

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In re. Audit of Arce 2016

File No. 2019-170

AGREEMENT CONTAINING A CONSENT ORDER

This Agreement by and between Georgette Cicero, Town of Bloomfield, 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. The Commission performed an in-depth review of the expenditures of the *Arce 2016* candidate committee after the committee's selection in the random audit lottery conducted following the 2016 election cycle.
2. Angel Arce formed a candidate committee to finance his candidacy for election to the 4th General Assembly seat in the 2016 election cycle. His candidate committee, *Arce 2016*, was reviewed as part of the Commission's post-election audit process.
3. Respondent established his candidate committee to run for the 4th General Assembly seat on January 6, 2016, naming Respondent the committee's treasurer.¹ The candidate committee participated in the Citizens' Election Program.² The candidate committee received a grant from the Citizens' Election Fund totaling \$28,179.³
4. After investigation, the Commission takes no further action regarding the candidate pertaining to this referral and *Arce 2016*.

¹ See Registration by Candidate - SEEC Form 1, *Arce 2016*, January 6, 2016) (creating candidate committee and appointing Respondent Georgette Cicero as committee's treasurer).

² See Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements – SEEC Form CEP 10, *Arce 2016* (January 6, 2016) (evincing intent of candidate and treasurer to participate in Citizens' Election Program).

³ Commission records indicate that on October 22, 2016 *Arce 2016* paid a grant in the amount of \$28,179.00 from Citizens' Election Fund.

Failure to Provide Written Agreements Finding

5. The audit found at least one instance in which wages in excess of \$100.00 were paid, but a copy of the written agreement does not appear to be in the records provided. More specifically, the audit found 15 instances where individuals were paid by the committee in excess of \$100.00 without records of written agreements for services or work provided.
6. Treasurers may expend committee funds to pay campaign personnel services for campaign-related work pursuant to General Statutes § 9-607. Such payments are permissible provided that “a written agreement, signed before any work or services for which payment in excess of \$100.00 is sought is performed, which sets for (1) the nature and duration of the fee arrangement and (ii) a description of the scope of the work to be performed or the services to be rendered.” See Regs., Conn State Agencies § 9-607-1.
7. Upon investigation, Respondent was able to produce all but two of the 15 agreements from services for individuals paid by the Committee and included in the audit referral as a failure to provide written agreements for individuals paid for campaign-related services in excess of \$100.00. While not excusing the conduct, the Commission finds that Respondent showed good-faith in trying to provide full documentation pertaining to this element of the audit referral.
8. The Commission concludes that Respondent violated General Statutes § 9-607 and § 9-607-1, Regs., Conn State Agencies, by making payments to individuals for work and services provided in excess of \$100.00 without written agreements with at least two individuals prior to performance of such work or services.

Excessive Petty Cash Payment Finding

9. Further, the audit determined that there appears to be at least one instance in which the committee issued a check for petty cash that exceeded \$100.00.
10. General Statutes § 9-607, § 9-710 and § 9-706-2, Regs., Conn. State Agencies, require that any payment in satisfaction of any financial obligation incurred by a participating committee shall be made by either a committee check or the committee debit card.

11. The Commission finds that Respondent, on at least three occasions, made withdrawals in excess of \$100 to pay committee debts with cash. General Statutes § 9-607, § 9-710 and § 9-706-2, Regs., Conn. State Agencies require that a Committee use its debit card or checking account to satisfy its lawful debts.
12. Respondent does not dispute that she made three cash withdrawals in excess of \$100.00 for the purpose of satisfying Committee obligations. Respondent claims that she did so either based on mistake or her confusion as to the permissible use of cash to make Committee payments.
13. Further, while not excusing the conduct, Respondent did provide records that appear to indicate that two of the three withdrawals appear to have been wholly re-deposited prior to their use and that a third excessive cash withdrawal was used to pay for pre-paid gas cards for use by the Committee's van drivers on election day.
14. The Commission concludes therefore that Respondent violated General Statutes § 9-607, § 9-710 and § 9-706-2, Regs., Conn. State Agencies by making excessive petty cash payments.

Failure to Disclose Financial Transactions Finding

15. Additionally, the audit determined that there is at least one transaction on the bank statement that does not appear to have been disclosed on the financial disclosure statement as required.
16. General Statutes § 9-608 (c) requires that each committee disclose "an itemized accounting of each expenditure." Further, the treasurer is required to "maintain internal records" of each itemized expenditure disclosed and keep such records for a period of four years from the date of such reporting pursuant to § 9-606 (a) and §9-607 (f).
17. Upon investigation, it was determined that Respondent was able to produce bank statements pertaining to originally undisclosed transactions that were components of the audit referral based on violations of General Statutes § 9-608. These bank statements indicated that, on two separate occasions, withdrawals in the amounts of \$1,000.00 and \$2,000.00 were re-deposited in total within one week of the withdrawals.

18. Nevertheless, as originally, determined by the audit referral such withdrawals were not reported by the Respondent with supporting documentation in violation of § 9-608. While not condoning or excusing the impermissible withdrawal of cash in this instance by Respondent, her exercise of caution in returning the cash to the account is duly noted.
19. The Commission concludes that Respondent violated § 9-608 by failing to itemize and disclose withdrawals from the Committee's account as required by that section.
20. 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.
21. 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.
22. 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 the Respondent for violations of General Statutes § 9-606, § 9-607, § 9-608 and, § 9-607-1 and § 9-706-2, Regs., Conn. State Agencies, is barred from serving as a treasurer, deputy treasurer or solicitor for any and all committees and/or entities subject to Title 9, General Statutes for a period of ten years from the adoption of this agreement. Respondent voluntarily enters into this agreement and understands that the prohibition will exclude her from volunteering or being compensated for any of the aforementioned offices. Respondent understands that any violation of this order will subject her to full enforcement of the same through its civil penalty authority and potential referral to appropriate authorities for further action.

IT IS HEREBY FURTHER ORDERED that any breach of this agreement will be enforced by the Commission pursuant to its authority in General Statutes § 9-7b; including, but not limited to, the exercising of any and all civil penalty authority against Respondent for violation of this order and payment of up to \$2,000.00 for each violation of campaign finance laws as detailed herein.

The Respondent

For the State of Connecticut

By:



Georgette Cicero
22 Bear Ridge Drive
Bloomfield, Connecticut

Dated:

3/24/2020

By:

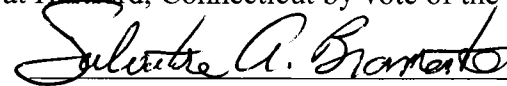


Michael J. Brandi, Esq.
Executive Director and General Counsel
And Authorized Representative of the
State Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, Connecticut

Dated:

4/28/2020

Adopted this 17th day of June, 2020 at Hartford, Connecticut by vote of the Commission.


Vice Anthony J. Castagno, Chairman
By Order of the Commission

