

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In re Audit Report for *Abe Giles "08"*

File No. 2009-147

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between Radames V. Vazquez of the City of Hartford, State of Connecticut, hereinafter referred to as Respondent and the undersigned authorized representative of the State Elections Enforcement Commission, is entered into in accordance with Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance herewith, the parties agree that:

1. This Commission initiated an investigation into this matter on Nov. 18, 2009. Specifically, the Commission authorized an investigation into whether Abraham L. Giles, a candidate for the 5th Assembly district, and/or his campaign treasurer, Radames V. Vazquez, violated General Statutes §§ 9-607, 9-608, 9-706, CEP program statutes, regulations or requirements based up on the information discovered during the audit of *Abe Giles "08"* candidate committee (hereinafter the "Committee"). The Committee participated in the Citizens' Election Program and on July 8, 2008 received a grant for the 2008 Democratic primary in the amount of \$25,000, which was the grant amount for a state representative, party-dominant-district primary.
2. The Commission authorized investigation into several transactions attributed to the Committee, specifically:
 1. Failure to pay Express Direct Services LLC for printing and mailing services related to two direct mail pieces produced by the company;
 2. Payment of \$800 in rent to G&G Enterprises, Inc., a company owned by the candidate, on November 10, 2008;
 3. Absence of contract to support payment of \$3,000 to Sharon Stallings for services rendered that exceeded \$100;
3. Abraham L. Giles registered his candidate committee *Abe Giles "08"* with the state elections enforcement commission on May 2, 2008. Giles named Radames V. Vazquez as his campaign treasurer. That same day, the candidate and campaign treasurer also completed the CEP Form 10, indicating their intention to participate in the Citizens' Election Program. By executing the CEP Form 10, both the candidate and campaign treasurer agreed to abide by the program's voluntary spending limits and to expend all funds that the committee received according to the general statutes and regulations promulgated by the Commission as authorized under the general statutes.
4. The participating candidate committee applied for a grant from the Citizens' Election Fund on July 8, 2008. The candidate committee received a party-dominant primary grant of \$25,000 giving the campaign an overall expenditure limit of \$30,000. The candidate

committee's termination report was filed with the Commission on Nov. 17, 2008, and the candidate committee returned a surplus of \$169.74 to the Citizens' Election Fund.

5. As part of the 2008 election cycle, Commission staff audited all candidate committees, including *Abe Giles '08*," and this investigation stems from the findings encapsulated in the financial disclosure and audit unit's report.
6. The Commission-authorized investigation of the Giles campaign revealed the failure of the candidate committee to pay for printing services. Cliffe Ratcliffe, owner of Express Direct Services LLC, stated that his company produced two publications for the Giles campaign in 2008. The first on August 4, 2008, totaled 3,000 pieces, of which EDS mailed 2,584, delivering the balance to the campaign headquarters on Windsor Street in Hartford. Ratcliffe's company also completed another mail order totaling 2,039 pieces. EDS billed the Giles campaign a total of \$1,934.39 for the two mailings, but the campaign never paid the bill. Ratcliffe ultimately wrote off the mailings as an uncollected debt. The invoices numbered 4684 and 4706 were addressed to the Abe Giles campaign, 188 Cleveland Ave, Hartford, Ct. Ratcliffe provided copies of the invoices to the Commission investigators.
7. Both mailers include attributions stating: "Approved by Abe Giles. Paid for by Abe Giles '08 – Radames Vazquez, Treasurer."
8. The candidate committee returned a surplus of \$169.74 to the Citizens' Election Fund. The outstanding obligation to EDS for services rendered totaled \$1,934.39. Taken together, the Giles campaign exceeded the expenditure limit for a participating candidate committee by \$1,764.65. Under General Statutes § 9-711 (a), if a qualified candidate committee makes an excess expenditure then the candidate and campaign treasurer shall be jointly and severally liable for paying for the excess expenditure and the campaign treasurer shall be subject to penalties under section 9-7b. *See* General Statutes § 9-711 (a). General Statutes § 9-7b authorizes the Commission to impose a civil penalty of \$2,000 or twice the amount of any improper payment, whichever is greater, for violations of chapter 157. *See* General Statutes § 9-7b.
9. Candidate Giles owned G&G, the entity to which his candidate committee paid \$800 for rent on Nov. 10, 2008.
10. General Statutes § 9-706 (b) (7) provides that an application for a grant from the Citizens' Election Fund shall include written certification that the committee's treasurer will use the grant monies according to General Statutes § 9-607 (g) as well as the regulations adopted by the Commission as authorized under General Statutes § 9-706. Regulations of Connecticut State Agencies § 9-706-2 (b) (3) and (4), respectively, prohibit participating candidate committees from making payments to members of the candidate's family or to business in which the candidate or a member of the candidate's family owns more than 5%.

11. The Commission finds that the payment to G&G represented an impermissible payment to an entity in which the candidate possessed an ownership interest that exceeded 5%, in violation of Commission Regulation § 9-706-2 (b) (4).
12. The Commission's audit also revealed that the Committee made three payments of \$1,000 each to Sharon Stallings – one on July 23, 2008 – check number 0100, to “Mrs. Stallings”; a second on August 5, 2008 – check number 104, to “Sharon Stallings”; and a third on August 7, 2008 – check number 111, to “Sharon Stallings.” All were designated as falling under expenditure code “CNSLT” for consulting services. The committee had no documentation for the \$3,000 it paid Stallings for “get-out-the-vote” activities. The Commission afforded the committee and its treasurer numerous opportunities to locate a contemporaneous document to justify the \$3,000 in payments to Stallings, but the campaign did not produce a contemporaneous detailed document to support the payment.
13. General Statutes § 9-608 (c) (1) (C) requires the treasurer to identify each expenditure using the complete name and address of each payee. In the committee's 7th-day-preceding-primary report, filed on August 5, 2008, the treasurer entered expenditures to several payees that were indented with incomplete information, including a payment to “Mrs. Stallings” for \$1,000. The entry for “Mrs. Stallings” fails to meet the requirement in § 9-608 (c) (1) (C) that the treasurer should report each payee's complete name and address. Regulations of Connecticut State Agencies § 9-607-1 imposes upon treasurers the duty to keep records of expenditures in order to substantiate permissible campaign expenditures. Per the regulation, the campaign treasurer must obtain a written agreement before any work valued at more than \$100 is done on behalf of the campaign. These contemporaneous records must be created by the close of the reporting period or, at the latest, by the primary or election to which the expenditure relates. Regulations of Connecticut State Agencies § 9-706-1 (b) states that the “absence of contemporaneous detailed documentation indicating that an expenditure was made to directly further the participating candidate's nomination for election or election shall mean that the expenditure was not made to directly further the participating candidate's nomination for election or election, and thus was an impermissible expenditure.”
14. Respondent Giles died on March 26, 2011. The Commission has opted not to pursue action related to this matter against his estate and will instead resolve the matter with Respondent Vazquez alone.
15. The Respondent admits all jurisdictional facts and agrees that this Agreement and Order shall have the same force and effect as a final decision and Order entered into after a full hearing and shall become final when adopted by the Commission.
16. The Respondent waives:
 - a) Any further procedural steps;
 - b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law, separately stated; and

- c) All rights to seek judicial review or otherwise to challenge or contest the validity of the Order entered into pursuant to this Agreement.
17. Upon the Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against him concerning this matter or the findings that appear in the Final Audit Report for the *Abe Giles '08*.
18. It is understood and agreed that this Agreement will be submitted to the Commission for consideration at its next meeting and, if the Commission does not accept it, it is withdrawn and may not be used as an admission by the Respondent in any subsequent hearing, if the same becomes necessary.

ORDER

IT IS HEREBY ORDERED THAT Respondent Vazquez shall pay the excess expenditure of \$1765 to Express Direct Services, LLC, and shall also pay a civil penalty of \$800.00 to the Commission for violation of General Statutes §§ 9-607, 9-608, and 9-706 and shall henceforth strictly comply with those statutory provisions.

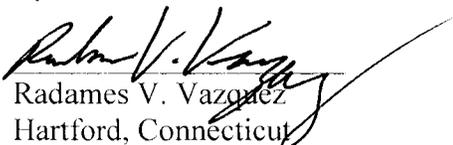
IT IS FURTHER ORDERED THAT the Respondent shall not serve as a campaign treasurer or deputy campaign treasurer of any committee regulated by the Commission for four years from the date of this agreement.

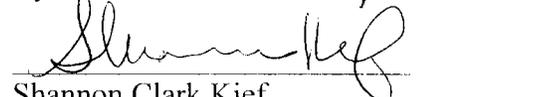
The Respondent

For the State of Connecticut

By:

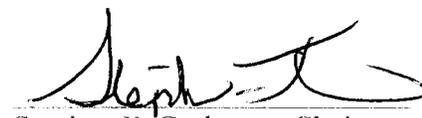
By:


Radames V. Vazquez
Hartford, Connecticut


Shannon Clark Kief
Legal Program Director and Authorized
Representative of the State

Dated: _____

Adopted this 22nd day of June, 2011 at Hartford, Connecticut by vote of the Commission.


Stephen F. Cashman, Chairman
By Order of the Commission