

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In re Audit Report for *Airey-Wilson for Senate*

File No. 2011-062

AGREEMENT CONTAINING A CONSENT ORDER

Walter R. Butler, of the City of Hartford, State of Connecticut, hereinafter referred to as the Respondent, and the undersigned authorized representative of the State Elections Enforcement Commission enter into this agreement as authorized by Connecticut General Statutes § 4-177 (c) and Regulations of Connecticut State Agencies § 9-7b-54. In accordance with those provisions, the parties agree that:

1. The Commission initiated this investigation into the qualified candidate committee of Veronica Airey-Wilson, candidate for the 2nd senatorial district in the 2008 election, on April 13, 2011 based on the results of a draft Final Audit Report issued by the Campaign Audit and Disclosure Unit. The audit concluded that the campaign treasurer had failed during the post-election audit of the candidate committee to supply documentation to justify certain expenditures and that the candidate committee had also failed to sell surplus equipment prior to the termination of the candidate committee as required by Connecticut's campaign financing statutes.
2. The candidate committee failed to provide documents to a Commission accounts examiner to support 39 expenditures totaling approximately \$24,000, or 28 percent of the total grant awarded to the committee. Among the expenditures that lacked documentation were several service agreements for which the candidate committee did not acquire the pre-performance service agreements as required by the Commission's regulation.
3. One item in particular, a cash withdrawal totaling \$10,500, raised serious concerns. The campaign manager, Marva Douglas Brito, explained to the Commission's investigator that the committee used the money to make cash payments to day workers on Election Day. Ms. Douglas Brito said that many of the workers were teenagers who had no way to cash checks, which committee workers believed justified cash payments to them.
4. Ms. Douglas Brito stated that campaign workers attempted to comply with Commission regulations by having the teenage workers sign an agreement before work was performed and then requiring the designated supervisor to sign an acknowledgement that the work was performed. Because the agreements lacked key terms such as duration and nature of the

arrangement as well as a description of the services performed, however, the documents did not satisfy the Commission's regulations for written service agreements.

5. The Commission finds that the campaign treasurer's failure to create these agreements before any work was performed and then to keep the agreements to justify the expenditures violates General Statutes § 9-607 (g), which provides the statutory basis for Regulation of Conn. State Agencies § 9-607-1 that requires committees organized under Chapter 155 to obtain written service agreements with service providers before those contractors perform any work for the committees.
6. The Commission's audit and disclosure unit also found that the committee failed to sell surplus equipment that remained in its possession after the election.
7. Following an election, campaign treasurers for qualified candidate committees must terminate their committees and distribute any surplus to the Citizens' Election Fund. *See* General Statutes § 9-608 (e) (1) (A) (ii) (requiring candidate committees that received funds from Citizens' Election Fund to return all surplus to that fund). Prior to terminating the committee, the campaign treasurer must sell any surplus equipment, including computer equipment, for fair market value and distribute proceeds from that sale to a recipient authorized under § 9-608 (e) (1) (A) (ii). *See* General Statutes § 9-608 (e) (1) (E) (requiring candidate committee to sell surplus equipment for "fair market value" and turnover proceeds from sale to proper recipient of committee surplus).
8. The Commission's audit revealed that two computers valued at approximately \$1,300 were not identified as surplus equipment after the election and sold. Because the computers were not sold, the proceeds from the sale of that surplus equipment were not returned to the Citizens' Election Fund as required by statute.
9. After the initiation of this enforcement action, the computers were sold and the proceeds of that sale were forwarded to the CEF. That sale occurred more than two years after the conclusion of the 2008 election. The committee filed an amended termination statement to reflect the sale.
10. The Commission finds that failing to sell this surplus equipment violated General Statutes § 9-608 (e) (1) (A) (ii).

11. The Respondent admits all jurisdictional facts and agree 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.
12. 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.
13. Upon the Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against them concerning this matter or the findings that appear in the Final Audit Report for the *Airey-Wilson for Senate* candidate committee.
14. It is understood and agreed by the parties to this Agreement that the Commission will consider this Agreement at its next meeting and, if the Commission rejects it, the Agreement will be withdrawn and may not be used as an admission of the Respondent in any subsequent hearing, if one becomes necessary.

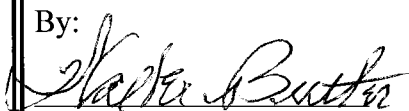
ORDER

IT IS HEREBY ORDERED THAT Respondent Butler shall pay a civil penalty of two hundred dollars (\$200.00) to the Commission for violations of General Statutes §§ 9-607 (g) and 9-608 (e) (1) (A) (ii), and shall henceforth strictly comply with the requirements of General Statutes §§ 9-607 (g) and 9-608 (e) (1) (A) (ii).

The Respondent

For the State of Connecticut

By:



Walter Butler

By:

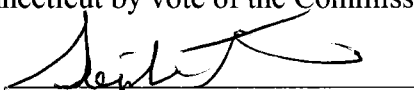


Shannon Clark Kief

Legal Program Director

Authorized Representative of the State

Adopted this 14th day of Dec, 2011 at Hartford, Connecticut by vote of the Commission.



Stephen F. Cashman, Chairman

By Order of the Commission