29, 2020, for a “tv ads (10/19 – 11/3. KREM, KHQ, KXLY)”; and (4) a \$4,140 expenditure made on October 30, 2020 for “TV Advertising 10/27 – 11/2, KHQ, KXLY, and KREM.”

- The documentation provided for NWP by the Campaign included the following: (1) NWP invoice #2013702 dated October 26, 2020, made out to the Campaign, and totaling \$4,140. The invoice included three descriptions that stated “CABLE: Broadcast on KXLY 10/27-11/2” totaling \$1,710; “CABLE: Broadcast on KHQ 10/27-11/2” totaling \$1,250; and “CABLE: Broadcast on KREM 10/27-11/2” totaling \$1,180. (2) NWP invoice #2013511 dated October 6, 2020, was made out to the Campaign and totaling \$35,000, and included the description “MEDIA BUY: Cable Spokane Zone, 10/7 – 11/3, Vendor: Comcast Cable.” (3) NWP invoice #2013667 dated October 23, 2020, made out to the Campaign and totaling \$6,000, and stated in the description field “MEDIA BUY: Broadcast KREM (10/19 – 11/3), \$1,300; KHQ (10/24 – 10/30), \$2343; KXLY (10/26-11/2), \$2,347.”

#### Campaign expenditures made to Lawton Printing Services

- Three expenditures were made by the Campaign to Lawton Printing Services totaling \$30,008.49 that included: (1) a \$10,462.02 expenditure made on October 28, 2020, for “postcard mailing #2, 35,377 pieces”; (2) a \$10,455.49 expenditure made on October 14, 2020, for “postcard mailing - 36230 pieces” and (3) a \$9,090.98 expenditure made on October 28, 2020, for “postcard mailing #3, 27,118 pieces.”
- The documentation provided for Lawton Printing Services (LPS) by the Campaign included the following: (1) LPS invoice #48209 dated October 26, 2020, made out to the Campaign and totaling \$9,090.98. The invoice included Job Number 91011, the Terms as “COD” and the quantity stated 27,118 pieces were printed with the description stating for “Postcard Mailing #3” totaling \$8,244.01, “Alterations – Change to Artwork, PDF Proof” totaling \$104, and “Postage \$6,727.82 – MAKE CHECK PAYABLE TO USPS”; and (2) LPS invoice #48135 dated October 2, 2020, made out to the Campaign and totaling \$10,455.49. The invoice included Job Number 91008, the Terms as “COD” and the quantity stated 36,230 pieces were printed for “Postcard Mailing” totaling \$9,601, and “Postage \$8,370 – MAKE CHECK PAYABLE TO USPS.”
- In addition, the documentation included LPS invoice #48179 dated October 20, 2020, made out to the Campaign and totaling \$10,462.02. The invoice included Job Number 91010, the Terms as “COD” and the quantity stated 35,377 pieces were printed with the description stating for “Postcard Mailing #2” totaling \$9,375, “Alterations – Change to Artwork, PDF Proof, rework Database” totaling \$232, and “Postage \$8,168.32 – MAKE CHECK PAYABLE TO USPS.”

#### Campaign expenditures made to Heg, LLC

- Two expenditures were made by the Campaign to Heg, LLC on November 30, 2020, totaling \$10,077.48 that included a \$10,000 expenditure for “23,994 phone connections at \$.42 each. 10/10 – 11/3”; and a \$77.48 expenditure for “23,994 connections, 10/10 – 11/3.” Heg, LLC is a consulting firm out of Georgia “that specializes in candidate and issue campaigns, consulting and public affairs, and has provided consulting and other services to “numerous clients across the country since its creation.” Heg, LLC’s “current work is focused on targeting/data analytics, consulting, polling, and training candidates for office.”
- The documentation provided for Heg, LLC by the Campaign included a November 10, 2020, email from Fred Hicks, with Heg, LLC to Riley Smith, Campaign Manager in which he attached two spreadsheets that summarized the calls and costs.

- The other spreadsheet was a summary of the call results that included the number of calls made, and the costs as noted in the table below.

Dates	# Telephone Connections	Per Call Cost	Cost
10/10/2020	8,693	\$ 0.42	\$ 3,651.06
10/26/2020	13,493	\$ 0.42	\$ 5,667.06
11/1/2020	777	\$ 0.42	\$ 326.34
11/3/2020	1,031	\$ 0.42	\$ 433.02
Total	23,994		\$ 10,077.48

Campaign expenditures made to Genius Monkey

- Three expenditures were made to Genius Monkey totaling \$6,800 that included: (1) a \$2,300 expenditure made on October 7, 2020 for “digital ads”; (2) a \$2,250 expenditure made on September 11, 2020 for “9/8 – 9/30 digital advertising”; and (3) a \$2,250 expenditure made on September 21, 2020 for “digital advertising 9/8 – 9/30, 2<sup>nd</sup> pymt.” Genius Monkey is a digital advertising technology firm located in Arizona that states it has “an advanced full-service ad platform.”
- The documentation provided by the Campaign for the Genius Monkey expenditures included the following: (1) a September 21, 2020 email from Genius Monkey Support sent to the Campaign stating “Your Genius Monkey account has been billed a total of \$2,250” with a description of the payment details listed below. The details included “**Reference ID: #11845-26437, Service** OOIA, **Description** Zack Zappone 9/8-9/30. 1/2 charge” with a total cost of \$2,250; (2) a September 21, 2020 email from Genius Monkey Support sent to the Campaign stating “Your Genius Monkey account has been billed a total of \$2,250” with a description of the payment details listed below. The details included “**Reference ID: #11845-26474, Service** OOIA, **Description** Zack Zappone 9/8-9/30. 2/2 charge” with a total cost of \$2,250.
- The documentation for the \$2,300 expenditure made on October 7, 2020 was for two billings that included : (1) an October 5, 2020 email from Genius Monkey Support sent to the Campaign stating “Your Genius Monkey account has been billed a total of \$1,300” with a description of the payment details listed below. The details included “**Reference ID: #11845-26598, Service/Description** Optimize Display Zack Zappone” with a total cost of \$1,300; and (2) an October 6, 2020 email from Genius Monkey Support sent to the Campaign stating “Your Genius Monkey account has been billed a total of \$1,000” with a description of the payment details listed below. The details included “**Reference ID: #11845-26606, Service/Description** Optimize Display Zack Zappone” with an additional cost of \$1,000.

Campaign expenditures made to IHeart Media

- Two expenditures were made to IHeart Media totaling \$5,491 that included a \$3,491 expenditure made on October 6, 2020 for “radio ads on KCDA 103.1 and KISC 98.1 thru Nov 3, 2 of 2”; and a \$2,000 expenditure made on October 3, 2020 for “radio ads on KCDA 103.1 and KISC 98.1.”

- The documentation provided by the Campaign for the IHeart Media expenditures included a September 14-25, 2020, email string between Riley Smith, Campaign Manager and Christopher Murray, an IHeart Media representative working with the Campaign. The email string began with Mr. Murray sending the ad rates for all Spokane radio stations to Mr. Smith, and Mr. Smith followed with a request for any listener demographic information for the stations. Mr. Smith stated “So we have a schedule put together and we are ready to reserve our spots. We won't be able to record the spots until early next week, but I wanted to get this moving. I know we are going to start running on October 12th and go through November 3rd. I also have specific time slots for stations ready to give you.”
- The documentation also included: (1) an October 2, 2020, email sent from the IHeart Media Payment Center to Mr. Murray concerning the Campaign radio ad buy. The IHeart Media invoice indicated that the Campaign made a \$2,000 payment on October 2, 2020, Payment #1874736; (2) an IHeart Media schedule summary of the proposed radio buy for the Campaign that included “Flight Dates: 10/5/2- - 11/03/20”, with the “Target Demo”: listed as Adults 18+ in the Spokane Market, for a total of 134 spots totaling \$6,460; (3) a second October 2, 2020, email sent from the IHeart Media Payment Center to Mr. Murray concerning the Campaign radio ad buy, indicating that the Campaign made a \$3,491 payment for the final payment for the radio spots for IHeart Media Payment #1874730.
- As part of the audit, PDC staff requested each Campaign provide information concerning general campaign practices such as internal compliance controls, procedures for processing, depositing, recording and disclosure of contribution, procedures for making and reporting expenditures, including for debts, obligations, and orders placed, in-kind contributions, and candidate loans.
- The June 16, 2021, email received from Mr. Taylor included an attached letter to PDC staff providing the requested information concerning campaign practices, internal compliance controls, procedures for processing and reporting contribution and expenditure activities.

### 2020 Contribution Process

- Mr. Taylor stated that the monetary contributions received by the Campaign were received by Mr. Zappone, either in-person or by mail. He stated that Mr. Zappone would make remote deposits thru the Spokane Teachers Credit Union application as the monetary contribution checks were received by him. Mr. Zappone would obtain the relevant employer and employment information from contributors as required, and he would email copies of checks and employment info to him as Campaign Treasurer.
- Mr. Taylor stated that he would match up the total contributions received for a C-3 report to corresponding bank deposits made into the Campaign bank account. He would then enter the contributor information into the PDC's Online Reporting of Campaign Activity (ORCA) software and balance ORCA to the bank account. He stated that both cash and the monetary check contributions were deposited into the Campaign bank account as they were received.
- Mr. Taylor stated the online contributions that were received by the Campaign were processed through ActBlue. He stated the deposits for the online contributions were made to the campaign bank account after two business days.



- Mr. Taylor stated that he personally checked the online bank statements daily, accessed the online ActBlue account information to obtain details of contributions received by the Campaign, entered the information into the ORCA software, and then reconciled and balanced ORCA to the Campaign bank account. He stated that in-kind contributions received by the Campaign were identified on invoices received by the candidate, Mr. Zappone and then emailed to him where he would enter the appropriate information into the ORCA software when received. He filed the C-3 reports on Mondays to ensure contributions and deposits were reported timely.

#### 2020 Expenditure Process

- Mr. Taylor stated that either Mr. Zappone or Riley Smith, Campaign Manager placed the orders for all Campaign expenditures and purchases including for political advertisements, and that both “communicated with each other regarding orders placed.” He stated that the Campaign vendors would provide the invoices to either Mr. Zappone or Mr. Smith when the orders placed had been completed and the goods or services were provided. He stated Mr. Zappone or Mr. Smith verified that orders placed “were received and invoices were accurate before paying by check (Zack) or BillPay (Riley).”
- Mr. Taylor stated that copies of the invoices were emailed to him, and he would monitor the daily bank account balance, reconcile expenditures/disbursements to the invoices, and input the expenditure information into the ORCA program. He stated that on occasion, he would make a payment to a vendor using BillPay when requested, and then file the Campaign C-4 reports electronically through ORCA on or before the required due date.

#### 2020 Filing Process for C-3 and C-4 reports/Campaign Records and Books of Account

- Mr. Taylor stated that he filed C-3 reports every Monday or sooner “to ensure contributions and deposits were reported timely” and he would file the required C-4 reports on or before the due dates through ORCA. He stated that both Mr. Zappone and Mr. Smith reviewed “the contributions and expenditures detail on the PDC website to ensure accuracy and timeliness.” In addition, Mr. Zappone “maintained a spreadsheet on contributions when received which he could review” and Mr. Smith maintained a detailed Campaign budget “worksheet for contributions and expenditures which he and Zack also could review PDC info with.”
- Mr. Taylor stated, as noted above, that Mr. Zappone maintained a contributor spreadsheet for contributions received by the Campaign which he reviewed for both the PDC information being disclosed on the C-3 reports but to also “track his sending of thank you letters to contributors.” The budget worksheet maintained by Mr. Smith was also used by the Campaign to monitor contribution and expenditure activities against the budget.
- Mr. Taylor stated that he maintained all Campaign “emails regarding the campaign contributions and expenditures, including contributor info on contributions by check and invoices, in a separate inbox folder for the campaign for audit purposes.” He stated that he also maintained all Campaign contribution and expenditure details through the ORCA software, and that ActBlue maintained the detailed information for online contributions processed through their website. He stated that during the 2020 election, the Campaign did not receive a request to inspect the records, but noted the records were available for inspection had a request been made.

- Mr. Taylor stated that the 2020 Campaign did reimburse both Mr. Zappone and Mr. Smith, and on occasion volunteers also received reimbursement for out-of-pocket expenditures. He stated to receive reimbursement, the Campaign required the individual to provide details of expenditures and copies of receipts that were approved and emailed by Mr. Zappone or Mr. Smith to him. Mr. Taylor stated he would request additional information for an expenditure “if he felt the nature of the reimbursement wasn’t clear.” He stated that he maintained all Campaign emails concerning “reimbursements in a separate inbox folder for the campaign for audit purposes” and that every reimbursement made by the Campaign had copies of the receipt or proper documentation.

#### IV.

#### Audit Documents Reviewed, Provided and Respondent Correspondence

- C-1 reports, C-3 reports, and C-4 reports filed by the 2020 Zachary Zappone for State Representative Campaign covering the period of May 18 through December 31, 2020.
- Email exchanges between PDC staff, and Andrew Taylor, Ministerial Campaign Treasurer on behalf of the 2020 Zachary Zappone for State Representative Campaign.
- PDC staff queried the PDC Contribution and Expenditure database for the 2020 Zachary Zappone for State Representative Campaign contribution and expenditure information covering the period of May 18 through December 31, 2020.

#### V.

#### Statutes and Rules

- **RCW 42.17A.235 and 240** require continuing political committees under the Full Reporting Option to file timely, accurate C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by the committee. Under the full reporting option, until five months before the general election, C-4 reports are required monthly when contributions or expenditures exceed \$200 since the last report. Beginning June 1<sup>st</sup> for every political committees participating in an election, C-4 reports are required 21 and 7 days before each election in which the committee receives contributions or makes expenditures, and in the month following the election. Monetary contributions are reported weekly during this same time and are required to be disclosed on a C-3 report filed every Monday for monetary contributions deposited into the committee bank account the previous five business days.
- **RCW 42.17A.220** requires political committee to deposit monetary contributions received shall be deposited by political committee members, paid staff, or treasurers in a depository in an account established and designated for that purpose. Such deposits shall be made within five business days of receipt of the contribution.

Respectfully submitted this 29<sup>th</sup> day of July 2021.

---

Electronically Signed Kurt Young  
PDC Compliance Officer

**Audit Exhibits**

**Audit Exhibit #1** Documents provided on June 18, 2021, by the 2020 Zachary Zappone Campaign in response to the audit letter.

**Audit Exhibit #2** Memorandum/letter provided on June 18, 2021, by 2020 the Zachary Zappone Campaign concerning campaign practices, procedures, and internal controls.

NWP Consulting

105 S. Main Street, Ste 332  
Seattle, WA 98104

# Invoice

Date	Invoice #
10/26/2020	2013702

Bill To
Friends of Zack Zappone PO Box 48697 Spokane, WA 99208

Description	Amount
CABLE: Broadcast on KXLY 10/27-11/2	1,710.00
CABLE : Broadcast on KHQ 10/27-11/2	1,250.00
CABLE : Broadcast on KREM 10/27-11/2	1,180.00
Sales Tax	0.00
<b>Total</b>	<b>\$4,140.00</b>

Audit Exhibit #1

NWP Consulting  
105 S. Main Street, Ste 332  
Seattle, WA 98104

# Invoice

Date	Invoice #
10/6/2020	2013511

Bill To
Friends of Zack Zappone PO Box 48697 Spokane, WA 99208

Description	Amount
MEDIA BUY: Cable, Spokane Zone, 10/7-11/3	35,000.00
Vendor: Comcast Cable	
Sales Tax	0.00
<b>Total</b>	<b>\$35,000.00</b>

NWP Consulting  
 105 S. Main Street, Ste 332  
 Seattle, WA 98104

# Invoice

Date	Invoice #
10/23/2020	2013667

<b>Bill To</b>
Friends of Zack Zappone PO Box 48697 Spokane, WA 99208

Description	Amount
MEDIA BUY: Broadcast KREM (10/19-11/3), \$1300 KHQ (10/24-10/30) \$2353 KXLY (10/26-11/2) \$2347	6,000.00
Sales Tax	0.00
<b>Total</b>	<b>\$6,000.00</b>



# Invoice

Date	Invoice #
10/26/2020	48209

<b>Bill To:</b>
Friends of Zach Zappone Accounts Payable P.O. Box 48697 Spokane, WA 99208

<b>Remit To:</b>
<b>Lawton Printing, Inc</b> 4111 E Mission Ave Spokane, WA 99202  Phone (509) 321-1422

<b>Job Number</b>
91011

<b>P.O. Number</b>

<b>Terms</b>
COD

Quantity	Description	Amount
27,118	Postcard Mailing #3	8,244.01T
	Alterations - Changes to Artwork, PDF Proof	104.00T
	Postage: \$6,727.82 - MAKE CHECK PAYABLE TO USPS	

Finance charges of 1.5% per month will be added to all past due invoices.

\*\* If paying with a credit card there will be a 3% handling charge. \*\*

--

<b>Subtotal</b>	\$8,348.01
<b>Sales Tax (8.9%)</b>	\$742.97
<b>Payments/Credits</b>	\$0.00
<b>Total Due:</b>	<b>\$9,090.98</b>



# Invoice

Date	Invoice #
10/2/2020	48135

<b>Bill To:</b>
Friends of Zach Zappone Accounts Payable P.O. Box 48697 Spokane, WA 99208

<b>Remit To:</b>
<b>Lawton Printing, Inc</b> 4111 E Mission Ave Spokane, WA 99202  Phone (509) 321-1422

<b>Job Number</b>
91008

<b>P.O. Number</b>

<b>Terms</b>
COD

Quantity	Description	Amount
36,230	Postcard Mailing  Postage \$8,370.00: MAKE CHECK PAYABLE TO USPS	9,601.00T

Finance charges of 1.5% per month will be added to all past due invoices.

\*\* If paying with a credit card there will be a 3% handling charge. \*\*

--

<b>Subtotal</b>	\$9,601.00
<b>Sales Tax (8.9%)</b>	\$854.49
<b>Payments/Credits</b>	\$0.00
<b>Total Due:</b>	<b>\$10,455.49</b>





# Invoice

Date	Invoice #
10/20/2020	48179

<b>Bill To:</b>
Friends of Zach Zappone Accounts Payable P.O. Box 48697 Spokane, WA 99208

<b>Remit To:</b>
<b>Lawton Printing, Inc</b> 4111 E Mission Ave Spokane, WA 99202  Phone (509) 321-1422

<b>Job Number</b>
91010

<b>P.O. Number</b>

<b>Terms</b>
COD

Quantity	Description	Amount
35,377	Postcard Mailing #2	9,375.00T
	Alterations - Changes to Artwork, New Art and PDF Proof, Rework Database	232.00T
	Postage: \$8,168.32 - MAKE CHECK PAYABLE TO USPS	

Finance charges of 1.5% per month will be added to all past due invoices.

\*\* If paying with a credit card there will be a 3% handling charge. \*\*

--

<b>Subtotal</b>	\$9,607.00
<b>Sales Tax (8.9%)</b>	\$855.02
<b>Payments/Credits</b>	\$0.00
<b>Total Due:</b>	<b>\$10,462.02</b>

*Created Especially for*

# **Zack Zappone for State Representative**

**Please Contact Christopher Murray**  
account executive  
(Phone)727-310-2543  
[christophermurray@iheartmedia.com](mailto:christophermurray@iheartmedia.com)

## Schedule Summary

Flight Date: 10/05/20 - 11/03/20

Header #: 22886988

Target Demo: Adults 18+

Multi-Market Summary					
Market	Total Spots	Rch %	Freq	GIMP	Total Cost
Spokane	134	12.7	4.4	299,000	\$6,460
Schedule Total	134	12.7	4.4	299,000	\$6,460

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Please Contact Christopher Murray  
account executive  
(Phone)727-310-2543  
christophermurray@iheartmedia.com

## Schedule

Survey: Spokane Jun20-AUG20 MSA Nielsen Audio CDM Order #: 22886988

Target Demo: Adults 18+

Daypart	Spt / Wk	Len	Spt \$	Reach	Freq	GIMP	Total Cost
<b>KCDA-FM (Modern AC, 103.1)</b>							
M 6a-10a	2	30	\$50	10,162	2.4	24,800	\$400
Tu 6a-10a	2	30	\$50	10,162	2.4	24,800	\$400
W 6a-10a	2	30	\$50	10,162	2.4	24,800	\$400
Th 6a-10a	2	30	\$50	10,162	2.4	24,800	\$400
F 6a-10a	2	30	\$50	10,162	2.4	24,800	\$400
M 3p-7p	1	30	\$40	5,381	1.3	7,200	\$160
Tu 3p-7p	1	30	\$40	5,381	1.3	7,200	\$160
W 3p-7p	1	30	\$40	5,381	1.3	7,200	\$160
Th 3p-7p	1	30	\$40	5,381	1.3	7,200	\$160
F 3p-7p	1	30	\$40	5,381	1.3	7,200	\$160
Sa 3p-7p	1	30	\$22	3,370	2.0	6,800	\$88
Su 3p-7p	1	30	\$20	1,358	1.8	2,400	\$80
<b>10/05/20-11/01/20 (4Wks)</b>	<b>17</b>		<b>\$44</b>	<b>36,148</b>	<b>4.7</b>	<b>169,200</b>	<b>\$2,968</b>
M 6a-10a	3	30	\$50	6,261	1.5	9,300	\$150
Tu 6a-10a	3	30	\$50	6,261	1.5	9,300	\$150
M 3p-7p	2	30	\$40	3,246	1.1	3,600	\$80
Tu 3p-7p	2	30	\$40	3,246	1.1	3,600	\$80
<b>11/02/20-11/03/20 (1Wk)</b>	<b>10</b>		<b>\$46</b>	<b>14,059</b>	<b>1.8</b>	<b>25,800</b>	<b>\$460</b>
<b>Total</b>	<b>16</b>		<b>\$44</b>	<b>37,815</b>	<b>5.2</b>	<b>195,000</b>	<b>\$3,428</b>
<b>KISC-FM (Soft AC, 98.1)</b>							
M 6a-10a	1	30	\$60	4,675	1.5	6,800	\$240
Tu 6a-10a	1	30	\$60	4,675	1.5	6,800	\$240
W 6a-10a	1	30	\$60	4,675	1.5	6,800	\$240
Th 6a-10a	1	30	\$60	4,675	1.5	6,800	\$240
F 6a-10a	1	30	\$60	4,675	1.5	6,800	\$240
M 3p-7p	1	30	\$60	6,277	1.4	8,800	\$240
Tu 3p-7p	1	30	\$60	6,277	1.4	8,800	\$240
W 3p-7p	1	30	\$60	6,277	1.4	8,800	\$240
Th 3p-7p	1	30	\$60	6,277	1.4	8,800	\$240
F 3p-7p	1	30	\$60	6,277	1.4	8,800	\$240
Sa 3p-7p	1	30	\$20	3,699	1.7	6,400	\$80
Su 3p-7p	1	30	\$18	2,479	1.6	4,000	\$72
<b>10/05/20-11/01/20 (4Wks)</b>	<b>12</b>		<b>\$53</b>	<b>31,184</b>	<b>2.8</b>	<b>88,400</b>	<b>\$2,552</b>
M 6a-10a	2	30	\$60	2,918	1.2	3,400	\$120
Tu 6a-10a	2	30	\$60	2,918	1.2	3,400	\$120
M 3p-7p	2	30	\$60	3,817	1.2	4,400	\$120
Tu 3p-7p	2	30	\$60	3,817	1.2	4,400	\$120
<b>11/02/20-11/03/20 (1Wk)</b>	<b>8</b>		<b>\$60</b>	<b>10,808</b>	<b>1.4</b>	<b>15,600</b>	<b>\$480</b>
<b>Total</b>	<b>11</b>		<b>\$54</b>	<b>32,817</b>	<b>3.2</b>	<b>104,000</b>	<b>\$3,032</b>
<b>Grand Total</b>	<b>27</b>		<b>\$48</b>	<b>68,328</b>	<b>4.4</b>	<b>299,000</b>	<b>\$6,460</b>

Multi-week cumes derived from Arbitron Cume SlideRule. © Copyright 2020 Strata NuMath research.

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Nondiscrimination –Paragraphs 49 and 50 of the United States Federal Communications Commission’s Report and Order No. 07-217 provides that broadcast stations’ advertising contracts will not discriminate on the basis of race or ethnicity, and must contain nondiscrimination clauses. Consistent with this order, Katz Communications, Inc. (including any subsidiary or division of Katz Communications, Inc.) does not discriminate in any broadcast advertising contract on the basis of race or ethnicity and evaluates, negotiates and completes broadcast advertising contracts without regard to race or ethnicity.

## Kurt Young

---

**From:** Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>  
**Sent:** Friday, October 2, 2020 11:58 AM  
**To:** looguat@msn.com  
**Subject:** Fwd: FW: [EXTERNAL] iHeartMedia Payment #1874736

(1/2) Passing along 2 different payment confirmations for radio ads. The total is \$5,491 to iHeartMedia

### Riley Smith

Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----

**From:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Date:** Fri, Oct 2, 2020 at 11:51 AM  
**Subject:** FW: [EXTERNAL] iHeartMedia Payment #1874736  
**To:** Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>

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**From:** iHeartMedia Payment Center ([donotreply@iheartmedia.com](mailto:donotreply@iheartmedia.com)) <[system@sent-via.netsuite.com](mailto:system@sent-via.netsuite.com)>  
**Sent:** Friday, October 2, 2020 2:47 PM  
**To:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Cc:** Milton, Sandra <[SandraMilton@iheartmedia.com](mailto:SandraMilton@iheartmedia.com)>  
**Subject:** [EXTERNAL] iHeartMedia Payment #1874736

Thank you for your payment!  
Your payment has been successfully processed. You'll find your transaction information below.

---

Zack Zappone

MasterCard — \*\*\*4484

Ref. # — 6016644270506264204277

October 2, 2020

Payment #1874736

Invoice/Order #	Amount
attachment	\$2,000.00
<b>Credits</b>	<b>\$0.00</b>
<b>Total</b>	<b>\$2,000.00</b>

**Advertiser** — Zack Zappone for State Representative

**Agency** — -

**Account Executive** — Christopher Murray

**Comment** — prepay

We value your business and look forward to serving you!  
Thank you for choosing iHeartMedia

Please do not reply to this email.  
© 2018 iHeartMedia

**CAUTION:** This message originated from outside of the company. Please take all precautions when opening attachments or links from outside sources.

Fwd: FW: [EXTERNAL] iHeartMedia Paym... [Download](#) [Couldn't save](#)

**From:** iHeartMedia Payment Center ([donotreply@iheartmedia.com](mailto:donotreply@iheartmedia.com)) <[system@sent-via.net](mailto:system@sent-via.net)>  
**Sent:** Friday, October 2, 2020 2:55 PM  
**To:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Cc:** Milton, Sandra <[SandraMilton@iheartmedia.com](mailto:SandraMilton@iheartmedia.com)>  
**Subject:** [EXTERNAL] iHeartMedia Payment #1874760

Thank you for your payment!  
Your payment has been successfully processed. You'll find your  
information below.

eCheck — \*\*\*2526



## Kurt Young

---

**Sent:** Friday, October 2, 2020 11:58 AM  
**To:** ANDREW JUNNIE TAYLOR  
**Subject:** Fwd: FW: [EXTERNAL] iHeartMedia Payment #1874736

(1/2) Passing along 2 different payment confirmations for radio ads. The total is \$5,491 to iHeartMedia

### Riley Smith

Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----

**From:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Date:** Fri, Oct 2, 2020 at 11:51 AM  
**Subject:** FW: [EXTERNAL] iHeartMedia Payment #1874736  
**To:** Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>

---

**From:** iHeartMedia Payment Center ([donotreply@iheartmedia.com](mailto:donotreply@iheartmedia.com)) <[system@sent-via.netsuite.com](mailto:system@sent-via.netsuite.com)>  
**Sent:** Friday, October 2, 2020 2:47 PM  
**To:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Cc:** Milton, Sandra <[SandraMilton@iheartmedia.com](mailto:SandraMilton@iheartmedia.com)>  
**Subject:** [EXTERNAL] iHeartMedia Payment #1874736

Thank you for your payment!  
Your payment has been successfully processed. You'll find your transaction information below.

---

Zack Zappone

MasterCard — \*\*\*4484

Ref. # — 6016644270506264204277

October 2, 2020

Payment #1874736

Invoice/Order #	Amount
attachment	\$2,000.00
<b>Credits</b>	<b>\$0.00</b>
<b>Total</b>	<b>\$2,000.00</b>

**Advertiser** — Zack Zappone for State Representative

**Agency** — -

**Account Executive** — Christopher Murray

**Comment** — prepay

We value your business and look forward to serving you!  
Thank you for choosing iHeartMedia

Please do not reply to this email.  
© 2018 iHeartMedia

**CAUTION:** This message originated from outside of the company. Please take all precautions when opening attachments or links from outside sources.

## Kurt Young

---

**From:** Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>  
**Sent:** Tuesday, November 24, 2020 3:58 PM  
**To:** looguat@msn.com  
**Cc:** Team Zack Zappone  
**Subject:** Fwd: Invoice  
**Attachments:** Zappone Calls Invoice.xlsx; Zappone Final Results.csv

Here is the invoice for those checks you asked about. These are paid phone calls. Sorry about that!

**Riley Smith**  
Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----  
From: **Fred H** <[fred@fredhicks.com](mailto:fred@fredhicks.com)>  
Date: Tue, Nov 10, 2020 at 11:30 AM  
Subject: Re: Invoice  
To: Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>

Riley,

Thank you for the opportunity to work together. I was rooting hard for the team. I hope this isn't the last run for Zack (I know it isn't) and I hope we are part of the next round. Lots ahead.

I am attaching two spreadsheets. One is the summary of the calls and cost. The other is the results of the final round of calls.

--Fred

Sincerely,

Fredrick Hicks  
[Read: Meet Top Ranked Political Consultant Fred Hicks](#)  
IG/Twitter: @hicksreport

On Mon, Nov 9, 2020 at 5:46 PM Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)> wrote:  
Hey Fred,

Thanks for all your help this cycle! Would you mind providing an invoice so we can get you paid?

Thanks,

**Riley Smith**  
Campaign Manager | Zappone for State Representative  
(509) 723-3811

Date	Connectio	Unit Cost	Cost
10/10/2020	8693	0.42	\$3,651.06
10/26/2020	13493	0.42	\$5,667.06
11/1/2020	777	0.42	\$326.34
11/3/2020	1031	0.42	\$433.02
Total	23994		\$10,077.48

## Kurt Young

---

**From:** Riley Smith <smith.riley26@gmail.com>  
**Sent:** Monday, September 21, 2020 9:40 AM  
**To:** looguat@msn.com  
**Subject:** Fwd: Genius Monkey: Payment Processed Notification

### Riley Smith

Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----

From: **Genius Monkey Support** <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>  
Date: Mon, Sep 21, 2020 at 9:37 AM  
Subject: Genius Monkey: Payment Processed Notification  
To: <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>, <[Ty.Williams@educationalequity.org](mailto:Ty.Williams@educationalequity.org)>, <[aaron.r@geniusmonkey.com](mailto:aaron.r@geniusmonkey.com)>, <[info@zackzappone.com](mailto:info@zackzappone.com)>  
Cc: <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>

Your Genius Monkey account has been billed a total of **\$2,250.00**.  
Below is a description of your payment's details. If you have any questions, please feel free to contact your account representative.

Thank you,

**Genius Monkey Support**  
[www.geniusmonkey.com](http://www.geniusmonkey.com)



### Reference ID: #11845-26474

Service	Description	Cost
OOIA	Zack Zappone 9/8-9/30. 2/2 charge	\$2,250.00
Total:		\$2,250.00

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80 East Rio Salado Parkway, Suite 814, Tempe, AZ 85281 - 800-595-3462

## Kurt Young

---

**From:** Team Zack Zappone <info@zackzappone.com>  
**Sent:** Friday, September 11, 2020 2:31 PM  
**To:** looguat@msn.com  
**Subject:** Fwd: Genius Monkey: Payment Processed Notification

----- Forwarded message -----

From: **Genius Monkey Support** <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>  
Date: Fri, Sep 11, 2020, 9:06 AM  
Subject: Genius Monkey: Payment Processed Notification  
To: <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>, <[Ty.Williams@educationalequity.org](mailto:Ty.Williams@educationalequity.org)>, <[aaron.r@geniusmonkey.com](mailto:aaron.r@geniusmonkey.com)>, <[info@zackzappone.com](mailto:info@zackzappone.com)>  
Cc: <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>

Your Genius Monkey account has been billed a total of **\$2,250.00**.  
Below is a description of your payment's details. If you have any questions, please feel free to contact your account representative.

Thank you,

**Genius Monkey Support**  
[www.geniusmonkey.com](http://www.geniusmonkey.com)



**Reference ID: #11845-26437**

Service	Description	Cost
OoIA	Zack Zappone 9/8-9/30. 1/2 charge	\$2,250.00
Total:		\$2,250.00

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## Kurt Young

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**From:** Riley Smith <smith.riley26@gmail.com>  
**Sent:** Tuesday, October 6, 2020 3:22 PM  
**To:** looguat@msn.com  
**Subject:** Fwd: Genius Monkey: Payment Processed Notification

Digital display ads- \$2,300 total

### Riley Smith

Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----

From: **Genius Monkey Support** <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>  
Date: Mon, Oct 5, 2020 at 7:55 PM  
Subject: Genius Monkey: Payment Processed Notification  
To: <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>, <[Ty.Williams@educationalequity.org](mailto:Ty.Williams@educationalequity.org)>, <[aaron.r@geniusmonkey.com](mailto:aaron.r@geniusmonkey.com)>, <[info@zackzappone.com](mailto:info@zackzappone.com)>  
Cc: <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>

Your Genius Monkey account has been billed a total of **\$1,300.00**.  
Below is a description of your payment's details. If you have any questions, please feel free to contact your account representative.

Thank you,

**Genius Monkey Support**  
[www.geniusmonkey.com](http://www.geniusmonkey.com)



### Reference ID: #11845-26598

Service	Description	Cost
Optimize Display	Zack Zappone -	\$1,300.00
Total:		\$1,300.00

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## Kurt Young

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**From:** Riley Smith <smith.riley26@gmail.com>  
**Sent:** Tuesday, October 6, 2020 3:21 PM  
**To:** looguat@msn.com  
**Subject:** Fwd: Genius Monkey: Payment Processed Notification

Digital/Display Ads

### Riley Smith

Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----

From: **Genius Monkey Support** <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>  
Date: Tue, Oct 6, 2020 at 1:13 PM  
Subject: Genius Monkey: Payment Processed Notification  
To: <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>, <[Ty.Williams@educationalequity.org](mailto:Ty.Williams@educationalequity.org)>, <[aaron.r@geniusmonkey.com](mailto:aaron.r@geniusmonkey.com)>, <[info@zackzappone.com](mailto:info@zackzappone.com)>  
Cc: <[payments@geniusmonkey.com](mailto:payments@geniusmonkey.com)>

Your Genius Monkey account has been billed a total of **\$1,000.00**.  
Below is a description of your payment's details. If you have any questions, please feel free to contact your account representative.

Thank you,

**Genius Monkey Support**  
[www.geniusmonkey.com](http://www.geniusmonkey.com)



### Reference ID: #11845-26606

Service	Description	Cost
Optimize Display Zack Zappone - Additional		\$1,000.00
Total:		\$1,000.00

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## Kurt Young

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**From:** Riley Smith <smith.riley26@gmail.com>  
**Sent:** Saturday, October 3, 2020 2:12 PM  
**To:** looguat@msn.com  
**Subject:** Fwd: [EXTERNAL] Re: candidate rates  
**Attachments:** Zack Zappone for State Representative.pdf

More context on radio ads!

### Riley Smith

Campaign Manager | Zappone for State Representative  
(509) 723-3811

----- Forwarded message -----

From: **Murray, Christopher** <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
Date: Thu, Oct 1, 2020 at 8:31 AM  
Subject: RE: [EXTERNAL] Re: candidate rates  
To: Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>

Hi Riley,

Attached is the updated schedule to start Monday 10/5. Lets connect today on payment and spot. Also, what is the billing address for the campaign?

### Christopher Murray

Account Executive

iHeartMedia | Inside Sales

9549 Koger Blvd. N Suite 200

St. Petersburg, FL 33702

*o* 727.310.2543

*c* 813.546.1441

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**From:** Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>  
**Sent:** Friday, September 25, 2020 2:07 PM  
**To:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Subject:** Re: [EXTERNAL] Re: candidate rates

Hey Chris,

Thanks for giving me a call. Below you will see our radio schedule that we have pieced together. You'll see the station, followed by the number of spots we want to run in that slot, and the slots identified "M" (Morning- AMD: 6a-10a) "MD" (Midday- PMD: 3p-7p). I know the coding isn't correct, this is just what makes sense in our minds.

<b>Oct. 11-</b> Radio:	<b>Oct. 12-</b> Radio: 103.1- 2M 1MD	<b>Oct. 13-</b> Radio: 103.1- 2M 1MD	<b>Oct. 14-</b> Radio: 103.1- 2M 1MD	<b>Oct. 15-</b> Radio: 103.1- 2M 1MD	<b>Oct. 16-</b> Radio: 103.1- 2M 1MD 98.1- 2M 2MD	<b>Oct. 17-</b> Radio: 103.1- 2M 1MD 98.1- 2M 2MD
<b>Oct. 18-</b> Radio: 103.1- 2MD 98.1- 2MD	<b>Oct. 19-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 20-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 21-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 22-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 23-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 24-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD
<b>Oct. 25-</b> Radio:	<b>Oct. 26-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 27-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 28-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 29-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 30-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD	<b>Oct. 31-</b> Radio: 103.1- 2M 1MD 98.1- 1M 1MD
<b>Nov. 1-</b> Radio: 103.1- 2M 2MD 98.1- 2M 2MD	<b>Nov. 2-</b> Radio: 103.1- 2M 1MD 98.1- 2M 2MD	<b>Nov. 3-</b> Radio: 103.1- 2M 1MD 98.1- 2M 2MD				

Thanks

**Riley Smith**

Campaign Manager | Zappone for State Representative

(509) 723-3811

On Fri, Sep 25, 2020 at 10:49 AM Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)> wrote:

Hi Chris,

So we have a schedule put together and we are ready to reserve our spots. We won't be able to record the spots until early next week, but I wanted to get this moving. I know we are going to start running on October 12th and go through November 3rd. I also have specific time slots for stations ready to give you. I just need to know how you want all of this delivered to you. One question I have is what format the spot needs to be sent to you in. In addition, anything else you might need.

Thanks,

**Riley Smith**

Campaign Manager | Zappone for State Representative

(509) 723-3811

On Mon, Sep 21, 2020 at 1:53 PM Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)> wrote:

Sorry Riley,

The spot needs to be 30 seconds long. You can repeat the message twice to make it 30 seconds long. (80 words total)

# iHeartM

STATION INFORMATION	Cluster 12+ Cume: 203,800	<b>103.1 KCDA</b>	
	Call Letters	KCDA-FM	KFOQ
	Dial Position	103.1	96
	Format	Hot AC	Alterr
	Brand	103-1 KCDA	Alt 9
	Slogan	Spokane's Best Mix of 90's to Now	The New A
	Website	1031kcda.com	alt961
AUDIENCE M-SU 6A-12M	Weekly Cume	55,600	22,
	Target Listener	A18-34	M29
	Median Age	36	4
	AQH Gender	M44% F56%	M53%

Christopher Murray

Account Executive

iHeartMedia | Inside Sales

9549 Koger Blvd. N Suite 200

St. Petersburg, FL 33702

*o 727.310.2543*

*c 813.546.1441*

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**From:** Riley Smith <[smith.riley26@gmail.com](mailto:smith.riley26@gmail.com)>  
**Sent:** Friday, September 18, 2020 3:45 PM  
**To:** Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)>  
**Subject:** [EXTERNAL] Re: candidate rates

Hey Chris,

Thanks for the info. A couple follow up questions, do you have any demographic information on the listeners of these stations? Are we able to place 2 15 second spots in place of 1 30 second spot? Also, in what format would I need to submit the ads?

Thanks!

**Riley Smith**

Campaign Manager | Zappone for State Representative

(509) 723-3811

On Mon, Sep 14, 2020 at 2:24 PM Murray, Christopher <[ChristopherMurray@iheartmedia.com](mailto:ChristopherMurray@iheartmedia.com)> wrote:

Hi Riley,

Thank yo for calling in. attached are rates for all Spokane stations. i would recommend KISC<KFOO, and KCDA.

[Schedule a Meeting](#)

**Christopher Murray**

Account Executive

iHeartMedia | Inside Sales

9549 Koger Blvd. N Suite 200

St. Petersburg, FL 33702

o 727.310.2543

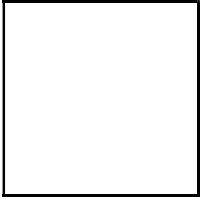
c 813.546.1441

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**\*\*If you are currently working with iHeartMedia please disregard this email**



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## 2020 Zachary Zappone for State Representative Campaign responses to May 18, 2021 PDC audit letter questions

Staff is also requesting that each Campaign provide a response concerning 2020 general campaign practices, internal campaign compliance controls, and procedures for processing and recording contribution and expenditure activities, including orders placed and in-kind contributions. The questions and Campaign practices for which a response is being requested, includes the following:

1. Explain the 2020 Campaign contribution process from receipt of a contribution, to entering the contributor information into ORCA, the name of the person depositing the contributions, how often contributions were deposited, and the filing of the C-3 report. In addition, if online contributions were received by the Campaign, please explain how those contributions were processed as well.

*Campaign checks contributions were received by Candidate Zack Zappone in person or by mail. Zack would make remote deposits thru the STCU app as checks were received. He would obtain employment information from contributors and email copies of checks and employment info to Andrew Taylor, Treasurer. Andrew would match up the info to deposits to the bank account and enter the contributor info into ORCA and balance ORCA to the bank account. Cash and check contributions were deposited as they were received.*

*Online contributions were received through ActBlue which were deposited to the campaign bank account after 2 business days. Andrew would check bank statements daily, access ActBlue online to obtain details of contributions, enter the information to ORCA, and balance ORCA to the bank account.*

*In-kind contributions were identified on invoices received by Zack and emailed to Andrew, who entered the information to ORCA when received.*

*Andrew filed the C-3 reports on Mondays to ensure contributions and deposits were reported timely.*

2. Explain the 2020 Campaign expenditure process including the placing of the orders for political advertisements, identifying who placed the orders, to making the expenditure, picking up the goods and/or services provided, and the disclosing of the expenditure on the C-4 report. In addition, explain the process for disclosing orders placed.

*Zack, or the Campaign Manager Riley Smith, placed orders for purchases, including political advertisements. Zack and Riley communicated with each other regarding orders placed. Vendors provided invoices to Zack or Riley when orders were completed and goods and services were provided. Zack or Riley would verify that orders were received and invoices were accurate before paying by check (Zack) or BillPay (Riley). Invoices were emailed to Andrew. Andrew would monitor the bank account daily, match disbursements to invoices, and input expenditures to ORCA. Occasionally, Andrew would make payment through BillPay when requested.*

*Andrew would file the C-4 report electronically through ORCA on or around the 10<sup>th</sup> following the month reporting for.*

3. Describe the process for reviewing and filing the C-3 and C-4 reports, as well as the communication that occurs between the candidate and the Treasurer concerning the contribution and expenditure information being disclosed. In addition, does the candidate review the reports either before or after they have been filed?

*Andrew filed the C-3 reports on Mondays to ensure contributions and deposits were reported timely. Andrew would file the C-4 report electronically through ORCA on or around the 10<sup>th</sup> following the month reporting for. Zack and Riley would review the contributions and expenditures detail on the PDC website to ensure accuracy and timeliness. Zack maintained a spreadsheet on contributions when received which he could review the PDC info with. Riley maintained a detail budget worksheet for contributions and expenditures which he and Zack also could review PDC info with.*

4. Describe how the Campaign records are maintained for all contribution and expenditure activities, and what those records include.

*Zack maintained a spreadsheet on individual contributions when received which he could review the PDC info with. He also used the spreadsheet to track his sending of thank you letters to contributors. Riley maintained a detail budget worksheet for contributions and expenditures which he and Zack could review PDC info with. They also used to monitor contributions and expenditures against the budget.*

*Andrew kept all emails regarding the campaign contributions and expenditures, including contributor info on contributions by check and invoices, in a separate inbox folder for the campaign for audit purposes. Andrew also maintained all Contributions and expenditures detail on ORCA. ActBlue maintains detail info on contributions made through their website.*

5. Who was responsible for the Campaign records, did the Campaign make the books of account available during the public inspection period, was an inspection requested, and what documents were made available during the inspection?

*Records were kept for campaign financial activities as described in '4.' No public inspection was requested. However, these records would be made available if one had been requested.*

6. Did the candidate or any Campaign officers or volunteers received reimbursements during the 2020? If yes, please describe how the Campaign handled the reimbursements, the documentation that was required for reimbursement, and how those records were maintained.

*Yes. Zack and Riley, and occasionally volunteers received reimbursements during 2020. Details of expenditures and receipts were provided, approved and emailed by Zack or Riley to Andrew. Andrew would request more info if he felt the nature of the reimbursement wasn't clear. Andrew kept all emails regarding the campaign reimbursements in a separate inbox folder for the campaign for audit purposes. All reimbursements had receipt or documentation.*