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Public Disclosure Commission

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September 29, 2012

TO: ATTORNEY GENERAL ROB McKENNA, PIERCE. THURSTON, AND KING COUNTY PROSECUTORS, AND THE WASHINGTON STATE PUBLIC DISCLOSURE COMMISSION

RE: CITIZEN'S ACTION LETTER RE UNLAWFUL CAMPAIGN ACTIVITY BY THE ACLU, ACLU FOUNDATION, AND ACLU ENDOWMENT

FROM: NO ON I-502, STEVE SARICH, ARTHUR WEST, JOHN WORTHINGTON, AND SAROJ SIDHU

Please consider this as a formal citizen's action letter under RCW 42.17.460 concerning the continuing unregistered campaign activity, unregistered PAC activity, and campaign related receipts and expenditures to support I-502 by The American Civil Liberties Union, by and through the ACLU's Washington Chapter, and the ACLU Washington's Foundation and Endowment, all 501 (c) 3 organizations prohibited by Federal and State law from conducting "substantial" campaign or "lobbying[1]" activity on behalf of a Referendum or Initiative.

The Complainants believe that these ACLU groups, acting through ACLU Drug Policy Director Allison Holcolm, in concert with the National and State NORML organization (and some ex law enforcement officers of the federal and State government) devised a scheme and artifice to employ their status as "nonpolitical" charitable organizations to unlawfully combine and form New Approach Washington to allow the ACLU and NORML and their out of State principals to substantially participate in and dominate and control the political process in the State of Washington pertaining to the

[1] As opposed to State law, the Federal Tax Code 501(c) 3, defines campaigning for an initiative is defined as "lobbying"

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regulation of Marijuana, as a primary function of both the ACLU and NORML.

The complaining citizens allege that the ACLU envisioned and created New Approach Washington, and that the ACLU's organizations have been directly conducting and financing "substantial" "staff work" for the I-502 campaign directly through the person of their campaign director, Allison Holcolm. Holcolm confesses to the media and files PDC reports declaring that she is simultaneously the drug policy director for the ACLU Washington as well as the author, sponsor, and chief proponent of NAW's drug policy Initiative, I-502. Holcolm also campaigns for and expends ACLU staff resources on behalf of NAW and I-502 on a daily basis.

Further, it is evident from what PDC filings do exist that the ACLU drug policy director Holcolm formed the idea for NAW and I-502 on ACLU funded time, planned and executed the creation of NAW and Initiative I-502 on ACLU funded time, and acting simultaneously as ACLU Drug Policy Director, Board member of NAW, and the sponsor of I-502, carried forth the ACLU-NORML-NAW Initiative campaign itself in a directing and commanding role while being employed by the ACLU and using its staff, office equipment and resources, and did so in conjunction with the aid of various chapters of another National 501 (c) organization, NORML.

In the most recent report, the ACLU Foundation admits to $1303.57 in "staff expenses" and $7857.40 in staff services (presumably the salary of the ACLU's "drug Policy Director-Drug Policy Initiative Promoter), while the ACLU of Washington admits to spending 2394.14 in additional "Staff Services". This amounts to over $10,000 a month of substantial campaign activity by paid employees and a additional $1,493.93 in "staff expenses" as

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if the ACLU was actually hiring Allison Holcolm to run I-502 and facilitating her efforts by providing staff support and "expenses" related to supporting substantial campaign activity.

In reality, this is exactly what is taking place, with the ACLU and NORML conducting what can only be described as substantial campaign activity as their primary purpose, under false color of their tax exempt status as charitable organizations acting for the public good, and under false color of deceptive PDC filings as to in kind contributions of staff time and staff support, when both the ACLU and NORML were engaged in blatant, palpable, and undeniably "substantial" campaign activity to promote I-502.

Reports filed with the Washington State Public Disclosure Commission in May and June of 2011 alone show nearly $40,000 in expenditures by the ACLU prior to the $5.00 filing fee the ACLU's policy Director paid for the filing of I-502.

The PDC filings of May 2011 through September of 2012 demonstrate that the ACLU paid Alison Holcolm and her ACLU assistants over $10,000 monthly in what it described as "In Kind Contributions" of Staff Services. In addition, the ACLU staff campaigning for I-502 under false color of being a separate organization also used over $500 a month in ACLU "Staff Expenses" presumably to run and support the ACLU office that NAW campaigned out of with the aid of NORML volunteers and volunteer coordinators.

The complainants allege that the ACLU of Washington, and the ACLU Foundation, and the ACLU endowment directly paid Allison Holcolm and ACLU staff to create NAW and to basically envision, effectuate and run the I-502 campaign, which Holcolm did, with the aid and

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assistance of another group of 501(c) "Charitable" organizations, the dozen State and National NORML organization chapters (See previous NORML complaint incorporated herein by reference)

By so acting, The ACLU and NAW and NORML employed Allison Holcolm as the focal point for the ACLU and NORML and various disaffected former State And Federal Government officials to employ the vast resources of the various 501(c)3 and (possibly in NORML's Case), (c)4 organizations who supplied Allison Holcolm (of both NAW and the ACLU) with a willing crew of paid operatives to pursue the grand plan of the ACLU, NORML, and the ACLU's Drug Policy Director Allison Holcolm.

Through the use of the vast financial and fund raising connections and databases of NORML and the ACLU, I-502 and NAW were designed, funded and operated by ACLU staff and staff expenses, mailings were sent out to ACLU and NORML donors soliciting contributions for I-502, and a willing crew of NORML-ACLU-NAW volunteers was created and maintained.

This was all done deliberately with the intent and effect of creating a shadow organization to veil the reality that the ACLU and NORML were employing the vast resources of 501(c)3 charitable organizations to substantially promote and campaign for and organize the campaign for a State Initiative as one of their primary purposes. This type of overwhelming influence and control of politics by unregistered political action committees is exactly what the Washington State primary function test enunciated in the WEA case is designed to disclose.

All of this conduct constitutes overwhelming political activity by the ACLU, in combination with NORML and NAW (and their various well

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connected rogue government allies) for as a primary function, a purpose prohibited under 26 USC 501(c) for such Corporations, Foundations and endowments.

Such conduct also expressly violates the Articles of the ACLU of Washington, the ACLU of Washington Foundation, and its Endowment which require them all to act within the proper scope of such tax exempt charitable public benefit groups.

The actions, statements, expenditures, and (lack of) reports of the various ACLU organizations clearly demonstrate that one of the primary purposes of the ACLU (as well as NORML) is to affect the citizens' and governmental decision making by supporting I-502.

Incorporated by reference is a link to NAW's PDC filings that demonstrates beyond a shadow of a doubt that the ACLU has been running and directing the NAW campaign by and through its Drug Policy Director.

The previous complaint filed concerning NORML reveals that the I-502 campaign has been supported and staffed by NORML representatives, including Pierce County NORML, which openly declares that it is "campaigning to support I-502" virtually every day, presumably in connection with the ACLU staff and Drug Policy Director paid for and operated by the ACLU.

The ACLU Drug Policy Director, along with her support staff and the Pierce County and Washington chapters of NORML appear to have no other real function other than to campaign for I-502, and there is no real distinction between the members of the ACLU, NORML and the NAW campaign staff promoting I-502.

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The ACLU created NAW, and NORML, ACLU and NAW staff at events are often indistinguishable, as they are often the very same individuals. The line between the NAW, the ACLU, and NORML has blurred, as these organizations have in essence merged into a unified whole campaigning for I-502 under the aegis of the ACLU's Drug Policy Director, Allison Holcolm.

As the attached complaint and exhibits demonstrate, The ACLU's Washington organization, foundation and endowment acting in conjunction with the ACLU national organization, as well as the Pierce County and Washington divisions or NORML have violated State law by entering into a scheme and artifice to conduct substantial campaign activities under false color of "education" and in kind contributions, and they have colluded to veil their campaigning under false reporting of "in kind contributions when the ACLU is actually campaigning full time along with NORML and failing to report campaign receipts and expenditures made or the purpose of substantial partisan electoral campaign activity to support I-502.

By so acting, the ACLU's various organizations violated their articles of incorporation and failed to register or report campaign related expenditures made by the ACLU to conduct substantial political campaigning to support I-502 and in addition the various ACLU chapters failed to register or report as PACs as required by RCW 42.17A. 205-240 of organizations supporting a ballot proposition like I-502.

This violated the intent of RCW 42.17.0001, including section (1) That political campaign and lobbying contributions and expenditures be fully disclosed to the public and that secrecy is to be avoided.

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There is also a valid concern that the actions and finances of the ACLU's and NORML's sister 501 (c) 3 and/or 501(c) 4 organizations have overlapped in an impermissible manner in violation of the requirements that such operations be at arms length.

In addition, due to the conduct of what is defined in federal law as substantial "lobbying" activity, under the facts and circumstances test, the ACLU and NORML organizations may be in violation of the terms of their federal tax exempt status under 26 USC 501(c) 3 and/or 4.

Please investigate and take any necessary action in regard to this complaint and Citizen's Action Letter.

Done September 29, 2012, in Seattle. I, Arthur West, an officer of No On I-502, certify the foregoing to be correct and true under penalty of law.

S/Arthur West
ARTHUR WEST
No On I-502

LINK TO PDC WEBSITE

http://www.pdc.wa.gov/MvcQuerySystem/CommitteeData/inkind?param=TkVXIEFXIDExMQ%3D%3D%3D%3D&year=2012&type=initiative

AMERICAN CIVIL LIBERTIES UNION FOUNDATION
NATIONAL OFFICE
125 BROAD STREET, 18TH FL
NEW YORK, NY [illegible]
T/[illegible]
WWW.ACLU.ORG

OFFICERS AND DIRECTORS
SUSAN N. HERMAN
PRESIDENT

ANTHONY D. ROMERO
EXECUTIVE DIRECTOR

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OCT 25 2012

Public Disclosure Commission

October 24, 2012

VIA UPS and Email

Kurt Young
Washington Public Disclosure Commission
711 Capitol Way
Room 206
P.O. Box 40908
Olympia, WA 98504-0908

Re: 45 Day Citizen Action Letter filed by No on I-502, et al. (Complaint filed against American Civil Liberties Union; ACLU Foundation; and ACLU Endowment) PDC Case No. 13-019

Dear Mr. Young:

I have received the Washington Public Disclosure Commission's October 18, 2012 letter forwarding the Citizen Action Letter by No on I-502, et al., which makes claims about activities allegedly conducted by "The American Civil Liberties Union, by and through the ACLU's Washington Chapter, and the ACLU Washington's Foundation and Endowment."

You sent your letter to the American Civil Liberties Union, Inc. ("ACLU National"). While ACLU National is an affiliate of ACLU of Washington, it is a separately-incorporated organization. ACLU National does not control either ACLU of Washington or ACLU of Washington Foundation and it does not direct either organization's activities. Given this separation, none of the activities allegedly undertaken by ACLU of Washington and ACLU of Washington Foundation that are outlined in the Citizen Action Letter pertain to ACLU National and, other than general unsupported allegations, the Citizen Action Letter contains no allegations that ACLU National controlled or directed these activities. Further, Alison Holcolm is not an employee, volunteer or contractor of ACLU National.

We will be happy to cooperate with PDC if you seek any additional information or supporting materials from ACLU National. If you do not, we respectfully request your written acknowledgment that this matter is resolved as to ACLU National.

Very Truly Yours,

Terence Dougherty, Esq.

Cc: Matthew Segal, Attorney for ACLU of Washington and ACLU of Washington Foundation

PDC Exhibit # 2
Page 1 of 1

PDC Interpretation

APPROVAL DATE: May 2, 2007 NUMBER: 07-02

STATUS: Effective May 2, 2007 SUPERSEDES:

REFERENCES: RCW 42.17.020(38) APPROVED BY: The Commission

SEE ALSO: AGO 1973 No. 14; *Evergreen Freedom Foundation v. Washington Education Assn.,* 111 Wn. App. 386, 49 P.3rd 894 (2002); *State v. Evans,* 86 Wn.2d 503, 546 P.2d 75 (1976)

"Primary Purpose Test" Guidelines

The following is a summary of the "primary purpose test" as it relates to "political committees" under Washington State law.[1]

RCW 42.17.020(38) defines "political committee" as "any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition."

After Initiative 276 passed, the question arose as to whether corporations or similar associations or organizations may also constitute a "political committee." Specifically, the question involved entities engaging in some or limited activities related to an election campaign for a candidate or ballot measure, and some or greater activities not related to a campaign and implicated what level of financial disclosure by these entities was required to be made in filings with the Public Disclosure Commission, as disclosures are required of "political committees." A formal Attorney General's Opinion (AGO) and two court cases decided after I-276 passed used a "primary purpose" analysis to assist in applying the statutory definition of political committee in the potential filing and disclosure requirements. Each is discussed below.

AGO 1973, June 8, 1973, No 14

[The AGO reviewed the definition of "political committee." The question was, "If a corporation or similar association or organization makes a contribution to a political committee or candidate, does it thereby itself become a political committee as defined in RCW 42.17.020 (22)"[former location of statutory definition]? Following analysis of the initiative's language in several

[1] Readers are advised that Interpretation 07-02 does not seek to be an exhaustive analysis of relevant court decisions, but rather represents a distillation of some of the key points of the opinions. The Commission could, in an advisory or enforcement setting, rely on portions of the decisions not cited in this Interpretation or on other relevant case law.

sections and its purpose, and case law, the AGO answered, "We therefore conclude that expenditures made by a corporation or other organization in the form of contributions to political committees or candidates do not make that organization a political committee; and for this reason we answer this question in the negative." The AGO provided in part the following analysis, and used the phrase "primary purpose." Quotes are excerpted here, emphasis added, and page numbers noted]:

- In the first place it will be seen that if such a corporation or organization as you have described were itself considered to be a political committee, it would have to do several things which bear no relation to the purposes of the initiative. For example, it would have to indicate what distribution of surplus funds will be made in the event of its dissolution (see, RCW 42.17.040 (2) (h); it would have to appoint a campaign treasurer and depository to hold its money (RCW 42.17.050); all monetary contributions received by it would have to be placed in a special bank account designated the "campaign fund of_____" (RCW 42.17.060 (1));20/ all deposits made by the corporation or other organization would have to be accompanied by a statement naming the person contributing the funds deposited (RCW 42.17.060 (2); and it would have to file detailed reports of contributions and expenditures (RCW 42.17.080 and 42.17.090.) (Pages 25-26)

- In short, if such a technical construction were to be given the statute, it would require that any corporation or other organization which made a political contribution would thereby have to disclose all of its financial dealings and internal accounts, and comply with an over-all statutory scheme which clearly was only meant to affect those organizations whose **primary purpose** is to attempt to influence elections. All this would contravene the well-established rule of statutory construction that absurd constructions are to be avoided whenever possible. Accord, AGO 1973 No. 5 [[to Wayne Ehlers, State Representative on February 5, 1973]],supra; see, also, In re Horse Heaven Irrigation District, 11 Wn.2d 218, 118 P.2d 972 (1941); and Discargar v. Seattle, 25 Wn.2d 306, 171 P.2d 205 (1946). (Pages 25-26)

State v. Evans, 86 Wn.2d 503, 546 P.2d 75 (1976)

[The question considered by the State Supreme Court was whether a committee bearing the governor's name that made a single contribution to the fund of the state Republican Central Committee became a political committee within the meaning of RCW 42.17. The Court held that in the absence of showing that such committee made expenditures for the purpose of supporting or opposing a specific candidate or ballot proposition, or contribution of similar nature, and in the absence of evidence that the committee solicited, received, or had the expectation of receiving contributions to be used in support of or opposition to candidates or ballot propositions, such a committee was not a political committee and not subject to the disclosure requirements of RCW 42.17. Quote – emphasis added, and page number noted:]

- Where the surrounding facts and circumstances indicate that **The primary or one of the primary purposes of the person making the contribution is to affect, directly or indirectly, governmental decision-making by supporting or opposing candidates or ballot propositions, then that person becomes a 'political committee' and is subject to the Act's disclosure requirements**. See A.G.O. 1973, June 8, 1973, No. 14, at 25--26. The Primary purpose of the Dan Evans Committee was not to influence the political process by supporting or opposing candidates or ballot propositions through

expenditures of its funds, but to pay for miscellaneous expenses incurred by Governor Evans and his staff in connection with his position as a public official. Plaintiff's contention to the contrary creates no material issue of fact. (Page 509)

Evergreen Freedom Foundation v. Washington Education Association, 111 Wn. App. 586, 49 P.3d 894 (2002), *review denied* 148 Wn.2d 1020, 66 P.3d 639 (2003)

[Plaintiff filed a citizens' lawsuit against a teachers' union, alleging, among other claims, that the union was a political committee. The Court of Appeals, citing to the Evans test, held that the WEA was not a political committee under either the "maker of expenditures" or "receiver of contributions" prongs. Quotes – emphasis added, and page numbers noted:]

- The Act sets forth two alternative prongs under which an individual or organization may become a political committee and subject to the Act's reporting requirements. "'Political committee' means any person ... having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition." RCW 42.17.020(33). **Thus, a person or organization may become a political committee by either (1) expecting to receive or receiving contributions, or (2) expecting to make or making expenditures to further electoral political goals.**
  [*Footnote*: We use the phrases "electoral political goals" and "electoral political activity" to convey the statutory language "support of, or opposition to, any candidate or any ballot proposition" from RCW 42.17.020(33).] (Page 598)

- In the only Washington Supreme Court case to interpret the statutory definition of "political committee," the Court added a new requirement to the "making of expenditures" prong. State v. Dan J. Evans Campaign Comm., 86 Wash.2d 503, 509, 546 P.2d 75 (1976). **The organization making expenditures must have as its "primary or one of the primary purposes ... to affect, directly or indirectly, governmental decision making by supporting or opposing candidates or ballot propositions...."** Evans, 86 Wash.2d at 509, 546 P.2d 75 (emphasis omitted). (Pages 598-599)

- The trial court here adopted the broad standard "*one of the* primary purposes" and applied it in formulating its own rule: **An organization is a political committee if one of its primary purposes is to affect governmental decision making by supporting or opposing candidates or ballot propositions, and it makes or expects to make contributions in support of or in opposition to a candidate or ballot measure.** We begin our analysis by noting that the trial court correctly formulated this rule. First, as the only mandatory authority on this issue, *Evans* controls interpretations of the "maker of expenditures" prong. Second, the declaration of policy at the beginning of the Act states that its provisions are to be liberally construed "to promote complete disclosure of ... political campaigns...." RCW 42.17.010(11). (Page 599)

- EFF challenges the trial court's method for determining whether electoral political activity is one of WEA's primary purposes. Specifically, EFF argues that the trial court's means/ends analysis is faulty because it ignores that all "political" organizations are able to articulate goals that do not identify immediate political objectives. **To give guidance**

to the courts in this case of first impression, we hold that an appropriate framework for determining whether electoral political activity is one of an organization's primary purposes should include an examination of the stated goals and mission of the organization and whether electoral political activity was a primary means of achieving the stated goals and mission during the period in question. (Page 599)

- Under this analysis, **a nonexclusive list of analytical tools** a court may use when evaluating the evidence includes: (1) the content of the stated goals and mission of the organization; (2) whether the organization's actions further its stated goals and mission; (3) whether the stated goals and mission of the organization would be substantially achieved by a favorable outcome in an upcoming election; and (4) whether the organization uses means other than electoral political activity to achieve its stated goals and mission. (Page 600)

- This analysis avoids the means/end formula against which EFF argues. For example, if the organization has merely restated its primary political purpose in broad nonpolitical terms, the organization's purpose will likely be achieved in an upcoming election. **But if electoral political activity is merely one means the organization uses to achieve its legitimate broad nonpolitical goals, electoral political activity cannot be said to be one of the organization's primary purposes.** (Page 600)

- But **this analysis should not be applied as a formula**. These are analytical tools meant to guide the court's determination of the equitable issues presented. They are intended to reach all relevant evidence, but they are not exclusive. For example, by examining the **totality of the circumstances**, a fact finder may look at **all of the organization's actions**, including those in addition to its stated goals. **If the activities of an organization reveal that a majority of its efforts are put toward electoral political activity, the fact finder may disregard the organization's stated goals to the contrary.** (Page 600)

- If, after making these considerations, the fact finder determines that, on the whole, the evidence indicates that one of the organization's primary purposes was electoral political activity during the period in question, and the organization received political contributions as defined in the Act, then the organization was a **political committee for that period** and should comply with the appropriate disclosure requirements. (Page 600)

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Matthew J. Segal
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November 9, 2012

VIA E-MAIL & FEDERAL EXPRESS

Mr. Kurt Young
State of Washington Public Disclosure Commission
711 Capitol Way Rm. 206, PO Box 40908
Olympia, WA 98504-0908

Re: PDC Case No. 13-019

Dear Mr. Young:

This letter follows up on our telephone conversations and emails regarding the above case. As you know, we represent the ACLU of Washington, ACLU of Washington Foundation, and ACLU of Washington Endowment, three of the named respondents in the 45-day letter that began the above case.[1] I will refer to these three entities collectively as ACLU-WA.

As I noted in my email to you of October 22, 2012, the allegations in the 45-day letter are unfounded. The suggestion in the letter appears to be that ACLU-WA is a de facto political committee. The statute and case law do not support this conclusion.

"'Political committee' means any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition." RCW 42.17A.005 (37).

Thus, there are two prongs to this definition – the "receiving contributions" prong and the "making expenditures" prong. *State ex rel. Evergreen Freedom Found. v. Washington Educ. Ass'n*, 111 Wn. App. 586, 598, 49 P.3d 894 (2002).

ACLU-WA is not a political committee under the first prong because it has no expectation of receiving, and does not accept, contributions in support of or opposition to candidates or ballot measures. In the event a member of the public offers such a contribution, it is respectfully declined. Donations to ACLU-WA are accepted for the organizations' account for its own non-

[1] We do not represent the fourth respondent, the American Civil Liberties Union, which is represented by Terrence Dougherty, who responded by separate letter on October 24, 2012.

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political purposes, and not set aside or earmarked for any electoral purpose.[2] An organization is not a political committee under the "receiving" prong unless "the members are called upon to make payments that are segregated for political purposes and the members know, or reasonably should know, of this political use." *Washington Educ. Ass'n*, 111 Wn. App. at 602 (citing 1973 Letter Op. Att'y Gen. No. 114, at 4). Such is not the case here.

In order to be considered a political committee under the second prong, "[t]he organization making expenditures must have as its 'primary or one of the primary purposes ... to affect, directly or indirectly, governmental decision making by supporting or opposing candidates or ballot propositions....'" *Washington Educ. Ass'n*, 111 Wn. App. at 599 (quoting *State v. Dan J. Evans Campaign Comm.*, 86 Wn.2d 503, 509, 546 P.2d 75 (1976)).

In the *WEA* case the Court of Appeals elaborated on the "primary purpose" test:

> [A]n appropriate framework for determining whether electoral political activity is one of an organization's primary purposes should include an examination of the stated goals and mission of the organization and whether electoral political activity was a primary means of achieving the stated goals and mission during the period in question.
>
> Under this analysis, a nonexclusive list of analytical tools a court may use when evaluating the evidence includes: (1) the content of the stated goals and mission of the organization; (2) whether the organization's actions further its stated goals and mission; (3) whether the stated goals and mission of the organization would be substantially achieved by a favorable outcome in an upcoming election; and (4) whether the organization uses means other than electoral political activity to achieve its stated goals and mission.

Washington Educ. Ass'n, 111 Wn. App. at 599-600.

Under this now well established test, ACLU-WA is not a political committee because making expenditures in favor of ballot measures is not its primary purpose, or even one of its primary purposes. Moreover, use of the initiative process is only one of many activities the ACLU-WA uses to support and achieve its goals of advancing civil liberties and rights.

ACLU-WA is comprised of non-partisan organizations dedicated to protecting, fostering, and extending the civil liberties principles embodied in the Bill of Rights and the Washington State Constitution. ACLU WA pursues this work through myriad means including litigation, legislation, non-partisan lobbying, education, public speaking and writing, community outreach, and other communications in accordance with the mission and purposes of the American Civil

[2] In August 2012, the ACLU of Washington did receive 501(c)(4) grant funding to conduct outreach to persons of color in support of marriage equality. Donated staff time paid for by this grant funding is included in the budget reconciliation data referenced below.

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Liberties Union and its Foundation. The ACLU of Washington is a 501(c)(4) organization, and donations to it are not tax deductible. The ACLU of Washington Foundation is a 501(c)(3) organization and accepts tax deductible donations. The ACLU-WA Endowment Fund is a 501(c)(3) organization that owns and manages endowment funds for the exclusive benefit of the ACLU of Washington Foundation. Annually, the Board of the Endowment Fund approves the transfer of a portion of the Endowment Fund's earnings to the Foundation for its general operations. See the Overview attached as Exhibit A for additional details. On occasion, support or opposition to initiatives or referenda is part of the organizations' activities to achieve civil liberties goals. But such support or opposition occurs sporadically, not on a regular basis. Electoral political contributions in short represent a tiny and only occasional fraction of ACLU-WA's activities.

This is further evidenced by review of the relevant financial data. Each of these organizations has separate budgets and accounts. As can be seen from the chart below, for the current fiscal year to date (which began April 1, 2012), overall electoral political activity amounted to just 8% of the ACLU of Washington's budget, and just 6% of the ACLU of Washington Foundation's budget through October 31.[3] Projections for the complete fiscal year fall in the same range.

	Total Budgeted Expenses	Donations YTD as of 10/31/12	Donations Projected Year-End
Union Exps:	810,753	65,137	**98,621**
% of Total Union Exps:	100%	**8%**	**12%**
Fdn Exps:	2,648,300	163,828	**168,388**
% of Total Foundation Exps:	100%	**6%**	**6%**

These numbers reflect 100% of both organizations' electoral political activity for the fiscal year, which encompasses contributions in support of both Initiative 502 and Referendum 74. These numbers also include all in-kind donations. See the Summary attached as Exhibit B for additional details.[4]

[3] Percentages were roughly the same for the 2011-2012 fiscal year. Electoral contributions comprised 7% of the annual budget for the ACLU of Washington, and 8% of the annual budget for the ACLU of Washington Foundation. See attached Exhibit C.

[4] Contributions in the summary are divided into four categories. Cash, "Indirect" (which reflects indirect in-kind contributions such as copies and telephone use), "Staff" (which reflects donations of staff time), and "Direct (which reflects reimbursement of staff expenses, such as mileage, for donated time).

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The 45-day letter makes much of the donations of Alison Holcomb's time to the campaign. But, as the letter itself acknowledges, these in kind contributions have been tracked, documented and reported to the PDC.[5] Contributions of Ms. Holcomb's time are included in the Foundation's "Staff" category of in-kind contributions reflected in Exhibit B. Thus, the contribution of Ms. Holcomb's time is part of the relatively small part of the organizations' efforts and budgets directed to political contributions.

The ACLU of Washington, ACLU of Washington Foundation, and ACLU of Washington Endowment are committed to compliance with Washington's public disclosure laws. They understand the importance of transparency in the electoral politics. Their efforts with regard to support of I-502 fully reflect that commitment to compliance with the laws and to the importance of transparency.

Thank you for your consideration, and please let us know what, if any, additional information you may require to complete your review of this matter.

Sincerely,

PACIFICA LAW GROUP LLP

Matthew J. Segal

Enclosure(s)

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[5] See L2, L3c and C7 submissions previously filed with the PDC and attached as Exhibit D.

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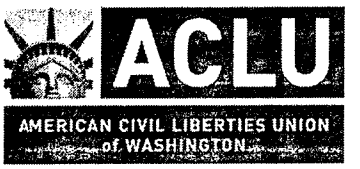
EXHIBIT A



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THE ACLU-WA: An Overview

The American Civil Liberties Union

is the premier civil rights and civil liberties organization in the country. It is a nationwide, nonprofit and nonpartisan organization, backed by more than 500,000 members and supporters.

A Nationwide Organization. The ACLU is headquartered in New York and Washington, D.C. and has professionally staffed affiliates in every state. The national ACLU has more than 300 employees and programs arranged in four centers: ***Democracy:*** national security, human rights, first amendment, and technology and liberty; ***Equality:*** immigrants' rights, racial justice, voting rights and disability rights; ***Justice***: criminal justice, drug policy, prison and jails, death penalty; and ***Liberty:*** LGBT, reproductive freedom, women's rights, and religious freedom and belief.

A Powerful Presence. The ACLU appears before the U.S. Supreme Court more often than any entity except the government itself. The Washington, D.C. Legislative Office is renowned for its expertise and nonpartisanship. The ACLU's influential communications operation helps shape the public dialogue through message development, media relations, advertising and Internet advocacy. And an affiliate support and advocacy department provides extensive guidance, resources and training to the network of state affiliates.

The ACLU of Washington

Headquartered in Seattle, the ACLU-WA advances civil liberties across the entire state through litigation, legislative advocacy, organizing, policy analysis, and educational programming.

The ACLU-WA is powered by more than 20,000 members, 30 employees, scores of volunteers, and a strong board of directors. We are engaged in every major civil liberties battle in the state – including racial justice, LGBT rights, voting rights, women's rights, education equity, technology, the drug war and the death penalty.

Members and volunteers participate in our programs as cooperating attorneys, public speakers, board members, student club leaders, issue experts, event staff, and office workers. Highly regarded within the national organization, the ACLU-WA is among the top 10 ACLU affiliates in size and strength.

Legal Work. The Legal Department engages in impact litigation, through direct representation and amicus briefs. It also provides information, resources and advocacy short of litigation. A legal committee of volunteer attorneys provides strategic and legal advice on proposed litigation. Cases are approved by the Executive Director, subject to Board review.
Greatly expanding our strength are the cooperating attorneys - volunteer attorneys in private practice – who collaborate with staff on our docket of 40-some cases. The ACLU pays case expenses and fees are never charged to ACLU clients.

Policy Advocacy. The ACLU promotes specific pro-civil liberties policies and laws bills and works to prevent anti-civil liberties legislation at the state, local and national level.

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The ACLU-WA Legislative Director, in Olympia during the state legislative session, works closely with legislators and allies to promote, amend or defeat legislation. On federal issues, we take our lead from the ACLU's national legislative office in Washington D.C.

The Field Director leads our outreach and coalition work, informing and mobilizing allies and activists throughout the state. We provide resources and technical assistance through meetings, trainings, the website, and an action alert system.

The ACLU-WA has established three staffed programs to bring legal and policy expertise to key civil liberties issues. The **Drug Policy Program** works to replace the unjustly harsh, racially-biased and costly Drug War with approaches that treat drug use as a public health matter.

The **Technology and Liberty Program** works to safeguard privacy and freedom as public, private and government entities adopt new technologies.

The **Education Equity Program** seeks to promote equal opportunities, civil liberties and civil rights in school through education of students, parents and school officials.

Communications. The Communications Department aims to explain in clear, simple terms what the ACLU-WA is doing to defend and extend individual freedom and why people should stand up for their rights.

The Communications Director is in daily contact with media outlets to develop articles, frame issues and influence editorials. The communications team coordinates events, a speakers' bureau, student clubs and education, and an annual high school conference. We maintain a newspaper, Civil Liberties, a web site, www.ACLU-WA.org, and engage supporters via a variety of social media.

Funding the ACLU. Our Development Department works with the Board and other volunteers to raise money and to strengthen support and commitment to the ACLU. We believe that a growing, informed and engaged group of supporters is key to our vigorous defense of liberty.

The **Annual Fund Campaign** is our largest single source of income. The campaign, in which all Board members participate, raises about half of our annual income. It is a program of face-to-face meetings with current supporters during which we ask for annual, tax-deductible gifts of $1,000 and up. The ACLU offers a range of planned giving opportunities and encourages members to include the ACLU in their estate plans.

Membership recruitment, while primarily handled by the national office, is augmented by local efforts. We promote membership at events and ask members to recommend acquaintances who share our values.

Fund sharing. The national ACLU and the state affiliates fully collaborate in fundraising. All gifts by ACLU supporters in Washington are shared between the national ACLU and the ACLU-WA, regardless of which entity receives the gift.

Corporate Structure. In Washington, the ACLU is comprised of three separate corporations which share the same mission, and which are all part of the national ACLU. This paper refers to them collectively as the ACLU-WA. The 501(c)4 membership organization engages in non-partisan lobbying, and dues and contributions to it are not tax-deductible. The ACLU-WA Foundation engages in litigation, research, and educational programming and, as a 501(c)3 organization, it accepts tax-deductible contributions. The Endowment Fund secures and manages funds for the benefit of the Foundation. It is also able to accept tax-deductible gifts.

PDC Exhibit # 4
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EXHIBIT B

Summary - Current & Projected Campaign Donations

	Total Budgeted Expenses	Donations YTD as of 10/31/12	Donations Projected Year-End
Union Exps:	810,753	65,137	**98,621**
% of Total Union Exps:	100%	8%	12%
Fdn Exps:	2,648,300	163,828	**168,388**
% of Total Foundation Exps:	100%	6%	6%

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Details

		FY	Donations
Fiscal-Yr Begins:	04/01/12		
Donations Begin:	04/01/12		
Earlier of FY or Campaign End:	11/15/12	7.5	7.5
YTD Date:	10/31/12	7.0	7.0

Union	Projected Year-end Estimates TOTAL	NAWA	WaUm	YTD Total	YTD NAWA	YTD WaUm
Staff Exps:	60,490	37,825	22,665	53,635	35,303	18,332
Direct:	30,720	858	29,862	4,720	801	3,919
Indirect:	7,411	5,116	2,295	6,782	4,775	2,008
Cash:	-			-	-	
Union Totals:	98,621	43,799	54,822	**65,137**	40,879	24,259

Foundation	TOTAL	NAWA	WaUm	YTD	NAWA	WaUm
Staff Exps:	60,494	60,494		56,461	56,461	
Direct - other:	17	17		15	15	
Indirect:	7,877	7,877		7,352	7,352	
Cash:	100,000	100,000		100,000	100,000	
Foundation totals:	168,388	168,388	-	**163,828**	163,828	-

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EXHIBIT C

Summary - Current & Projected Campaign Donations

	Total Budgeted Expenses	Donations YTD as of 03/31/12	Donations Projected Year-End
Union Exps:	766,160	51,561	**51,561**
% of Total Union Exps:	100%	7%	7%
Fdn Exps:	2,518,605	194,211	**194,211**
% of Total Foundation Exps:	100%	8%	8%

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Details

		FY	Donations
Fiscal-Yr Begins:	**04/01/11**		
Donations Begin:	**05/16/11**		
Earlier of FY or Campaign End:	**03/31/12**	**12.0**	**10.5**
YTD Date:	**03/31/12**	**12.0**	**10.5**

Union	Projected Year-end Estimates TOTAL	NAWA	WaUm	YTD Total	YTD NAWA	YTD WaUm
Staff Exps:	34,983	29,216	5,766	34,983	29,216	5,766
Direct:	532	427	104	532	427	104
Indirect:	3,547	2,992	555	3,547	2,992	555
Cash:	12,500	12,500		12,500	12,500	
Union Totals:	51,561	45,136	6,426	**51,561**	45,136	6,426

Foundation	TOTAL	NAWA	WaUm	YTD	NAWA	WaUm
Staff Exps:	81,706	81,706		81,706	81,706	
Direct - other:	21,655	21,655		21,655	21,655	
Indirect:	10,850	10,850		10,850	10,850	
Cash:	80,000	80,000		80,000	80,000	
Foundation totals:	194,211	194,211	-	**194,211**	194,211	-

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EXHIBIT D

ACLU-WA Foundation

Log of PDC L-2 Reports
Shankar Narayan
2011

Notes	for mo of	3 Compensation	4 Reportable Personal Expenses	5 Entertain-ment	6 Donations to PACs/ Candidates	7 Advertising Printing, Info. Lit.	8 Political Ads, PR, Polling, etc	9 Other Expenses & Srvcs	10 Total for Month
	Jan	6250							6250
	Feb	6250							6250
	Mar	6250							6250
	Apr	6314							6314
	May	6314							6314
									~~6314~~
	Jun	6314							6314
	Jul	6314							6314
	Aug	6314							6314
C	Sep	3157							3157
C	Oct	3909							3909
	Nov	6314							6314
	Dec	6458 20							6458 20
	totals:	70158 20							70158 20
		3	4	5	6	7	8	9	10

Notes

a. **Need to amend?** >PvslySave&Submitted>Amend[appropriate month] Change as needed & add new date on 1st page.

b. Item #9 does NOT include $ spent for outside lobbyist since ACLU pays lobbyist directly, not through ACLU Lobbyist. (You'll report $ paid to outside lobbyist on EOY L-3 form.)

c Shankar on LOA

C:\ajwdocs\01 Acctg\Tax & Regs\WA PDC\[PDC L-2 log.xls]L2-SN

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1-877-601-7328

PDC Exhibit # 4
Page 13 of 13

ACLU-WA contributions reported as a Lobbyist Employer: May 16, 2011 through October 30, 2012

ACLU-WA timely filed monthly L-3c reports disclosing monetary and in-kind contributions made to New Approach Washington totaling $81,651 covering the period May 16, 2011 through October 31, 2012 as detailed below.

Date Contribution Made	Name/Description of Contributions on L-3c reports	Total
5/16 through 5/31/2011	New Approach Washington: in-kind staff services	$ 4,844
June 2011	New Approach Washington: in-kind staff services	$ 4,706
July 2011	New Approach Washington: in-kind staff services	$ 3,703
August 2011	New Approach Washington: in-kind staff services	$ 4,132
September 2011	New Approach Washington: in-kind staff services	$ 2,183
October 2011	New Approach Washington: in-kind staff services	$ 1,174
November 2011	New Approach Washington: in-kind staff services	$ 1,558
December 2011	New Approach Washington: in-kind staff services	$ 1,839
January 2012	New Approach Washington: in-kind staff services	$ 2,701
February 2012	New Approach Washington: in-kind staff services	$ 2,740
February 2012	New Approach Washington: Monetary contribution	$ 12,500
March 2012	New Approach Washington: in-kind staff services	$ 2,637
April 2012	New Approach Washington: in-kind staff services	$ 4,099
May 2012	New Approach Washington: in-kind staff services	$ 4,580
June 2012	New Approach Washington: in-kind staff services	$ 3,743
July 2012	New Approach Washington: in-kind staff services	$ 3,383
August 2012	New Approach Washington: in-kind staff services	$ 4,665
September 2012	New Approach Washington: in-kind staff services	$ 6,789
October 2012	New Approach Washington: in-kind staff services	$ 9,675
Totals		**$ 81,651**

In addition, ACLU-WA disclosed on the L-3c reports filed with the PDC, in-kind contributions made to Washington United for Marriage (R-74) totaling $30,684 as follows:

Date Contribution Made	Name/Description of Contributions on L-3c reports	Total
December 2011	Washington United for Marriage: in-kind staff services	$ 2,390
January 2012	Washington United for Marriage: in-kind staff services	$ 1,148
February 2012	Washington United for Marriage: in-kind staff services	$ 1,201
March 2012	Washington United for Marriage: in-kind staff services	$ 1,687
April 2012	Washington United for Marriage: in-kind staff services	$ 775
May 2012	Washington United for Marriage: in-kind staff services	$ 687
June 2012	Washington United for Marriage: in-kind staff services	$ 945
July 2012	Washington United for Marriage: in-kind staff services	$ 1,213
August 2012	Washington United for Marriage: in-kind staff services	$ 5,275
September 2012	Washington United for Marriage: in-kind staff services	$ 5,491
October 2012	Washington United for Marriage: in-kind staff services	$ 9,872
Totals		**$ 30,684**

PDC Exhibit # 5
Page 1 of 1

DATE FILED PDC

SEP 28 2012

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OCT 01 2012

Public Disclosure Commission

September 28, 2012

Public Disclosure Commission
P.O. Box 40908
Olympia, WA 98504-0908

AMERICAN CIVIL LIBERTIES UNION OF WASHINGTON FOUNDATION
901 5TH AVENUE, SUITE 630
SEATTLE, WA 98164
T/206.624.2184
WWW.ACLU-WA.ORG

JESSE WING
BOARD PRESIDENT

KATHLEEN TAYLOR
EXECUTIVE DIRECTOR

Dear PDC staff:

Re: C7 Special Political Expenditures report for 2011

Enclosed is the ACLU of Washington Foundation's C7 report for 2011. I just learned this week that such a report should have been filed in February of this year, and apologize for its delay. I want to assure you that we made the necessary monthly reports to the recipient of the donations, New Approach Washington, but did not realize that a year-end C7 report was also required. We intend to be timely with our 2012 C7 report.

Please contact me if you have any questions. Again, I apologize for the delay, and appreciate your work for timely and transparent campaign reporting.

Sincerely,

Kathleen Taylor
Executive Director

PDC Exhibit # 6
Page 1 of 3

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
TOLL FREE 1-877-601-2828

Special Political Expenditures

C7
12/08

PDC OFFICE USE

DATE FILED PDC

SEP 28 2012

1. Name (Use complete company, association, union or entity name.)

American Civil Liberties Union of Washington Foundation, Inc.

Attention (Identify person to whom inquiries about the information below should be directed.)

att: Kathleen Taylor

Mailing Address: 901 - 5th Ave. #630

Telephone: 206-624-2184

City: Seattle, WA

State:

Zip + 4: 98164

THIS REPORT MUST BE FILED BY THE LAST DAY OF FEBRUARY. Disclose all payments or expenditures the reporting entity made and accrued during the previous calendar year for the types of activities described below. Complete all sections. Use "none" or "0" when applicable. Follow the directions on the attached instructions.

Summary of Expenditures

	Amount
2. Political contributions to candidates for legislative or statewide executive office, committees supporting or opposing these candidates, or committees supporting or opposing statewide ballot measures. Also complete Item 8.	
a. Aggregate contributions made by the filer.	$168,164.75
b. If contributions were made by a political committee associated, affiliated or sponsored by the employer, show the PAC name below. (Information reported by the PAC on C-4 reports need not be again included as part of this report.) Name of PAC _____	
3. Independent expenditures supporting or opposing a candidate for legislative or statewide executive office or a statewide ballot measure. Show aggregate amount. Also complete Item 9.	
4. Expenditures for entertainment, gifts, tickets, passes, transportation and travel expenses (including meals, lodging and related expenses) provided to legislators, state officials, state employees and members of their immediate families. Show aggregate amount. Also complete Item 10.	
5. Expenditures to or on behalf of legislators, state officials, their spouses and dependents for the purpose of influencing, honoring or benefiting the legislator or official. Show aggregate amount. Also complete Item 13.	
6. Other expenditures related to lobbying state officials, whether payment is made to, through or on behalf of a registered lobbyist. Attach list itemizing each expense. Show date, recipient, purpose and amount.	
Please see attached letter.	
7. Total Reportable Expenses (Items 2 thru 6)	$168,164.75

Itemized Expenditures

8. Contributions totaling over $25 to a legislative or statewide executive office candidate, a committee formed to support or oppose one of these candidates or a committee supporting or opposing a statewide ballot measure.

Name of Recipient	Amount	Date
New Approach Washington	$6,572.11	May 2011 - InKind
P.O. Box 2084; Seattle, WA 98111	30,626.96	Jun 2011 - InKind
	50,000.00	Jun 2011 - Cash
(New Approach was recipient of all donations.)	9,144.75	Jul 2011 - InKind
	8,235.74	Aug 2011 - InKind
	9,013.81	Sep 2011 - InKind
	8,192.32	Oct 2011 - InKind
	7,986.24	Nov 2011 - InKind
	8,392.82	Dec 2011 - InKind
	30,000.00	Dec 2011 - Cash

☐ Information continued on attached pages

PDC Exhibit # 6
Page 2 of 3

9. Independent expenditures in support of or opposition to a) a legislative or statewide executive office candidate or b) a statewide ballot measure. See instructions for definition of "independent expenditure."

Candidate's Name, Office Sought & Party or Ballot Measure & Brief Description	Amount	Date and Description of Expense (Note if Support or Oppose)
	$	

DATE FILED PDC

SEP 28 2012

☐ Information continued on attached pages

10. Entertainment, gifts, tickets, passes, transportation and travel expenses (including meals, lodging and related expenses) provided to legislators, state officials, state employees and members of their immediate families.

Name and Title	Cost or Value	Date and Description of Entertainment, Gift or Travel
	$	

☐ Information continued on attached pages

11. Compensation of $2,000 or more during the preceding calendar year for employment or professional services paid to state elected officials, successful candidates for state office and each member of their immediate family.

Name	Relationship to Candidate or Official, if Family Member	Amount (Code)	Description of Consideration or Services Exchanged for Compensation

☐ Information continued on attached pages

12. Compensation of $2,000 or more during the preceding calendar year for professional services paid to any corporation, partnership, joint venture, association or other entity in which state elected official, successful state candidate or member of their immediate family hold office, partnership, directorship or ownership interest of 10% or more.

Firm Name	Person's Name	Amount (Code)	Description of Consideration or Services Exchanged for Compensation

☐ Information continued on attached pages

13. Any expenditure, not otherwise reported, made directly or indirectly to a state elected official, successful candidate for state office or member of their immediate family, if made to honor, influence or benefit the person because of his or her official position.

Name	Amount	Date and Description of Expense
	$	

☐ Information continued on attached pages

14. This report must be certified by the president, secretary-treasurer or similar officer of reporting entity.

	Signature of Officer	Date
Certification: I certify that this report is true, complete and correct to the best of my knowledge. Printed Name and Title of Officer: Kathleen M. Taylor Executive Director	Kathleen M Taylor	09-28-12

PDC Exhibit # 6
Page 3 of 3

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Kurt Young

From: Matthew Segal [Matthew.Segal@pacificalawgroup.com]
Sent: Monday, November 26, 2012 7:18 PM
To: Kurt Young
Cc: Paul Lawrence
Subject: ACLU-WA Citizen Action Letter: PDC Case No. 13-019
Attachments: Combined Campaign donations - FY11-12.pdf.pdf; Combined Campaign donations - FY12-13 ytd Oct2012.pdf.pdf; ytd FY12-13 exps & hrs.pdf.pdf

Importance: High

Dear Mr. Young:

Below please find responses to the questions posed in your email of 11/20/12. If you have further questions once you have reviewed the answers below, please don't hesitate to call or email.

Thank you,

Matt Segal

Mr. Segal,

This e-mail is a follow-up to the voice messages I left for you this afternoon and yesterday.

Sorry about the changing status of the report and our deadlines, but such is the nature of the 45-day Citizen Action Letter. After reviewing your response, I had just a couple of additional questions concerning ACLU-WA and ACLU-WA Foundation as follows:

- Do the two entities have separate boards?

Yes.

- Do the two entities have some overlapping board members?

Yes. The Boards of the Foundation and the Endowment are currently comprised of the 9 members of the Executive Committee of the Board of the Union. Under the bylaws of the Foundation, its board is comprised of the Executive Committee plus other directors as may be nominated by the Board of the Union. Under the bylaws of the Endowment, the board is comprised of those directors nominated by the Board of the Foundation (nominees must be members of the ACLU of Washington and Washington State residents).

I am unclear if these questions pertain to potential aggregation, but if so please note that in our letter dated November 5, we took the most conservative approach in our "primary purpose" analysis. To the extent the numbers of the three organizations were aggregated, the relevant percentages would be lower. See the attached schedules for detail.

- In your response you footnoted the Staff, Direct, Indirect, and Cash categories for expenditures for each. Can you quantify the number of ACLU-WA employees that comprised the $37,825 in total staff expenses for I-502 as listed in Exhibit B, and $29,216 as listed in Exhibit C?

PDC Exhibit # 7
Page 1 of 7

Regarding the $37,825 in total staff expenses for I-502 as listed in Exhibit B, eight employees. Regarding the $29,216 in total staff expenses for I-502 as listed in Exhibit C, 11 employees. Note this captures any employee's time that might be considered an in kind donation, although a number of these donations were extremely limited. For example, combined staff time donations for the 2012 fiscal year were less than 6% of total hours worked. See the attached staff time spreadsheets.

- Were all of the ACLU-WA Foundation staff expenses for Ms. Holcomb, or did they include other ACLU staff?

No. Any and all volunteered time that could be considered a potential in kind contribution was included. In this case, that included limited time from one additional staff person, Mark Cook.

- Please provide a more detailed summary of the types of Direct and Indirect expenses incurred (no dollar totals but examples).

Direct expenses included travel, copies, polling, handouts, coffee and costs of conference calls. Indirect expenses captured the pro rata share of office expenses that might be considered an in kind contribution in the event staff contributed time while on ACLU WA premises. This would include a pro rata share of ACLU WA rent, insurance, phone service, copier service, and supplies. The pro rata share was determined by totaling all hours compiled and reported as in kind staff contributions in the month at issue, and dividing those hours by the total number of staff hours worked in that month.

- Please explain the decision making process whether or not ACLU-WA or ACLU-WA Foundation funds were used for a specific activity.

Annual program budgets are drawn up by staff under the oversight of the Executive Director of ACLU-WA. The proposed budget is then reviewed by a budget committee, and presented for final approval to the Boards of Directors.

Concerning the ACLU-WA in-kind contributions to Washington United for Marriage

- Can you quantify the number of ACLU-WA employees that comprised the $22,665 in total staff expenses for R-74 as listed in Exhibit B, and $5,766 in Exhibit C?

For the staff expenses in Exhibit B, three employees. For the staff expenses in Exhibit C, two employees.

Thank you in advance for your continued assistance and cooperation in this matter. I am out of the office until Monday, November 26, 2012.

If you have any questions tomorrow, please contact Phil Stutzman, Director of Compliance at (360) 664-8853. If he hears any additional information from the Attorney General's Office tomorrow, he will contact you. Have a great Thanksgiving holiday.

Sincerely,

Kurt Young
PDC Compliance Officer

Matthew J. Segal

PACIFICA
LAW GROUP

T 206.245.1700 D 206.245.1718 F 206.245.1768

1191 Second Avenue, Suite 2100, Seattle, WA 98101
matthew.segal@pacificalawgroup.com

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PDC Exhibit # 7
Page 3 of 7

ACLU-WA	Combined NAWA & WaUm Campaign Donations
	FY11-12: 04/01/11 - 03/31/12

Summary	Union	Foundation	Endowment	Combined
# of Staff contributing:	11	2	0	13
Total campaign donations YTD:	$ 51,572	$ 194,213	$ -	$ 245,785
% of FY11-12 Expenses:	8%	8%	0%	7%
Total FY11-12 Expenses:	$ 658,793	$ 2,547,407	$ 290,667	$ 3,496,867

Details

Union	Combined	New Approach Washington	Washington United for Marriage
# of staff:	11*	11	2
Staff & Contractor:	34,983	29,216	5,766
Direct:	532	427	104
Indirect:	3,547	2,992	555
InKind Total:	39,061	32,647	6,425
Cash Gifts:	12,500	12,500	-
Grand Totals:	**51,572**	45,147	6,425

*** 2 staff worked on both campaigns**

Foundation	Combined	New Approach Washington	Washington United for Marriage
# of staff:	2	2	
Staff Exps:	81,706	81,706	-
Direct:	21,655	21,655	-
Indirect:	10,850	10,850	-
InKind Total:	114,213	114,213	-
Cash Gifts:	80,000	80,000	-
Grand Totals:	**194,213**	194,213	-

Endowment Fund	(no donations)	(no donations)	(no donations)

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ACLU-WA	Combined NAWA & WaUm Campaign Donations
	YTD FY12-31: 04/01/12 - 10/31/12

Summary - Projected Year-End	Union	Foundation	Endowment	Combined
# of Staff contributing:	9	2	0	11
Total campaign donations - Projected Year-end:	$ 98,621	$ 168,390	$ -	$ 267,011
	12%	6%	0%	7%
Total FY12-13 Budget:	$ 810,753	$ 2,648,300	$ 310,544	$ 3,769,597

Details - Projected Year-End

Union	Combined	New Approach Washington	Washington United for Marriage
# of staff:	9*	8	3
Staff & Contractor:	60,490	37,825	22,665
Direct:	30,720	858	29,862
Indirect:	7,411	5,116	2,295
InKind Total:	98,621	**43,799**	**54,822**
Cash Gifts:	-	-	-
Grand Total:	98,621	**43,799**	**54,822**

*** 2 staff worked on both campaigns**

Foundation	Combined	New Approach Washington	Washington United for Marriage
# of staff:	2	2	
Staff Exps:	60,494	60,494	-
Direct:	17	17	-
Indirect:	7,877	7,877	-
InKind Total:	68,390	**68,390**	-
Cash Gifts:	100,000	**100,000**	-
Grand Total:	168,390	**168,390**	-

Endowment Fund	(no donations)	(no donations)	(no donations)

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Public Disclosure Commission

ACLU-WA

NAWA Campaign Work - Staff Expenses

YTD FY12-31: 04/01/12 - 10/31/12

	ACLU-WA		ACLU-WA Fdn		Combined	
	Expenses	%	Expenses	%	Expenses	%
Total donated exps:	$ 35,303	9.9%	$ 56,461	5.3%	$ 91,764	6.5%
Total all staff exps:	$356,622	100.0%	$1,063,633	100.0%	$1,420,255	100.0%

Note: Staff expenses include salaries, all payroll taxes, and all benefits

ID	staffer	Total	12	11	10	9	8	7	6	5	4	3	2	1
			8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
			Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr
ACLU-WA Fdn:														
hola	Alison	**54,206**						7,732.01	7,980.61	7,881.18	7,632.56	7,577.61	7,576.23	7,826.15
coon	Mark	**2,254**						482.93	571.27	139.14	347.85	208.71	261.00	243.58
Total ACLU-WA Fdn:		**56,461**												
ACLU-WA (Union):														
robb	Brian R.	**17,801**						4,581.21	3,046.72	2,935.53	1,628.72	2,220.71	1,929.75	1,458.40
hond	Doug H.	**756**						187.94	-	93.97	46.99	94.79	47.41	284.42
shaj	Jennifer	**2,124**						687.59	229.20	229.20	343.80	171.93	231.29	231.22
tayk	KT	**3,205**						203.86	474.14	489.95	316.10	256.83	987.99	476.23
weil	Larry	**272**												272.25
rebl	Liezl	**1,906**						627.30	48.46	114.77	205.67	254.15	231.57	423.58
gagn	Mary	**5,293**						1,669.12	2,281.14	-	278.19	222.72	449.15	392.94
nars	Shankar	**3,947**						-	387.63	532.99	436.08	927.74	488.92	1,173.20
Total ACLU-WA Union:		**35,303**												
Total Combined Donated:		**91,764**	-	-	-	-	-	16,171.96	15,019.17	12,416.73	11,235.96	11,935.19	12,203.31	12,781.98

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Public Disclosure Commission

ACLU-WA | NAWA Campaign Work - Staff Time Tracked

YTD FY12-13: 04/01/12 - 10/31/12

	ACLU-WA			ACLU-WA Fdn			Combined		
	Hrs	FTEs	%	Hrs	FTEs	%	Hrs	FTEs	%
Total donated time:	727.4	0.4	9.2%	1,151.5	0.6	4.7%	1,878.9	1.0	5.8%
Total all staff time:	7,899.4	4.1	100.0%	24,655.0	12.6	100.0%	32,554.5	16.7	100.0%

Note: The ACLU's standard work hours are: 7.5hrs/day 37.5hrs/week 1950hrs/year

ID	staffer	Hrs	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr
			12	11	10	9	8	7	6	5	4	3	2	1
			8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
ACLU-WA Fdn:														
hola	Alison	**1,086.5**						155.50	160.50	158.50	153.50	151.50	151.00	156.00
coon	Mark	**65.0**						14.00	16.50	4.00	10.00	6.00	7.50	7.00
Total ACLU-WA Fdn:		**1,151.5**												
ACLU-WA (Union):														
robb	Brian R.	**399.0**						103.00	68.50	66.00	36.50	49.50	43.00	32.50
hond	Doug H.	**16.0**						4.00	-	2.00	1.00	2.00	1.00	6.00
shaj	Jennifer	**37.0**						12.00	4.00	4.00	6.00	3.00	4.00	4.00
tayk	KT	**40.6**						2.60	6.00	6.20	4.00	3.25	12.50	6.00
weil	Larry	**10.0**												10.00
rebl	Liezl	**48.9**						16.18	1.25	2.95	5.26	6.50	5.92	10.83
gagn	Mary	**95.0**						30.00	41.00	-	5.00	4.00	8.00	7.00
nars	Shankar	**81.0**						-	8.00	11.00	9.00	19.00	10.00	24.00
Total ACLU-WA Union:		**727.4**												
total combined donated:		**1,878.9**	-	-	-	-	-	337.28	305.75	254.65	230.26	244.75	242.92	263.33

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