STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

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April 5, 2016
Nokomis Room
Centennial Office Building

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MINUTES

The meeting was called to order by Chair Sande.

Members present: Flynn, Greenman (arrived during Executive Director Topics – State prompt payment report), Leppik, Oliver (arrived during Executive Director Topics – Review of bank reconciliation initiative), Rosen, Sande

Others present: Goldsmith, Sigurdson, Fisher, Pope, staff; Hartshorn, counsel

The meeting did not strictly follow the order of business set forth in the agenda.

EXECUTIVE DIRECTOR TOPICS

Office operations and website project

Mr. Goldsmith told members that since the last meeting, staff had been busy with routine matters. Mr. Goldsmith said that the website project was moving ahead and probably would be rolled out to the user group for testing around June 1. Mr. Goldsmith said that the estimated target date for releasing the new website to the public was July 1.

State prompt payment report

Mr. Goldsmith presented members with a memorandum and a prompt payment report that are attached to and made a part of these minutes. Mr. Goldsmith told members that the Board was one of only three agencies with a perfect prompt payment record. Mr. Goldsmith said that Mr. Sigurdson was responsible for this area of the Board's operations and that the Board's performance reflected the staff's commitment to running a professional office.

Budget report

Mr. Goldsmith presented members with a budget report that is attached to and made a part of these minutes. Mr. Goldsmith explained which items in the report were related to the website project and highlighted the available funds that could be redirected to this project if the Board needed to supplement the project's original estimate.

Update on live streaming of Board meetings

Mr. Goldsmith told members that this was a placeholder and that this issue would be considered after the website launch when the Board's IT staff would have more time to dedicate to the matter.

Review of bank reconciliation initiative

Ms. Pope presented members with a memorandum on this issue that is attached to and made a part of these minutes. Ms. Pope reviewed the reconciliation initiative and reported on the number and types of requests received for adjustments over $200. Members discussed the policy parameters that should apply to these larger requests for balance adjustments, particularly those requests where the committee had more money in its bank account than on its report.

After discussion, the following motions were made:

Member Flynn's motion:	To grant the request of the Pinto (David) Volunteer Committee to adjust its ending cash balance from $10,740.33 to $11,087.61.
Vote on motion:	Unanimously passed.
Member Flynn's motion:	To grant the request of the PAL 9 National Association of Letter Carriers to adjust its ending cash balance from $11,060.03 to $10,771.03.
Vote on motion:	Unanimously passed.
Member Flynn's motion:	To grant the request of the Senate District 64 DFL to adjust its ending cash balance from $16,156.15 to $16,596.73.
Vote on motion:	Unanimously passed.
Member Leppik's motion:	To grant the request of the Friends of Minn Nurse Anesthetists to adjust its ending cash balance from $16,020.16 to $16,759.09.
Vote on motion:	Unanimously passed (Rosen abstaining).
Member Leppik's motion:	To grant the request of the Winona County DFL to adjust its ending cash balance from $9,507.14 to $10,147.75.
Vote on motion:	Unanimously passed.

Member Leppik's motion:	To grant the request of the Melisa Franzen for Senate committee to adjust its ending cash balance from $47,972.94 to $49,070.30.
Vote on motion:	Unanimously passed.
Member Leppik's motion:	To grant the request of the Alice Johnson for Senate Committee to adjust its ending cash balance from $37,943.34 to $36,568.59.
Vote on motion:	Unanimously passed.

Board action to write off uncollectable debt

Mr. Goldsmith presented members with a memorandum on this issue and a list of Board receivables that are attached to and made a part of these minutes. Mr. Goldsmith told members that the management of the Board's receivables had not been very proactive in the past and that there had not been much Board involvement to date. Mr. Goldsmith said that staff believed that this practice should change and, therefore, staff would start bringing receivables issues to the Board for guidance at the next few meetings. Mr. Goldsmith said that the first step was to ask the Board to formally write off the debt that clearly was uncollectable because the entity owing the money had terminated at least seven years ago.

After discussion, the following motion was made:

Member Rosen's motion:	To adopt the following resolution:

RESOLVED, that the items listed on the report titled "Outstanding Money Owed List – Entity Terminated" dated March 22, 2016, are deemed uncollectable and are hereby ordered removed from the Board's list of collectable receivables.

Vote on motion:	Unanimously passed.

Discussion of approaches to initiating Board investigations

Mr. Goldsmith presented members with a memorandum on this issue that is attached to and made a part of these minutes. No one objected to Chair Sande's request to discuss this matter after executive session.

ENFORCEMENT REPORT

A. Discussion Items

1. Request to administratively terminate lobbyist Susan Stout

Mr. Fisher told members that the lobbyist's principal, MN Nurses Assn, was asking to terminate Susan Stout's lobbyist registration as of 12/31/2014, because the organization's contract with her expired as of that date.

After discussion, the following motion was made:

Member Leppik's motion:	To approve the request to administratively terminate Susan Stout's lobbyist registration.
Vote on motion:	Unanimously passed.

2. Request to terminate with a cash balance in excess of $100 and to waive late fee – Tim Henderson for Senate

Mr. Fisher told members that this committee registered with the Board on 5/22/2012. The committee had a reported cash balance of $821.73 on 12/31/2012. A few miscellaneous expenses in the next few years led to the committee reporting a cash balance of $583.91 on 12/31/2015. Mr. Fisher said that the treasurer had attempted to terminate the committee in the past, but due to a balance discrepancy he had been unable to account for the committee's funds in excess of $100. The committee's bank account has no funds remaining.

Mr. Fisher said that review of the committee's bank records indicated that the committee appeared to have over-reported contributions by $910 in 2012, over-reported expenditures by $233.38 in 2012, and double reported an expenditure in 2014. Mr. Fisher said that the committee was asking to be allowed to terminate with a cash balance in excess of $100 as of 12/31/2015. In addition, the committee had accrued a $100 late filing fee on its 2015 year-end report. Mr. Fisher said that the committee also was asking the Board to waive this late filing fee. Mr. Fisher said that no previous waivers had been granted to the committee.

After discussion, the following motion was made:

Member Rosen's motion:	To approve the request of the Tim Henderson for Senate committee to terminate with a cash balance in excess of $100 and to waive the $100 in late filing fees.
Vote on motion:	Unanimously passed.

B. Waiver requests

Name of Candidate or Committee	Late Fee & Civil Penalty Amount	Reason for Fine	Factors for waiver	Board Member's Motion	Motion	Vote on Motion
Orvin Gronseth	$15 LFF	2/22/2016 EIS	Official was undergoing medical treatment.	Member Rosen	To waive the late filing fee.	Passed unanimously.
Brian Personius Campaign Committee	$75 LFF	2/1/2016 YE Report	Candidate had difficulty using software and could not afford the process for mailing paper copy of the report. Candidate has closed the bank account and terminated committee's registration as of 12/31/2015.	Member Rosen	To waive the late filing fee.	Passed unanimously.
Paul Perovich for Senate	$400 LFF	2/1/2016 YE Report	Treasurer experienced hardware issues with computer used for filing reports. Committee terminated as of 12/31/2015.	Member Rosen	To waive the late filing fee.	Passed unanimously.
8th Cong. District IPMN	$313.62 LFF	2/1/2016 YE Report	Party unit has been terminated and $61.38 remaining in account was forwarded to Board to be applied towards the $375 LFF.	Member Rosen	To waive the late filing fee.	Passed unanimously.
Jennifer DeCubellis	$40 LFF	2/22/2016 EIS	Official was on an interjurisdictional transfer between agencies. Notice of annual filing was sent to temporary agency after she had resigned from her post there and returned to normal position.	Member Rosen	To waive the late filing fee.	Passed unanimously.
Patricia Moen	$35 LFF	2/8/2016 EIS	Official retired from previous position and initial notice was sent to prior business address. Official was out of the country when voice messages were left regarding the deadline.	Member Rosen	To waive the late filing fee.	Passed unanimously.
Tavern League of Minnesota	$25 LFF	3/15/2016 Principal	Designated lobbyist mistakenly submitted amended lobbyist reports on the morning principal reports were due. Staff informed association that principal's report had not been received on the filing deadline. Issue was resolved the following day when lobbyist visited the Board's offices.	Member Oliver	To waive the late filing fee.	Passed unanimously.
BPAM (Bowling Proprietors Assn of MN)	$25 LFF	3/15/2016 Principal	(Same written request as Tavern League of Minnesota, above.)	Member Oliver	To waive the late filing fee.	Passed unanimously.
IFAPAC Minn	$25[1] LFF	2/1/2016 YE Report	Executive director responsible for filing retired on 12/31/2015. New treasurer has registered with Board.	Member Oliver	To waive the late filing fee.	Passed unanimously.
Crow Wing County RPM	$25 LFF	2/1/2016 YE Report	Party unit went through period with no individual willing to fill treasurer position which led to filing notices being sent to previously registered treasurer.	No motion.		

[1] Committee has paid late filing fee. A waiver will act as a reimbursement to the committee.

Kittson County DFL	$300 LFF	2/1/2016 YE Report	All county officers changed over and filing was missed. Bulletin regarding filing was mailed on 12/25/15 to previous treasurer who was still, at that time, registered with the Board.	No motion.		
Robert Duban	$20 LFF	2/22/2016 EIS	Official was unaware of requirement to file annual update to EIS. Notices were mailed to individual on 12/29 and 2/10.	No motion.		
John Keefe	$100 LFF	2/22/2016 EIS	Official states that he did not receive prior notifications, that his financial status had not changed, and that he was unaware that an annual statement was due. Notices were mailed to individual on 12/29 and 2/10.	No motion.		
Tony Croatt	$100 LFF	2/8/2016 EIS	Official does not recall receiving correspondence regarding late filing fees and was not aware of the recent law changes regarding required annual filings. Notices were mailed to individual on 12/29 and 1/28.	No motion.		
Jeffrey Ziarko	$450 LFF	1/15/2016 Lobbyist	Lobbyist resigned employment from firm in prior year. Lobbyist's email was not regularly monitored and principal was not aware he needed to terminate his registration	No motion.		
Freeborn County DFL	$400 LFF	2/1/2016 YE Report	Individual was concerned that report would be complicated and waited until his job's busy season was over to file report.	No motion.		

C. Request to approve agreement to stay and then waive late filing fees and civil penalties – Northeast Social

Mr. Fisher told members that this matter arose out of the Al Garcia investigation. Mr. Fisher said that Mr. Garcia had registered as a lobbyist for several entities that then failed to file principal reports either because they were unaware of the requirement or because Mr. Garcia had said that he would take care of them. Mr. Fisher said that Northeast Social was asking the Board to approve an agreement to stay $2,575 in late filing fees and civil penalties for its 2013 and 2014 principal reports and to waive those fees and penalties on April 1, 2018, if there were no similar violations.

After discussion, the following motion was made:

Member Flynn's motion:	To approve as drafted the Northeast Social agreement regarding the stay and then waiver of late filing fees and civil penalties.
Vote on motion:	Unanimously passed.

<u>Informational Items</u>

A. Payment of a late filing fee for 2015 year-end report of receipts and expenditures

5th Congressional District GPM, $50
8th Congressional District IPMN, $61.38

14TH Senate District DFL, $225
53rd Senate District DFL, $100
65th Senate District DFL, $225
Wright County RPM, $175

IFAPAC, $50
Minn Gun Owners PAC, $25
Minnesota For Marriage, $46
Minnesota RKBA, $50

Sarah Anderson Volunteer Committee, $25
Joe Blum Volunteer Committee, $50
Breanna Bly for MN House, $75
Vote Jefferson Fietek, $100
Citizens for Devin Gawnemark, $650
Mark Giancola for Judge, $300
Joe Hoppe Volunteer Committee, $225
Hutchison (Jason) for Judge, $25
Kanne (James) for House 15B, $200
Gary Mazzotta for Minn, $25
Anne Nolan Campaign, $75
Bev Scalze Volunteer Committee, $100
Volunteers for Daniel Surman, $25

B. Payment of late filing fee for 2012 candidate economic interest statement, pre-primary, pre-general, and year-end reports of receipts and expenditures and late filing fee and civil penalty for failure to amend 2012 and 2013 year-end reports of receipts and expenditures

Minnesotans for Ben Kruse, $2,974.30 late filing fees, $1,000 civil penalty

C. Payment of a late filing fee for annual economic interest statement

Eric Beecher, Attorney General's Office (termination), $25
Steve Brake, Animal Health Board, $100
Mary Deeg, Architecture, Eng., Land Surveying, Landscaping, $10
Ericca Erhard, Transportation Department, $10
Erin Leonard, Minn State Retirement System, $10
Brownell Mack, Human Services (termination), $5
Don Marthaler, North Cannon River WMO, $5
Jerry Nelson, Yellow Medicine SWCD, $5
Donald Pereira, South Washington WD, $15
Charles Postner, Agriculture Department, $10
Andy Weaver, Carnelian-Marine-St Croix WD, $20

D. Payment of a late filing fee for the 2015 annual report of lobbyist principal

MN Independent Coalition, $25
Preservation Alliance of MN, $25

E. Payment of a civil penalty for exceeding the special source aggregate contribution limit:

Schmit (Matt) for Senate, $12.50

F. Deposit to the General Fund, State Elections Campaign Fund:

Citizens for Devin Gawnemark, $431.76, gift to state upon termination
Tom Huntley Volunteer Committee, $34.19, gift to state upon termination
John Pederson for Senate, $1,894.76 (could not determine source)

LEGAL COUNSEL'S REPORT

Mr. Hartshorn presented members with a report that is attached to and made a part of these minutes. Mr. Hartshorn told members that he had appeared at a motion for summary judgment hearing in the Lehrke matter on March 31, 2016, but that Mr. Lehrke had not appeared at the hearing. Mr. Hartshorn said that the judge had taken the matter under advisement. Mr. Hartshorn told members that if the Board prevailed, he would look into ways to enforce any monetary judgement and to compel Mr. Lehrke to file the required reports.

MINUTES (March 1, 2016)

After discussion, the following motion was made:

Member Leppik's motion:	To approve the March 1, 2016, minutes as drafted.
Vote on motion:	Unanimously passed (Flynn abstaining).

CHAIR'S REPORT

Board meeting schedule

The next Board meeting is scheduled for May 3, 2016.

OTHER BUSINESS

There was no other business to report.

EXECUTIVE SESSION

The Chair recessed the regular session of the meeting and called to order the executive session. Upon recess of the executive session, the regular session of the meeting was called back to order and the Chair reported the following matters into regular session:

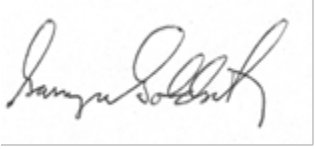
Findings, conclusions, and order in the matter of the audit/investigation of the Chaudhary for Senate Committee and Satveer Chaudhary

EXECUTIVE DIRECTOR TOPICS

Discussion of approaches to initiating Board investigations

No one objected to Chair Sande's request to defer discussion of this matter until the next meeting.

There being no other business, the meeting was adjourned by the Chair.



Gary Goldsmith
Executive Director

Attachments:
Memorandum regarding the state prompt payment report
State prompt payment report
Budget report
Memorandum regarding review of bank reconciliation initiative
Memorandum regarding Board action to write off uncollectable debt
List of Board receivables dated March 22, 2016
Memorandum regarding approaches to initiating Board investigations
Draft agreement regarding stay and waiver of late filing fees and civil penalties – Northeast Social
Legal report
Findings, conclusions, and order regarding audit/investigation of the Chaudhary for Senate Committee and Satveer Chaudhary

Minnesota

Campaign Finance and Public Disclosure Board

Date: March 29, 2016

To: Board members

From: Gary Goldsmith, Executive Director **Telephone:** 651-539-1190

Re: Prompt payment report from MMB

Members,

I am attaching a copy of the state's prompt payment report by agency. We get this report from MMB every month. The state has a goal of making payments within the time allowed so that no late fees or interest accrue.

Assistant Executive Director Jeff Sigurdson is responsible for the Board's payment process. I want to point out that under Jeff's management, the Board is the one of only two state agencies to have a 100% prompt payment record for all of fiscal year 2015 and fiscal year 2016 to date.

Jeff and I pride ourselves on being a model for other small agencies and this report is just one indication of our success toward meeting that goal

Attachment: Prompt payment report

Report ID:	PPAY01G
Run Date & Time:	3/22/16 11:37 AM
Report Run Time:	0:07:24

State Of Minnesota
Payment Record By State Agency
Fiscal Year 2016: July 01, 2015 through June 30, 2016
As of: February 29, 2016

	Fiscal Year 2015			Fiscal Year 2016			
State Agency	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	Variance
Accountancy Board	170	168	98.82%	104	104	100.00%	1.18%
Administration Department	26,475	26,007	98.23%	17,134	16,789	97.99%	-0.25%
Administrative Hearings	874	859	98.28%	587	540	91.99%	-6.29%
Agriculture Department	7,221	7,178	99.40%	5,809	5,197	89.46%	-9.94%
Amateur Sports Commission	63	59	93.65%	46	46	100.00%	6.35%
Animal Health Board	562	542	96.44%	334	324	97.01%	0.56%
Architecture, Engineering Bd	362	361	99.72%	234	234	100.00%	0.28%
Arts Board	542	481	88.75%	481	382	79.42%	-9.33%
Asian Pacific Council	215	209	97.21%	122	120	98.36%	1.15%
Attorney General	2,910	2,904	99.79%	1,574	1,566	99.49%	-0.30%
Barber Examiners Board	115	114	99.13%	68	68	100.00%	0.87%
Behavioral Health & Therapy Bd	279	263	94.27%	213	208	97.65%	3.39%
Black Minnesotans Council	316	309	97.78%	168	157	93.45%	-4.33%
Campaign Finance Board	263	263	100.00%	127	127	100.00%	0.00%
Capitol Area Architect	122	107	87.70%	75	75	100.00%	12.30%
Chicano Latino Affairs Council	173	161	93.06%	93	88	94.62%	1.56%
Chiropractic Examiners Board	250	222	88.80%	145	127	87.59%	-1.21%
Commerce Department	3,882	3,839	98.89%	2,551	2,524	98.94%	0.05%
Corrections Department	46,129	45,278	98.16%	31,686	30,894	97.50%	-0.65%
Cosmetologist Examiners Board	258	253	98.06%	192	186	96.88%	-1.19%
Court of Appeals	280	269	96.07%	163	160	98.16%	2.09%
Dentistry Board	633	620	97.95%	316	292	92.41%	-5.54%
Dietetics & Nutrition Practice	68	67	98.53%	42	40	95.24%	-3.29%
Education Department	3,361	3,130	93.13%	2,018	1,871	92.72%	-0.41%

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Emergency Medical Services Off	368	326	88.59%	293	288	98.29%	9.71%
Employment & Economic Develop	12,615	12,367	98.03%	7,953	7,836	98.53%	0.49%
Explore Minnesota Tourism	1,444	1,435	99.38%	877	870	99.20%	-0.17%
Gambling Control Board	378	351	92.86%	264	255	96.59%	3.73%
Governors Office	493	488	98.99%	266	264	99.25%	0.26%
Health Department	11,736	11,458	97.63%	6,871	6,657	96.89%	-0.75%
Housing Finance Agency	2,585	2,581	99.85%	1,536	1,536	100.00%	0.15%
Human Rights Department	506	468	92.49%	268	261	97.39%	4.90%
Human Services Department	59,103	53,062	89.78%	38,588	31,387	81.34%	-8.44%
Indian Affairs Council	264	250	94.70%	182	164	90.11%	-4.59%
Investment Board	459	431	93.90%	280	275	98.21%	4.31%
Iron Range Resources	2,105	2,037	96.77%	1,513	1,488	98.35%	1.58%
Judicial Standards Board	242	237	97.93%	153	150	98.04%	0.11%
Labor and Industry Department	6,001	5,980	99.65%	3,869	3,850	99.51%	-0.14%
Legislative Auditor	550	542	98.55%	290	288	99.31%	0.76%
Legislature Coordinating Comm	1,355	1,354	99.93%	1,107	1,103	99.64%	-0.29%
Lottery	160	160	100.00%	90	85	94.44%	-5.56%
Marriage and Family Therapy Bd	251	242	96.41%	189	181	95.77%	-0.65%
Mediation Services Department	277	272	98.19%	189	183	96.83%	-1.37%
Medical Practice Board	1,271	1,266	99.61%	752	747	99.34%	-0.27%
Military Affairs Department	12,489	12,291	98.41%	7,215	7,133	98.86%	0.45%
Minn State Retirement System	21,194	21,166	99.87%	13,621	13,609	99.91%	0.04%
Minnesota Management & Budget	3,174	3,138	98.87%	1,911	1,894	99.11%	0.24%
Minnesota State Academies	2,472	2,464	99.68%	1,650	1,650	100.00%	0.32%

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MMB Debt Service	124	124	100.00%	88	88	100.00%	0.00%
MMB Non-Operating	1,339	1,331	99.40%	87	86	98.85%	-0.55%
MN Insurance Marketplace	2,063	1,602	77.65%	942	778	82.59%	4.94%
MN State Colleges/Universities	185,042	184,859	99.90%	115,889	115,843	99.96%	0.06%
MN State Council on Disability	389	370	95.12%	277	258	93.14%	-1.97%
MN.IT	9,666	8,796	91.00%	6,755	6,154	91.10%	0.10%
Natural Resources Department	63,958	61,793	96.61%	38,767	38,130	98.36%	1.74%
Nursing Board	928	908	97.84%	597	587	98.32%	0.48%
Nursing Home Admin Board	390	381	97.69%	266	252	94.74%	-2.96%
Office of Higher Education	1,653	1,634	98.85%	1,135	1,127	99.30%	0.44%
Office of State Auditor	643	538	83.67%	534	476	89.14%	5.47%
Ombudsman MH/DD	207	199	96.14%	191	190	99.48%	3.34%
Ombudsperson for Families	130	124	95.38%	74	73	98.65%	3.26%
Optometry Board	76	76	100.00%	54	52	96.30%	-3.70%
Peace Officers Board (POST)	210	206	98.10%	152	148	97.37%	-0.73%
Perpich Ctr For Arts Education	2,425	2,314	95.42%	1,603	1,508	94.07%	-1.35%
Pharmacy Board	505	496	98.22%	320	306	95.63%	-2.59%
Physical Therapy Board	349	346	99.14%	223	214	95.96%	-3.18%
Podiatric Medicine	83	82	98.80%	40	40	100.00%	1.20%
Pollution Control Agency	9,186	8,964	97.58%	5,823	5,708	98.03%	0.44%
Private Detectives Board	39	39	100.00%	26	25	96.15%	-3.85%
Psychology Board	358	334	93.30%	268	245	91.42%	-1.88%
Public Defense Board	5,401	5,385	99.70%	4,395	4,389	99.86%	0.16%
Public Employees Retire Assoc	30,908	30,906	99.99%	20,281	20,280	100.00%	0.00%

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Public Facilities Authority	481	476	98.96%	414	410	99.03%	0.07%
Public Safety Department	29,202	27,712	94.90%	19,012	17,606	92.60%	-2.29%
Public Utilities Commission	560	528	94.29%	371	351	94.61%	0.32%
Racing Commission	803	782	97.38%	748	732	97.86%	0.48%
Revenue Department	6,538	6,465	98.88%	4,025	3,897	96.82%	-2.06%
Revenue Intergovt Payments	78,911	76,722	97.23%	67,966	67,544	95.55%	-1.67%
Secretary of State	1,049	1,042	99.33%	592	586	98.99%	-0.35%
Sentencing Guidelines Comm	136	133	97.79%	117	117	100.00%	2.21%
Social Work Board	276	263	95.29%	229	206	89.96%	-5.33%
State Guardian Ad Litem	2,705	2,395	88.54%	1,582	1,547	97.79%	9.25%
Supreme Court	5,220	4,953	94.89%	3,062	2,840	92.75%	-2.14%
Tax Court	163	161	98.77%	104	104	100.00%	1.23%
Teachers Retirement Assoc	28,603	28,588	99.95%	18,714	18,699	99.92%	-0.03%
Transportation Department	131,578	128,092	97.35%	83,704	81,683	97.59%	0.23%
Trial Courts	93,584	89,927	96.09%	61,409	58,968	96.03%	-0.07%
Uniform Laws Commission	9	9	100.00%	8	8	100.00%	0.00%
University of Minnesota	15	11	73.33%	8	8	100.00%	26.67%
Veterans Affairs Department	14,399	14,083	97.81%	10,041	9,776	97.36%	-0.44%
Veterinary Medicine Board	165	162	98.18%	91	89	97.80%	-0.38%
Water and Soil Resources Board	1,822	1,757	96.43%	1,112	1,051	94.51%	-1.92%
Workers' Comp Court of Appeals	169	168	99.41%	133	131	98.50%	-0.91%
Zoological Board	4,663	4,562	97.83%	3,625	3,548	97.88%	0.04%
Totals For The State:	954,138	928,827	97.35%	630,063	611,131	97.00%	-0.35%

Campaign Finance and Public Disclosure Board
FY 2016 Budget (Spending Plan)

Account	Description	Original Budget 8/4/16	Adjusted budget 3/29/16	Unobligated	For possible release
41000	Full-time Salary/Fringe	727,526	727,526		
41030	Part-time/Seasonal/Labor Service Salary/Fringe	66,812	64,812		13,000
41050	Overtime	0	2,000		2,000
41070	Other Employee Cost (Workers comp admin, Board per diem)	4,400	4,400		
41100	Space Rental	40,000	39,490		
41110	Printing & Advertising (Letterhead, env., State Register)	3,500	1,605	2	
41130	Professional/Technical Services	8,400	2,000		
41145	IT Professional/Technical Services - Avallo	50,000	75,000		
	IT Prof Tec - DB developer		15,800		14,875
41145	IT Professional/Technical Services - Concurrency		5,000		5,000
41150	Computer Systems and Services (Software, security, etc.)	5,000	7,000	1,423	
41155	Communications (Admin - Central Mail)	10,200	10,200	144	
41160	In-State Travel (Board and staff mileage)	3,000	2,258	364	
41170	Out-of-State Travel (COGEL Conference)	5,000	5,000	1,648	
41180	Employee Development (COGEL conference, staff training)	6,800	3,300	520	
41190	State Agency Provided P/T Svs - OAH Rules	4,000	4,000		4,000
41196	Centralized IT Services (MN.IT - email, hosting, web access, telephone service)	9,350	10,602	3,102	
41300	Supplies	2,800	5,050	1,018	
41400	Equipment Rental (photocopier)	3,225	3,525	52	
41500	Repairs & Maintenance (Copier maintenance contract)	2,000	2,000		
43000	Other Operating Costs (anticipated carry forward)	26,987	20,732	19,740	19,740
47060	Equipment -Capital (over $5K) (Replace storage array)	25,000	0		
47160	Equipment - Non Capital (under $5K)	10,000	2,700	1,845	
	Expenditure total	**1,014,000**	**1,014,000**	**29,857**	**58,615**

Website redevelopment

Account		Budget	Encumbered	Expended	Unexpended
MnGeo	**Oddessy Fund (FY 15 $)**	22,407	22,407	7,124	15,284
G9J1WEB	FY 15 carry forward	150,000			
	Integration Architects		25,000	25,000	0
	Avallo		125,000	119,844	5,156
WEB totals		**150,000**	**150,000**	**144,844**	**5,156**
G9J1CFB					
	41145 - Integration Architects	15,800	15,800	925	14,875
	41145 - Concurrency	5,000	5,000	0	5,000
	41145 - Avallo	75,000	75,000	0	75,000
G9J1CFB Totals		**95,800**	**95,800**		**94,875**
Grand total		**268,207**	**268,207**	**152,893**	**115,315**

MANAGER'S FINANCIAL REPORT

Run DateTime: 3/29/2016 10:50 AM
Source Report #: KK002
As of Date: 03/29/2016

Selection Criteria: Budget Period - 2016, Fund - 1000 to 1000, DeptID - G9J30000 to G9J30000, AppropID - G9J1CFB to G9J1CFB

Break On: Budget Period, Fund

Budget Period:	2016	Fund:	1000 General	DeptID:	RANGE G9J30000 to G9J30000	AppropID:	RANGE G9J1CFB to G9J1CFB

Remaining Payroll Projection	Full-Time (41000):	$229,796.61	Part-Time (41030):	$21,094.74	Total:	$250,891.35

Account Class and Description	Current Budget	Pre-Encumbered	Encumbered/ Committed	Expended	Unobligated	Unexpended
41000 Full Time - Salary	727,526.00	0.00	235,443.57	492,082.43	0.00	235,443.57
41030 Part-Time-Seasonal-Labor Serv	64,812.00	0.00	34,287.55	30,524.45	0.00	34,287.55
41050 Overtime and Premium Pay	2,000.00	0.00	1,571.82	428.18	0.00	1,571.82
41070 Other Employee Cost	4,400.00	0.00	1,389.00	3,011.00	0.00	1,389.00
41100 Space Rental And Utilities	39,490.00	0.00	9,872.49	29,617.47	0.04	9,872.53
41110 Printing And Advertising	1,605.00	0.00	1,066.92	536.21	1.87	1,068.79
41130 Prof-Tech Serv-Outside Vend	2,000.00	0.00	1,677.85	322.15	0.00	1,677.85
41145 IT/Prof/Tech O/S Vendor	95,800.00	0.00	94,874.75	925.25	0.00	94,874.75
41150 Computer and System Services	7,000.00	0.00	0.00	5,577.17	1,422.83	1,422.83
41155 Communications	10,200.00	0.00	9,338.42	717.58	144.00	9,482.42
41160 Trav-Sub-InState-Border Comm	2,258.00	0.00	789.04	1,104.96	364.00	1,153.04
41170 Trav/Sub-OutOfState-BorderComm	5,000.00	0.00	0.00	3,351.56	1,648.44	1,648.44
41180 Employee Development	3,300.00	0.00	0.00	2,780.00	520.00	520.00
41190 State Agcy-Prov Prof-Tech Serv	4,000.00	0.00	4,000.00	0.00	0.00	4,000.00
41196 Centralized IT Services	10,602.00	0.00	724.13	6,775.87	3,102.00	3,826.13
41300 Supplies	5,050.00	0.00	1,946.12	2,085.83	1,018.05	2,964.17
41400 Equipment	3,525.00	0.00	1,747.38	1,726.06	51.56	1,798.94
41500 Repairs To Equip & Furn	2,000.00	0.00	1,001.75	993.88	4.37	1,006.12
43000 Other Operating Costs	20,732.00	0.00	806.00	186.48	19,739.52	20,545.52
47060 Equipment-Capital	0.00	0.00	0.00	0.00	0.00	0.00
47160 Equipment-Non Capital	2,700.00	0.00	0.00	855.01	1,844.99	1,844.99
Total	**1,014,000.00**	**0.00**	**400,536.79**	**583,601.54**	**29,861.67**	**430,398.46**
Report Total	**1,014,000.00**	**0.00**	**400,536.79**	**583,601.54**	**29,861.67**	**430,398.46**

Minnesota

Campaign Finance and Public Disclosure Board

Date: March 29, 2016

To: Board Members

From: Jodi Pope, Legal/Management Analyst **Telephone:** 651-539-1190

Re: Requests for one-time balance adjustments over $200

In 2015, the Board began a gentle roll-out of a multi-year program aimed at getting all campaign finance committees and funds to the point where their reported year-end cash balances reconcile to their year-end bank statements. A bulletin on the subject and a reconciliation form were attached to the reporting notices mailed out in December. Committees were asked to return the completed reconciliation form along with a copy of a year-end bank statement but participation was voluntary. Committees with balances that did not reconcile could ask for a one-time balance adjustment. At the December meeting, the Board authorized the executive director to grant one-time balance adjustments of up to $200. The Board retained authority over requests for balances adjustments greater than $200.

The following table summarizes the current requests for adjustments over $200.

	Candidates	Committees and Funds	Party Units	Total
Request for adjustment $500 or less	1 (more in bank)	1 (more on report)	1 (more in bank)	3
Request for adjustment $501 to $1,000	0	1 (more in bank)	1 (more in bank)	2
Request for adjustment over $1,000	2 (1-more in bank; 1-more on report)	0	0	2
Request pending – need more information	3	0		3
Total	6	2	2	10

Having more money in the bank than on the report means that the committee has money for which it cannot identify the source. Having more money on the report than in the bank typically means that the committee has double-reported receipts or omitted expenditure transactions.

Historically, committees with money in their accounts that they could not account for were required to forfeit that money to the state as anonymous contributions. Under the reconciliation program, however, the executive director has granted adjustments of up to $200 to committees that could not identify the source of the additional funds in their bank accounts.

Below is a summary of the information submitted in support of each request. A Board decision is required on each request. The Board also could lay a matter over and direct staff to seek additional information from the requester.

Pinto (David) Volunteer Committee - $347.28 in excess funds in bank

The Pinto (David) Volunteer Committee is asking to adjust its 2015 ending cash balance from $10,740.33 to $11,087.61. The committee has $347.28 more in its bank account than on its report. The committee treasurer has provided a letter explaining that he has searched the committee records from 2014 and 2015 and has not found anything to explain the discrepancy. The treasurer has examined the records available for 2013 and believes the discrepancy was caused by contributions received late in 2013 when the campaign was just getting started that were not entered into the reporting software because the 2014 year had already been initialized. The Pinto committee registered with the Board on December 9, 2013.

PAL 9 National Association of Letter Carriers - $289.00 less in bank than reported

The PAL 9 National Association of Letter Carriers is asking to adjust its 2015 ending cash balance from $11,060.03 to $10,771.03. The committee has $289 more on its report than in its bank account. The committee originally requested a $2,289 adjustment but, with staff's assistance, found and corrected an error on its 2014 report that reduced the 2015 discrepancy. The committee, however, has not been able to account for the remaining $289 discrepancy. The committee registered with the Board on March 19, 1976.

Senate District 64 DFL - $440.58 in excess funds in bank

The Senate District 64 DFL is asking to adjust its 2015 ending cash balance from $16,156.15 to $16,596.73. The party unit has $440.58 more in its accounts than on its report. The party unit treasurer has provided a letter explaining that the discrepancy predates 2012 when he became treasurer. The treasurer says that although he has located and corrected several errors that pre-dated his tenure, he has not been able to account for the remainder of the discrepancy. The treasurer believes that the discrepancy might be related to the party unit's failure to report interest earned prior to 2008. The party unit registered with the Board on September 10, 1982.

Friends of Minn Nurse Anesthetists - $738.93 in excess funds in bank

The Friends of Minn Nurse Anesthetists is asking to adjust its 2015 ending cash balance from $16,020.16 to $16,759.09. The committee has $738.93 more in its bank account than on its report. Although the reconciliation worksheet asked requesting committees to submit an explanation along with the worksheet, the Friends of Minn Nurse Anesthetists has not provided any information with its request. The committee registered with the Board on December 29, 2004.

Winona County DFL - $640.61 in excess funds in bank

The Winona County DFL is asking to adjust its 2015 ending cash balance from $9,507.14 to $10,147.75. The party unit has $640.61 more in its bank account than on its report. Although the reconciliation worksheet asked requesting committees to submit an explanation along with the worksheet, the party unit has not provided any information with its request. The party unit registered with the Board on July 11, 1974.

Melisa Franzen for Senate - $1,097.36 in excess funds in bank

The Melisa Franzen for Senate Committee is asking to adjust its 2015 ending cash balance from $47,972.94 to $49,070.30. This is a discrepancy of $1,097.36. The committee treasurer has provided a letter explaining that she has searched the records from 2015 and cannot find the reason for the discrepancy. The treasurer also states that the committee has changed

treasurers since its inception which has made it more difficult to identify the discrepancy. The committee registered with the Board on February 7, 2012.

Alice Johnson for Senate Committee - $1,374.75 less in bank than reported

The Alice Johnson for Senate Committee is asking to adjust its 2015 ending cash balance from $37,943.34 to $36,568.59. The committee has $1,374.75 more on its report than in its bank account. Although the reconciliation worksheet asked requesting committees to submit an explanation along with the worksheet, the committee has not provided any other information with its request. The committee registered with the Board on April 10, 2012.

Attached:
Letter from Pinto (Dave) Volunteer Committee
Letter from Senate District 64 DFL
Letter from Melisa Franzen for Senate Committee

Minnesota

Campaign Finance and Public Disclosure Board

Date: March 29, 2016

To: Board members

From: Gary Goldsmith, Executive Director **Telephone:** 651-539-1190

Re: Receivables management

For as long as the Board has existed, it has been imposing late filing fees and civil penalties for violations of Chapter 10A. Most often, monetary penalties are paid in full shortly after they are imposed. However, in a significant number of matters, payment is not made. This may be because the responsible entity has disbanded and terminated its relationship with the Board, because responsible individuals cannot be located, or because the amount owed is so small that staff resources should not be allocated to collection of the debt.

The agency has three primary means of collecting outstanding debt: (1) direct staff outreach, (2) referral of eligible matters to the Minnesota Collections Enterprise (MCE), and (3) referral to the Office of the Attorney General for civil litigation to obtain a judgment.

Staff outreach is used in all cases until it is judged that staff efforts will not be successful. MCE is a program of the Minnesota Department of Revenue. In most cases, a referral means that any refund payment from the state to the referred individual will be captured to satisfy part of the debt. MCE also garnishes wages in some cases and the Board has recovered some receivables through this method. MCE has restrictions on what matters it will accept and MCE will retain a matter only for a certain period of time.

The agency maintains a database of money owed. However, until now, receivables have not been very proactively managed and there has not been significant Board involvement. Staff wants to change that approach. We believe that receivables need to be managed so that the Board understands what its outstanding receivables are and what efforts are being made to recover them. Only then can the Board adopt policies and procedures related to receivables.

The Executive Director's plan is to bring aspects of receivables to the Board at each of the next several meetings. The first goal will be to clean up the receivables log by formally "writing off" items that are clearly uncollectable.

Total receivables currently tracked in the money owed database include $39,247 in late filing fees, $80,695 in civil penalties, and $2,132 in costs of service of process, for a total of $122,074.

To begin the process of cleaning up the Board's receivables, I attach a report of money owed by individuals and associations for whom the relation with the Board that generated the receivable ended prior to January 1, 2009. In other words, people and organizations on this list have not been active in these positions for more than seven years.

Staff has reviewed this report and concludes that there is no benefit to keeping these items in the Board's record of open receivables. "Writing off" these receivables does not mean that they are forgiven. It simply means that they will no longer be tracked as potentially collectable receivables and no further effort will be made to collect them.

As you review the list, you may see checkmarks in the MCE or RR columns. This means that the matter was referred to the Minnesota Collections Enterprise or its predecessor, the Revenue Recapture program, at the Department of Revenue. However, all matters previously referred have been closed through collection or returned by Revenue as uncollectable, so these matters are no longer active in these programs.

To achieve this write-off, a resolution will be required, which could be in the following form:

RESOLVED,

That the items listed on the report titled "Outstanding Money Owed List – Entity Terminated" dated March 22, 2016, are deemed uncollectable and are hereby ordered removed from the Board's list of collectable receivables.

Staff will continue its review of receivables and expects to provide the Board with a further list of uncollectable receivables at the next meeting. Eventually we plan to provide the Board with summary information on open/collectable receivables so that the Board can adopt policies regarding what efforts will be undertaken to achieve payment.

Attachment:
Receivables Report

Outstanding Money Owed List - Entity Terminated

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
ADP Totalsource											*Termination Date*	12/31/05	
LFF	04/05/06	$5.00	$0.00	$5.00	03/15/06	Lobbyist Principal	04/06/06	☐		☐		☐	☐
Totals:		$5.00	$0.00	$5.00									
American Utilities Management											*Termination Date*	12/17/03	
LFF	03/15/04	$1,000.00	$0.00	$1,000.00	03/15/04	LPR Lobbyist Pri		☐		☐		☐	☐
Totals:		$1,000.00	$0.00	$1,000.00									
Anderson, Maureen											*AdministrativeTermination Date*	04/15/08	
Anderson (Maureen) Volunteer Committee													
LFF	03/04/04	$100.00	$0.00	$100.00	02/02/04	Year End Report		☑	12/11/07	☐	12/11/07	☐	☐
CP	03/02/05	$1,000.00	$0.00	$1,000.00	01/31/05	Year End Report		☑	12/11/07	☐	12/11/07	☐	☐
LFF	03/02/05	$100.00	$0.00	$100.00	01/31/05	Year End Report		☑	12/11/07	☐	12/11/07	☐	☐
CP	03/02/04	$1,000.00	$0.00	$1,000.00	02/02/04	Year End Report		☑	12/11/07	☐	12/11/07	☐	☐
SOP	02/08/05	$72.40	$0.00	$72.40	02/02/04	Year End Report		☑	12/11/07	☐	12/11/07	☐	☐
SOP	11/14/05	$39.00	$0.00	$39.00	01/31/05	Year End Report		☑	12/11/07	☐	12/11/07	☐	☐
LFF	03/01/07	$100.00	$0.00	$100.00	01/31/07	YE Year End Rep		☑	12/11/07	☐	12/11/07	☐	☐
CP	03/29/07	$1,000.00	$0.00	$1,000.00	01/31/07	YE Year End Rep		☑	12/11/07	☐	12/11/07	☐	☐
SOP	07/05/07	$39.00	$0.00	$39.00	01/31/07	YE Year End Rep		☑	12/11/07	☐	12/11/07	☐	☐
Totals:		$3,450.40	$0.00	$3,450.40									
Assd Contract Loggers and Truckers of Minn Inc											*Termination Date*	12/31/03	
LFF	04/15/03	$25.00	$0.00	$25.00	03/17/03	Lobbyist Principal	04/22/03	☐		☐		☐	☐
Totals:		$25.00	$0.00	$25.00									
Bates, Christopher											*Termination Date*	03/15/05	
New Ball Park Inc													
LFF	07/11/05	$95.00	$0.00	$95.00	06/15/05	Lobbyist Disburs	08/04/05	☐		☐		☐	☐
Totals:		$95.00	$0.00	$95.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
Berg, James										*AdministrativeTermination Date*		11/28/06	
Jim Berg Volunteer Committee													
CP	03/02/05	$100.00	$0.00	$100.00	01/31/05	Year End Report		☐		☐		☐	☐
LFF	03/02/05	$100.00	$0.00	$100.00	01/31/05	Year End Report		☐		☐		☐	☐
Totals:		$200.00	$0.00	$200.00									
Citizens for Effective Leadership										*AdministrativeTermination Date*		11/28/06	
CP	03/02/05	$1,000.00	$0.00	$1,000.00	01/31/05	Year End Report		☐		☐		☐	☐
LFF	03/02/05	$100.00	$0.00	$100.00	01/31/05	Year End Report		☐		☐		☐	☐
SOP	02/08/05	$26.20	$0.00	$26.20	02/02/04	Year End Report		☐		☐		☐	☐
SOP	02/08/05	$62.60	$0.00	$62.60	02/02/04	Year End Report		☐		☐		☐	☐
CP	03/02/04	$1,000.00	$0.00	$1,000.00	02/02/04	Year End Report		☐		☐		☐	☐
LFF	03/02/04	$100.00	$0.00	$100.00	02/02/04	Year End Report		☐		☐		☐	☐
Totals:		$2,288.80	$0.00	$2,288.80									
Cunningham, Reggie										*AdministrativeTermination Date*		03/11/05	
Family Partnership													
LFF	02/11/04	$100.00	$0.00	$100.00	01/15/04	Lobbyist Disburs		☐		☐		☐	☐
CP	02/11/04	$1,000.00	$0.00	$1,000.00	01/15/04	Lobbyist Disburs		☐		☐		☐	☐
Totals:		$1,100.00	$0.00	$1,100.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan

Egan, Ray

AdministrativeTermination Date 12/11/07

(Ray) Egan for Senate

CP	03/02/04	$1,000.00	$0.00	$1,000.00	02/02/04	Year End Report		☐		☐		☐	☐
SOP	11/14/05	$61.00	$0.00	$61.00	01/31/05	YE Year End Rep		☐		☐		☐	☐
SOP	02/08/05	$36.40	$0.00	$36.40	02/02/04	YE Year End Rep		☐		☐		☐	☐
SOP	07/12/06	$61.00	$0.00	$61.00	01/31/06	Year End Report		☐		☑	07/25/07	☐	☐
LFF	03/01/06	$100.00	$0.00	$100.00	01/31/06	Year End Report		☐		☐		☐	☐
CP	03/29/07	$1,000.00	$0.00	$1,000.00	01/31/07	YE Year End Rep		☐		☐		☐	☐
CP	03/30/06	$1,000.00	$0.00	$1,000.00	01/31/06	Year End Report		☐		☐		☐	☐
LFF	03/02/05	$100.00	$0.00	$100.00	01/31/05	Year End Report		☐		☑	07/25/07	☐	☐
SOP	07/05/07	$54.00	$0.00	$54.00	01/31/07	YE Year End Rep		☐		☐		☐	☐
LFF	03/02/04	$100.00	$0.00	$100.00	02/02/04	Year End Report		☐		☐		☐	☐
LFF	02/28/07	$100.00	$0.00	$100.00	01/31/07	YE Year End Rep		☐		☐		☐	☐
SOP	10/17/03	$50.00	$0.00	$50.00	10/17/03	Service of Proces		☐		☑	07/25/07	☐	☐
LFF	03/04/03	$100.00	$0.00	$100.00	01/31/03	Year End Report		☐		☑	07/25/07	☐	☐
CP	03/04/03	$1,000.00	$0.00	$1,000.00	01/31/03	Year End Report		☐		☑	07/25/07	☐	☐
LFF	11/02/02	$500.00	$0.00	$500.00	10/28/02	Pre General Rep		☐		☑	07/25/07	☐	☐
CP	11/02/02	$1,000.00	$0.00	$1,000.00	10/28/02	Pre General Rep		☐		☑	07/25/07	☐	☐
SOP	05/30/03	$66.00	$0.00	$66.00	10/28/02	Service of Proces		☐		☑	07/25/07	☐	☐
CP	03/02/05	$1,000.00	$0.00	$1,000.00	01/31/05	Year End Report		☐		☑	07/25/07	☐	☐
SOP	12/09/03	$45.00	$0.00	$45.00	01/31/03	YE Year End Rep		☐		☐		☐	☐
Totals:		$7,373.40	$0.00	$7,373.40									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
Egan, Ray										*Administrative*	*Termination Date*	09/15/06	
ABATE MN													
SOP	01/07/04	$35.00	$0.00	$35.00	01/15/03	LDR Lobbyist Dis		☐		☑	01/07/08	☐	☐
LFF	02/22/02	$85.00	$0.00	$85.00	01/15/02	Lobbyist Disburs		☐		☑	01/07/08	☐	☐
LFF	05/14/03	$60.00	$0.00	$60.00	04/15/03	Lobbyist Disburs	05/28/03	☐		☑	01/07/08	☐	☐
CP	02/11/04	$1,000.00	$0.00	$1,000.00	01/15/04	Lobbyist Disburs		☐		☑	01/07/08	☐	☐
LFF	02/11/04	$100.00	$0.00	$100.00	01/15/04	Lobbyist Disburs		☐		☑	01/07/08	☐	☐
CP	02/13/03	$1,000.00	$0.00	$1,000.00	01/15/03	Lobbyist Disburs	04/15/04	☐		☑	01/07/08	☐	☐
LFF	02/13/03	$100.00	$0.00	$100.00	01/15/03	Lobbyist Disburs	04/15/04	☐		☑	01/07/08	☐	☐
MN Motorcycle Riders Assn													
SOP	02/23/04	$50.00	$0.00	$50.00	01/15/04	LDR Lobbyist Dis		☐		☑	01/07/08	☐	☐
SOP	02/23/04	$46.00	$0.00	$46.00	01/15/04	LDR Lobbyist Dis		☐		☑	01/07/08	☐	☐
Totals:		$2,476.00	$0.00	$2,476.00									
Erickson, Terry											*Termination Date*	12/31/02	
Education MN - Edina													
LFF	07/15/02	$100.00	$0.00	$100.00	07/15/02	Lobbyist Disburs		☐		☐		☐	☐
Totals:		$100.00	$0.00	$100.00									
Fraulini, Roman											*Termination Date*	12/31/03	
(Roman) Fraulini Volunteer Committee													
SOP	02/10/05	$35.00	$0.00	$35.00	02/02/04	Year End Report	03/16/05	☐		☐		☐	☐
Totals:		$35.00	$0.00	$35.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan

Gaines, Mary

Administrative Termination Date 05/16/08

Paid for by Friends to Elect Mary Gaines

LFF	11/03/06	$500.00	$0.00	$500.00	10/30/06	PGR Pre General		☑	08/31/07	☐	08/31/07	☐	☐
CP	11/21/06	$1,000.00	$0.00	$1,000.00	10/30/06	PGR Pre General		☑	08/31/07	☐	08/31/07	☐	☐
CP	03/31/08	$1,000.00	$0.00	$1,000.00	01/31/08	YE Year End Rep		☑	08/07/08	☐	08/07/08	☐	☐
SOP	03/02/07	$78.00	$0.00	$78.00	10/30/06	PGR Pre General		☑	08/31/07	☐	08/31/07	☐	☐
LFF	02/28/07	$100.00	$0.00	$100.00	01/31/07	YE Year End Rep		☑	08/31/07	☐	08/31/07	☐	☐
LFF	03/03/08	$100.00	($61.87)	$38.13	01/31/08	YE Year End Rep		☑	08/07/08	☐	08/07/08	☐	☐
CP	03/29/07	$1,000.00	$0.00	$1,000.00	01/31/07	YE Year End Rep		☑	08/31/07	☐	08/31/07	☐	☐
Totals:		$3,778.00	($61.87)	$3,716.13									

Gambill, Guy

Termination Date 12/31/07

Council on Crime & Justice

SOP	09/25/08	$72.00	$0.00	$72.00	01/31/08	LDR Lobbyist Dis		☐		☐		☐	☐
LFF	02/06/08	$100.00	$0.00	$100.00	01/15/08	LDR Lobbyist Dis		☐		☐		☐	☐
CP	03/06/08	$1,000.00	$0.00	$1,000.00	01/15/08	LDR Lobbyist Dis		☐		☐		☐	☐
Totals:		$1,172.00	$0.00	$1,172.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
Garcia, Albert											*Termination Date*	06/01/08	
CP	11/03/15	$3,000.00	$0.00	$3,000.00	12/06/15	LDR Lobbyist Dis		☐		☐		☐	☐
CP	11/03/15	$3,000.00	$0.00	$3,000.00	12/06/15	LDR Lobbyist Dis		☐		☐		☐	☐
Alpha Human Services Inc													
LFF	07/09/07	$5.00	$0.00	$5.00	06/15/07	LDR Lobbyist Dis	07/09/07	☐		☐		☐	☐
LFF	02/06/08	$100.00	$0.00	$100.00	01/15/08	LDR Lobbyist Dis	09/25/08	☑	08/07/08	☐	08/07/08	☐	☐
CP	03/06/08	$1,000.00	$0.00	$1,000.00	01/15/08	LDR Lobbyist Dis	09/25/08	☑	08/07/08	☐	08/07/08	☐	☐
Base Management LLC													
LFF	07/09/07	$5.00	$0.00	$5.00	06/15/07	LDR Lobbyist Dis	07/09/07	☐		☐		☐	☐
FRM Associates													
LFF	07/09/07	$5.00	$0.00	$5.00	06/15/07	LDR Lobbyist Dis	07/09/07	☐		☐		☐	☐
NRG Energy Inc dba Mpls Energy Center													
LFF	07/09/07	$5.00	$0.00	$5.00	06/15/07	LDR Lobbyist Dis	07/09/07	☐		☐		☐	☐
Trocaderos													
LFF	07/07/06	$60.00	$0.00	$60.00	06/15/06	Lobbyist Disburs	07/25/06	☐		☐		☐	☐
Totals:		$7,180.00	$0.00	$7,180.00									
Garrison, Robert											*AdministrativeTermination Date*	12/11/07	
Robert Garrison for House Committee													
CP	03/29/07	$1,000.00	($949.57)	$50.43	01/31/07	YE Year End Rep		☑	09/05/07	☐	09/05/07	☐	☐
Totals:		$1,000.00	($949.57)	$50.43									
Hahn, Sharon											*AdministrativeTermination Date*	12/31/03	
Assd Contract Loggers and Truckers of MN Inc													
LFF	05/09/03	$25.00	$0.00	$25.00	04/15/03	Lobbyist Disburs	05/09/03	☐		☐		☐	☐
LFF	02/11/04	$70.00	$0.00	$70.00	01/15/04	Lobbyist Disburs	03/04/04	☐		☐		☐	☐
Totals:		$95.00	$0.00	$95.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
Hendrickson, Shari											*Termination Date*	05/01/03	
3M (MN Mining & Manufacturing Co)													
LFF	05/14/03	$5.00	$0.00	$5.00	04/15/03	Lobbyist Disburs		☐		☐		☐	☐
Totals:		$5.00	$0.00	$5.00									
Jenneke, Jeffrey											*Termination Date*	12/31/02	
Jenneke (Jeffrey) Campaign Fund													
LFF	03/04/03	$100.00	$0.00	$100.00	01/31/03	Year End Report		☐		☐		☐	☐
Totals:		$100.00	$0.00	$100.00									
Jorgensen, Mark										*Administrative*	*Termination Date*	05/16/08	
Mark Jorgensen for State House													
CP	03/31/08	$1,000.00	$0.00	$1,000.00	01/31/08	YE Year End Rep		☐		☐		☐	☐
LFF	03/03/08	$100.00	($30.00)	$70.00	01/31/08	YE Year End Rep		☐		☐		☐	☐
Totals:		$1,100.00	($30.00)	$1,070.00									
Lewerenz, Sarah											*Termination Date*	12/31/04	
(Sarah) Lewerenz Volunteer Committee													
CP	03/02/04	$1,000.00	$0.00	$1,000.00	02/02/04	Year End Report	02/25/05	☐		☐		☐	☐
LFF	03/02/04	$100.00	$0.00	$100.00	02/02/04	Year End Report	02/25/05	☐		☐		☐	☐
Totals:		$1,100.00	$0.00	$1,100.00									
Lindberg, Lisa											*Termination Date*	12/31/01	
MN Initiative Supporting Standards-based Learning and Education													
LFF	01/15/02	$15.00	$0.00	$15.00	01/15/02	Lobbyist Disburs		☐		☐		☐	☐
Totals:		$15.00	$0.00	$15.00									
Loeser, Deborah											*Termination Date*	12/31/02	
Xcel Energy Services Inc													
LFF	02/13/03	$20.00	$0.00	$20.00	01/15/03	Lobbyist Disburs		☐		☐		☐	☐
Totals:		$20.00	$0.00	$20.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
Minn Alliance for Progressive Action											*Termination Date*	12/31/05	
LFF	04/05/06	$5.00	$0.00	$5.00	03/15/06	Lobbyist Principal	04/06/06	☐		☐		☐	☐
Totals:		$5.00	$0.00	$5.00									
Minn Indian Economic Development Fund											*Termination Date*	12/31/04	
SOP	12/09/05	$33.00	$0.00	$33.00	03/15/05	Lobbyist Principal		☐		☐		☐	☐
LFF	04/06/05	$100.00	$0.00	$100.00	03/15/05	Lobbyist Principal		☐		☐		☐	☐
CP	04/06/05	$1,000.00	$0.00	$1,000.00	03/15/05	Lobbyist Principal		☐		☐		☐	☐
Totals:		$1,133.00	$0.00	$1,133.00									
Minn Motorcycle Riders Assn											*Termination Date*	09/15/06	
CP	05/04/06	$1,000.00	$0.00	$1,000.00	03/15/06	Lobbyist Principal		☐		☐		☐	☐
SOP	08/22/06	$49.50	$0.00	$49.50	03/15/06	LPR Lobbyist Pri		☐		☐		☐	☐
LFF	04/05/06	$100.00	$0.00	$100.00	03/15/06	Lobbyist Principal		☐		☐		☐	☐
SOP	09/28/06	$50.00	$0.00	$50.00	03/15/06	LPR Lobbyist Pri		☐		☐		☐	☐
Totals:		$1,199.50	$0.00	$1,199.50									
Morales, Curtis											*AdministrativeTermination Date*	12/11/07	
Citizens for Curtis Morales													
SOP	07/13/07	$49.00	$0.00	$49.00	01/31/07	YE Year End Rep		☑	09/10/07	☐	09/10/07	☐	☐
LFF	02/28/07	$100.00	$0.00	$100.00	01/31/07	YE Year End Rep		☑	09/10/07	☐	09/10/07	☐	☐
CP	03/29/07	$1,000.00	$0.00	$1,000.00	01/31/07	YE Year End Rep		☑	09/10/07	☐	09/10/07	☐	☐
LFF	03/01/06	$100.00	$0.00	$100.00	01/31/06	Year End Report		☑	09/10/07	☐	09/10/07	☐	☐
Totals:		$1,249.00	$0.00	$1,249.00									
Multi-Gaming Management Inc											*Termination Date*	12/31/03	
LFF	04/06/04	$100.00	$0.00	$100.00	03/15/04	Lobbyist Principal		☐		☐		☐	☐
CP	04/06/04	$1,000.00	$0.00	$1,000.00	03/15/04	Lobbyist Principal		☐		☐		☐	☐
Totals:		$1,100.00	$0.00	$1,100.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan

Partnership for Mercury Free Vehicles

Termination Date 07/11/05

LFF	04/05/06	$55.00	$0.00	$55.00	03/15/06	Lobbyist Principal	04/20/06	☐		☐		☐	☐
Totals:		$55.00	$0.00	$55.00									

Pierce, Raymond Lee

Termination Date 12/31/02

Committee to Elect Ray Pierce

LFF	03/04/03	$5.00	$0.00	$5.00	01/31/03	Year End Report		☐		☐		☐	☐
Totals:		$5.00	$0.00	$5.00									

Pleasuredome Resorts Inc

Termination Date 12/06/04

CP	04/06/04	$800.00	$0.00	$800.00	03/15/04	Lobbyist Principal	06/08/04	☐		☐		☐	☐
LFF	04/06/04	$100.00	$0.00	$100.00	03/15/04	Lobbyist Principal	06/08/04	☐		☐		☐	☐
LFF	04/15/03	$100.00	$0.00	$100.00	03/17/03	Lobbyist Principal	09/17/03	☐		☐		☐	☐
CP	04/15/03	$1,000.00	$0.00	$1,000.00	03/17/03	Lobbyist Principal	09/17/03	☐		☐		☐	☐
Totals:		$2,000.00	$0.00	$2,000.00									

Public Interveners Network

Termination Date 05/28/03

LFF	04/15/03	$30.00	$0.00	$30.00	03/17/03	Lobbyist Principal	04/23/04	☐		☐		☐	☐
LFF	04/06/04	$100.00	$0.00	$100.00	03/15/04	Lobbyist Principal		☐		☐		☐	☐
CP	04/06/04	$1,000.00	$0.00	$1,000.00	03/15/04	Lobbyist Principal		☐		☐		☐	☐
Totals:		$1,130.00	$0.00	$1,130.00									

Spence, Darryl

Termination Date 02/25/03

Darryl Spence for State Representative

LFF	11/01/02	$100.00	$0.00	$100.00	10/28/02	Pre General Rep		☐		☐		☐	☐
CP	08/30/02	$100.00	$0.00	$100.00	08/26/02	Pre Primary Rep		☐		☐		☐	☐
Totals:		$200.00	$0.00	$200.00									

VanBinsbergen, Scott

AdministrativeTermination Date 10/27/03

Scott Van Binsbergen for Minnesota State Representative

LFF	03/04/03	$30.00	$0.00	$30.00	01/31/03	Year End Report		☐		☐		☐	☐
Totals:		$30.00	$0.00	$30.00									

Type	Incur_Date	Incur_Amount	PaidAmount	Diff_Amount	Violation_ ReportDate	Violation_Report	Received	MCE	MCE Date	RR	RR Date	Litigation	Payment_Plan
VEGA Venture Inc											*Termination Date*	12/31/05	
LFF	04/05/06	$25.00	$0.00	$25.00	03/15/06	Lobbyist Principal	04/12/06	☐		☐		☐	☐
Totals:		$25.00	$0.00	$25.00									
Werner, Timothy											*Termination Date*	10/14/03	
(Timothy) Werner Volunteer Committee													
LFF	03/04/03	$15.00	$0.00	$15.00	01/31/03	Year End Report		☐		☐		☐	☐
Totals:		$15.00	$0.00	$15.00									
WIN MINNESOTA											*Termination Date*	09/02/08	
LFF	08/28/08	$100.00	$0.00	$100.00	08/25/08	PPR Pre Primary	09/02/08	☐		☐		☐	☐
Totals:		$100.00	$0.00	$100.00									
Grand Totals:		$41,960.10	($1,041.44)	$40,918.66									

Minnesota

Campaign Finance and Public Disclosure Board

Date: March 29, 2016

To: Board members

From: Gary Goldsmith, Executive Director **Telephone:** 651-539-1190

Re: Approaches for consideration in determining when to commence an investigation

Background

The Board initiates investigations either on its own motion or through the consideration of complaints. When a complaint is filed, a two-step process must be followed before the Board initiates an investigation. The first step is the prima facie determination, which is made by the Chair or another designated Board member. This is the first and least rigorous step in determining whether a complaint will be investigated.

The prima facie determination is followed by a probable cause determination, which is made by the full Board. At this stage, the complainant and the respondent may submit additional information. If the Board decides that there is probable cause to believe that a violation exists and that the violation is significant enough to warrant a formal investigation, an investigation will be ordered.

The Board may also order investigations in matters where no complaint has been filed. The statutes provide some guidance as to what the Board should consider in ordering an investigation in the absence of a complaint, but are generally silent on the standards that apply to the decision.

The Executive Director initiates informal investigations, which are called staff reviews, when a reported transaction discloses a violation. In cases where it appears that a transaction on a report arises from a reporting error rather than a violation, the Executive Director may initiate a preliminary inquiry, which is not an investigation. In a preliminary inquiry, the filer is asked to explain the transaction and instructed to file an amended report if there is a reporting error. If the transaction is not a mistake, but reflects a violation, the Executive Director will elevate the preliminary inquiry to a staff review. Staff reviews in matters where the filer does not dispute the violation are resolved by a conciliation agreement between the Board and the filer. Staff reviews in matters where the filer disputes the violation are usually elevated to formal investigations and resolved through findings and conclusions.

In each case, the standards for action are not clearly specified. The Board has discussed prima facie and probable cause determinations in the past, but has not attempted to begin developing an approach to consider these various types of Board actions.

The following points are submitted as a framework for further discussion of the approaches staff should use when preparing matters for Board consideration or initiating staff reviews or preliminary inquiries.

Staff does not propose that the Board formally adopt these approaches, since they will need evaluation through real-world application to test their viability. However, if the Board concludes that these points represent guidelines that it would like staff to use in considering investigations, it could direct staff to follow them in preparing matters for Board consideration.

The Executive Director would report to the Board at each meeting regarding any matters considered under these guidelines. After the Board begins to gain experience, it will be in a better position to evaluate each approach and make changes as it deems appropriate.

Prima facie determination
The responsible member should make a prima facie determination that a complaint alleges a violation if the allegations, considered in the light most favorable to the complaint, and with very limited reference to external facts, support a reasonable inference that the violation alleged in the complaint occurred.

Probable cause determination
The Board should make a determination that probable cause exists to believe the violation alleged in a complaint if, based on the complaint, information submitted by the complainant and respondent, information in Board files and records, and with limited reference to external facts, all considered on an objective basis, there is a significant likelihood that the alleged violation occurred.

Board investigation
The Board may initiate an investigation on its own motion if information on a report, statement, or other document filed with the Board, together with information from Board records and credible public information, all considered on an objective basis, supports a reasonable inference that a violation occurred.

Executive Director initiation of preliminary inquiry or staff review
The Executive Director may initiate a preliminary inquiry or staff review if information on a report, statement, or other document filed with the Board, together with information from Board records, considered objectively, supports a reasonable inference that a violation occurred.

The table on the next page sets forth the differences between the approaches.

Type of decision	Evidence that may be considered	Standard of review	Standard for finding
Prima facie determination	The complaint, with very limited reference to external facts	Consider allegations in light most favorable to complaint	Supports reasonable inference of a violation
Probable cause determination	The complaint, Board records, submissions by parties, with limited reference to external facts	Consider information on an objective basis	Supports conclusion that there is a significant likelihood that a violation occurred
Board initiation of investigation	Board records, submissions by parties, credible external information	Consider information on an objective basis	Supports reasonable inference of a violation
Executive Director staff review or informal inquiry	A statement, filing, or other Board record, with very limited reference to external facts	Consider information on an objective basis	Supports reasonable inference of a violation

"Very limited reference to external facts" includes reference to external information that is factual in nature and not subject to interpretation, such as election dates, filing dates, legislative session dates, filing status with the Board and similar information.

"Limited reference to external facts" includes reference to the types of information described as "very limited reference to external facts" and also includes reference to information in or derived from Board records, and similar external information.

"Credible external information" includes the types of information described as "very limited reference to external facts" and "limited reference to external facts" and also includes such additional information as the Board deems credible and relevant, such as information obtained from web sites, media publications, and similar information.

STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

AGREEMENT

1. Northeast Social was a principal association whose lobbyist, Al Garcia, registered with the Board on August 23, 2012. On March 30, 2016, Northeast Social filed its 2014 principal's report, which was due on March 16, 2015, and was assessed a $1,000 late filing fee and a $1,000 civil penalty.

2. In addition, late filing fees and civil penalties of $575 were assessed for the late filing of Northeast Social's 2013 principal's report.

3. The lobbyist, Al Garcia, terminated his registration on behalf of Northeast Social on January 8, 2016, effective October 31, 2014.

4. Northeast Social has asked the Board to waive or stay the late filing fees and civil penalties it has accrued. As consideration for the Board's stay of the late filing fees and civil penalties until April 1, 2018, Northeast Social makes the following representations and agreements:

a. Northeast Social and its CEO Joe Wagner acknowledge their responsibility for the filing of future principal's reports if the business has a registered lobbyist. Northeast Social hereby identifies Joe Wagner as the individual responsible for the filings and agrees that if any future filings are late it will pay any late filing fees or civil penalties that are assessed for the late filing of the future reports. However, Northeast Social does not waive its right to request a waiver of any late filing fee or civil penalty for good cause.

b. Northeast Social understands that it cannot be relieved of its responsibility to file principal's reports by delegating that responsibility to a lobbyist.

c. If Northeast Social fails to file on time any principal's report due through April 1, 2018, the $2,575 in currently assessed late filing fees and civil penalties is due immediately in addition to any late filing fees and civil penalties that may also be assessed by the Board for the late future report.

_____ Dated: 3/30/16
Joe Wagner, CEO
Northeast Social

_____ Dated: _____
Gary Goldsmith, Executive Director
Campaign Finance and Public Disclosure Board

Agreement approved by the Board at its meeting of _____, 2016.

_____
Christian Sande, Chair

Revised: 3/29/16

CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD
April, 2016

ACTIVE FILES

Candidate/Treasurer/ Lobbyist	Committee	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status
Derrick Lehrke	Derrick Lehrke for House	Principal Campaign Committee Amended 2014 Year-End Report of Receipts and Expenditures Late Filing Fee for late filing of the Principal Campaign Committee 2013 Year-End Report	$1,000 $125	8/3/2015	9/ 21/2015 10/6/2015			A Motion for Summary Judgment Hearing is scheduled for March 31, 2016 at 1:30 $125 received
	North East Social	2013 Lobbyist Principal Report 2014 Lobbyist Principal Report-Late filing	$1,000/$1,000 $475/$100	10/13/2015	12/31/2015			Personal service placed on hold by the Board
Evan Rapp	Evan Rapp Volunteer Committee	Fund reimbursement	$928.50/$928.50	10/13/2015				Placed on hold by the Board

CLOSED FILES

Candidate/Treasurer/ Lobbyist	Committee	Report Missing/ Violation	Late Fee/ Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status

STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

Findings, Conclusions, and Order in the Matter of the Board Investigation of the Chaudhary for Senate Committee and Satveer Chaudhary

I. Background

The Chaudhary for Senate committee is the principal campaign committee of candidate Satveer Chaudhary. The committee registered with the Board in 2000. Mr. Chaudhary was elected to the state senate that year and served continuously until 2010. Mr. Chaudhary has not run for office since 2010.

In October 2014, the owner of Tschida Printing contacted the Board and claimed that the committee had not paid a $4,226.59 bill from 2010. Board staff examined the committee's 2010 report of receipts and expenditures and found that the committee had reported paying this bill in full in 2010. After the executive director relayed this information to the printer, the printer provided copies of emails in which Mr. Chaudhary acknowledged that the committee still owed this amount to the vendor. Additional emails provided by Mr. Chaudhary indicated that the printer returned an attempted installment payment from Mr. Chaudhary, demanding payment in full rather than in installments.

The documents provided by the printer raised questions about the accuracy of the committee's 2010 reports. As a result, on November 18, 2014, the Board initiated an investigation into the Chaudhary for Senate committee.

II. Potential violations

Record keeping

The investigation primarily relied on records provided by the committee's bank, as no original committee records were available. A comparison of the bank records to the filed reports disclosed several potential violations of Chapter 10A including inadequate recordkeeping. Although committees must record the name and address of anyone who contributes more than $20, the Chaudhary committee did not have this information for several online contributions of $50 and $100.

The bank records also included transactions in 2010 that were not on the committee's filed reports. For example, the 2010 pre-general-election report did not include one $5,000 deposit and one $1,000 contribution that were contained in the bank records. Similarly, the pre-general-election report incorrectly listed the unpaid obligations owed to Tschida Printing and another vendor as being paid. In addition, on each of its 2010 reports, the committee reported a beginning cash balance of $21,607.93 when its actual cash balance at the beginning of 2010 was $3,729.43. Bank records obtained during the investigation allowed the Board to determine that the cash balance discrepancy arose sometime prior to 2008. However, it was not possible to determine the reason for the discrepancy because neither bank nor committee records were available for earlier years.

Committees are not required to keep their records for more than four years after the report based on the records is filed.

Personal use of committee money
Working with Board staff, the committee prepared, but has not yet filed, amended reports for the years 2010 through 2015. The amended reports reconcile to the bank statements for those years and account for all of the funds raised and spent by the committee from 2010 through 2015. The amended reports show that with the exception of $278.13 that Mr. Chaudhary inadvertently used for personal expenses by using the wrong credit card, none of the committee's funds were converted to personal use or otherwise used for improper purposes during the subject years. As provided in the Order of this document Mr. Chaudhary will reimburse the committee $278.13.

Contribution Limit Violations
The amended reports disclose that in 2010 the committee accepted a total of $12,460 in contributions and loans from Mr. Chaudhary and his spouse, which exceeded by $6,960.90 the maximum amount that he and his spouse were permitted to contribute or loan to the committee. As conveyed by his attorney, Mr. Chaudhary thought he was allowed to loan $5,000 to his committee in addition to contributing $5,000. However, even though he ultimately did not qualify for a public subsidy, Mr. Chaudhary signed an agreement which limited the amount he could personally contribute to his committee and, pursuant to Minn. Stat. § 10A.27 subd. 8 and Minn. R. 4503.1500, subp. 2, the outstanding year-end balance of the loan applies against the contribution limit. The committee also accepted contributions from other individuals that exceeded the applicable contribution limit for those individuals by $500. Total contributions in excess of the 2010 limits amount to $7,460.90.

Certification of reports
Because the pre-general-election report, signed by Mr. Chaudhary, included inaccurate information and omitted required information, the Board considered whether Mr. Chaudhary had complied with the certification requirements in Minnesota Statutes section 10A.025, subdivision 2, when he signed the 2010 pre-primary-election and pre-general-election reports. The 2013 year-end report also included an incorrect cash balance.

Minnesota Statutes section 10A.025, subdivision 2, provides that a person must not certify a campaign finance report "knowing it contains false information or knowing it omits required information." The Board has not previously determined the meaning of "knowing" in this context and the case law does not provide a conclusive definition.

Mr. Chaudhary certified the committee's 2010 pre-primary-election and pre-general-election reports and its 2013 year-end report. The 2010 pre-primary-election report was inaccurate in its statement of the beginning cash balance, as was the 2013 year-end report. However, Mr. Chaudhary, through his attorney, points out that this number was taken from the report for the preceding period which, in each case, was prepared and signed by the committee's treasurer, not by Mr. Chaudhary.

The 2010 pre-general-election report includes the same incorrect beginning cash balance and also omits receipts previously noted in this document and lists as paid certain expenditures that were not, in fact, paid. This report was prepared by Mr. Chaudhary's previous treasurer, not by the current treasurer or by Mr. Chaudhary, himself.

There is a significant question of fact as to the level of knowledge Mr. Chaudhary had when he signed the committee's reports. Mr. Chaudhary's attorney conveyed that after losing the primary election he became disengaged and withdrawn from the operation of the committee and

did not check the reports in any meaningful way before signing them. The Board's investigation included an interview with Mr. Chaudhary's former treasurer, who was paid by the committee to handle preparation of the committee's reports. Based on that testimony, it is clear that Mr. Chaudhary did not prepare either the 2010 pre-primary-election or pre-general election reports, both of which were prepared by the former treasurer.

In order to resolve this matter, the Board, the committee, and Mr. Chaudhary have agreed that the questions of fact and law regarding certification may be reserved based on the settlement agreement entered into and the conditions for the stay set forth in this document. As a result, the Board makes no findings or conclusions with respect to the certification of the subject reports. If the terms of the stay are fulfilled, this matter will be closed without further investigation of this issue.

V. The settlement agreement

The Board, the committee, and Mr. Chaudhary have entered into a settlement agreement which, together with the investigation, enables the parties to resolve all of the issues raised in this matter without further cost or delay. The settlement agreement is a part of the record in this matter.

Based on its investigation, the Board makes the following:

Findings of Fact

1. The Chaudhary for Senate committee is the principal campaign committee of candidate Satveer Chaudhary.

2. In 2010 the committee failed to obtain required name and address information for all contributors of more than $20.

3. The committee's 2010 pre-general-election report of receipts and expenditures did not disclose all contributions made to the committee, incorrectly reported unpaid obligations as being paid, and incorrectly reported the committee's beginning cash balance.

4. The committee's 2013 year-end report disclosed an incorrect bank balance.

5. The committee has prepared amended reports for the years 2010 through 2015 that correct the errors found in items 3 and 4 above, that reflect all of the committee's financial transactions, and that reconcile to its bank statements.

6. The amended reports show that in 2010, the committee accepted a total of $7.460.90 in excess contributions from the candidate, his spouse, and others.

7. The balance discrepancy at the beginning of 2010 cannot be explained because the discrepancy arose before 2008 and the bank and committee records for that time no longer exist.

8. Other than one inadvertent use amounting to $278.13, Mr. Chaudhary did not convert campaign funds to personal use or otherwise misuse campaign funds during the years under investigation.

9. The investigation indicates that the Mr. Chaudhary, on behalf of the committee, attempted to pay the amount owed to Tschida Printing beginning with a significant installment but the vendor declined to accept the payment.

Based on the Findings of Fact, the Board makes the following:

Conclusions of Law

1. The Chaudhary for Senate committee violated Minnesota Statutes section 10A.13, subdivision 1, paragraph (2), when it failed to obtain the name and address of all individuals who contributed over $20 to the committee in 2010.

2. The Chaudhary for Senate committee violated Minnesota Statutes section 10A.20, subdivision 3, in 2010 when its pre-general-election report failed to disclose all contributions made to the committee, incorrectly reported unpaid obligations as having been paid, and incorrectly reported its beginning cash balance.

3. The Chaudhary for Senate committee violated the contribution limit in Minnesota Statutes section 10A.27, subdivision 10 (2010), by accepting $6,960.90 in excess loans and contributions from the candidate and his spouse in 2010.

4. The Chaudhary for Senate committee violated the contribution limit in Minnesota Statutes section 10A.27, subdivision 1 (a) (2010), by accepting $500 in excess contributions from individuals in 2010.

Based on the preceding Findings of Fact and Conclusions of Law, the Board issues the following:

Order

1. A civil penalty in the amount of $5,000 is assessed against the Chaudhary for Senate committee to resolve all issues based or that could have been based on the 2010 through 2015 reports.

2. If the following conditions are met, $3,500 of the civil penalty imposed in paragraph 1 is stayed until December 31, 2020, and then waived, and any consideration of potential violations under section 10A.025 are stayed, and then dismissed with prejudice:

   a. Mr. Chaudhary will personally pay to the State of Minnesota within 15 days of the date of this order the amount of $1,500 toward the civil penalty imposed in paragraph 1 by mailing or delivering a check payable to the State of Minnesota to the Board at 658 Cedar Street, St. Paul, MN 55155. In the alternative, the Executive Director may enter into a payment plan agreement under which Mr. Chaudhary will pay the aforementioned $1,500 over the course of 15 months, beginning not more than 30 days from the date of this order.

   b. Mr. Chaudhary will reimburse the committee for the $278.13 in committee funds that he inadvertently used for personal purposes.

c. Mr. Chaudhary will make a personal contribution to the committee in the amount necessary to give the committee sufficient funds to pay the $4,226.59 still owed to Tschida Printing.

d. The committee will pay $4,226.59 to Tschida Printing to settle this outstanding obligation. Within 45 days of the date of this order, the committee will provide the Board with proof that the payment to Tschida Printing has been made.

e. Mr. Chaudhary will forgive all personal loans that he made to the committee. Written notice of this forgiveness will be provided to the Board within 45 days of the date of this order.

f. The committee will file amended 2010 through 2015 reports of receipts and expenditures that accurately reflect its financial transactions. After complying with the terms of this order the committee will file a 2016 report of receipts and expenditures that discloses its 2016 financial transactions and will terminate its registration with the Board. All required report filings must be completed not later than July 25, 2016.

g. The committee and Mr. Chaudhary will comply with all terms in the settlement agreement.

g. Mr. Chaudhary will not serve as a treasurer for any entity registered with the Board until January 1, 2021.

h. If Mr. Chaudhary registers a principal campaign committee with the Board before January 1, 2021, he agrees to the following provisions:

   i. He not serve as his committee's treasurer;

   ii. He will appoint a treasurer subject to the approval of the Board's executive director, which approval will not be unreasonably withheld;

   iii. His committee will submit six reports in an election year according to the schedule required for constitutional office candidates in Minnesota Statutes section 10A.20, subdivision 2, paragraph e;

   iv. He will submit quarterly reports in non-election years, each report to be due on the last day of the month following the quarter to which the report applies;

   v. With each report, his committee will provide a bank statement covering the last date for transactions included on the report, along with a reconciliation report showing how the committee's reported balance reconciles to its bank balance; and

   vi. He will ensure that his committee generates and maintains records that meet all requirements in Chapter 10A.

3. The Board makes no findings or conclusions with respect to the certification of the subject reports. If the terms of the stay specified in Paragraph 2 are fulfilled, this matter will be closed without findings on this issue.

4. If the conditions of Section 2 of this order are not met within the time specified, the Board may reopen this matter and take such further action as it could have taken as of the date of this document, the associated settlement agreement notwithstanding.

5. The Board investigation of this matter is hereby concluded and made a part of the public records of the Board pursuant to Minnesota Statutes section 10A.022, subdivision 5.

Dated: 4/5, 2016

Christian Sande, Chair
Minnesota Campaign Finance
and Public Disclosure Board