

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In re. Audit of The Committee to Elect Wendy Tyson-Wood

File No. 2020-007A & B

FINDINGS AND CONCLUSIONS

The Commission initiated this matter based on an audit referral indicating after an in-depth review of “The Committee to Elect Wendy Tyson-Wood” (hereinafter “Committee”) may have violated campaign finance and Citizen’s Election program statutes and regulations regarding the Committee’s expenditures during the 2016 election cycle. After audit and investigation of these matters, the Commission makes the following findings and conclusions: :

1. The Commission performed an in-depth review of the expenditures of the Committee “Committee”) after its selection in the random audit lottery conducted following the 2016 election cycle.
2. The Committee was formed by Wendy Tyson-Wood, on May 24, 2016, to finance her campaign for the state representative for the 74th General Assembly District in the 2016 election cycle and Mr. Kenneth Cook was named treasurer.¹ Mr. Anthony Tyson was appointed deputy treasurer of the committee.
3. The candidate committee participated in the Citizens’ Election Program.² The candidate committee received a grant from the Citizens’ Election Fund totaling \$ 28,032.00.³
4. This disposition treats both File Nos. 2020-070A & B, which were from the same audit referral. These matters are dismissed with no further action for the reasons detailed herein and as to all three named Respondents. Specifically, this matter is dismissed as to Wendy Tyson-Cook, Committee treasurer Kenneth Cook and Committee deputy-treasurer Anthony Tyson.

¹ See Registration by Candidate - SEEC Form 1, The Committee to Elect Wendy Tyson-Wood, May 24, 2016 (creating candidate committee and appointing Respondent Kenneth R. Cook as committee’s treasurer).

² See Affidavit of Intent to Abide by Expenditure Limits and Other Citizens’ Election Program Requirements – SEEC Form CEP 10, *The Committee to Elect Wendy Tyson-Wood* (evincing intent of candidate and treasurer to participate in Citizens’ Election Program).

³ Commission records indicate that the Commission paid a grant to The Committee to Elect Wendy Tyson-Wood in the amount of \$28,032.00 on September 16, 2016, from Citizens’ Election Fund.

5. The Commission notes that it was determined that Respondent Tyson was not involved with the transactions that served as the predicate for the initiation of this matter and was not otherwise involved with the Committee.

Requirement to Provide Documentation for Use of Petty Cash

6. Any payment in satisfaction of any financial obligation incurred by a committee shall be made by either a committee check or the committee debit card as prescribed by General Statutes § 9-607.
7. Additionally, a committee "may draw a check, not to exceed one hundred dollars, to establish a petty cash fund." General Statutes § 9-607 (e). Internal records are to be maintained for each item purchased with monies from the petty cash fund. See General Statutes § 9-607 (e) (2).
8. After audit and investigation, the Commission finds that the Committee did not provide receipts for the following petty cash expenditures each in the amount of \$100.00 on the following dates: 08/19/16, 09/02/16, 09/16/16 and 09/30/16.
9. Pursuant to General Statutes § 9-608 requires that committee treasurers maintain documentation for petty cash payments by the Committee.
10. Committees selected by random audit lottery for audit, are required to produce receipts for petty cash expenditures during that process.

Expenditures Being Paid with Cash that Was Not Part of a Petty Cash Fund.

11. Any "payment in satisfaction of any financial obligation incurred by a committee" shall be made by either a committee check or the committee debit card as prescribed by General Statutes § 9-607. In addition, a committee "may draw a check, not to exceed one hundred dollars, to establish a petty cash fund." Internal records are to be maintained for each item purchased with monies from the petty cash fund. Regs, of Conn. State Agencies 9-706-2 (b) (5).

12. After audit and investigation, the Commission determines that the Committee made the following cash payments (by date and amount) that were not made from the Committee's petty cash fund: 06/13/2017, \$427.00; 11/08/16, \$200.00; 08/02/16, \$100.00; 08/02/16, \$250.00; 10/18/16, \$200.00; and, 12/25/16, \$350.00.
13. The Commission further determines that these six expenditures, totaling the amount of \$1,527.00, each exceeded the \$50.00 limit for expenditures from the petty cash fund. *See* § 9-706-2 Regs., Conn. State Agencies.
14. Pursuant to General Statutes § 9-607 and § 9-706-2, Regs., Conn. State Agencies, it is impermissible for a committee participating in the CEP to make cash payments other than from its petty cash funds. Additionally, it is impermissible to make cash payments in excess of \$50.00. *See* General Statutes § 9-607 and § 9-706-2, Regs., Conn. State Agencies.

Making of Expenditures "to defray normal living expenses" of the Candidate and the Treasurer.

15. The Treasurer of each committee is responsible for the financial activity and reporting requirements pertaining to that committee. Further, General Statutes § 9-607 (g) (4) prohibits expenditures of committee funds for the personal use of the candidate or any other individual.⁴
16. The Committee's SEEC Form 30 (Itemized Campaign Finance Statement) and SEEC Form 1A (Registration by Candidate) were reviewed to determine compliance with reporting requirements. Checks issued by the committee were reviewed to determine if they were signed by the committee's designated treasurer or deputy treasurer.
17. After audit and investigation, the Commission determined that the Committee had \$3,110.92 in expenditures that did not meet the requirements of General Statutes § 9-607 (g) (4).
18. The expenditures, as referred to in paragraph 17 above, included:

⁴ General Statutes § 9-606 prescribes that "the campaign treasurer of each committee shall be responsible for . . . making and reporting expenditures." Specifically, General Statutes § 9-607 (d) provides that "no payment . . . shall be made by or accepted from any person other than the campaign treasurer."

- Using petty cash for campaign expenditures for which no documentation was provided (\$400.00);
- Using funds to pay for campaign space and providing personal home lease agreement as documentation (\$427.00);
- Making expenditures after the election had already taken place for utilities and living expenses (\$662.06);
- Expenditures paid with cash which were not part of the petty cash fund (\$750.00); and,
- Campaign funds were expended for the candidate's personal use (\$271.86).

19. The Commission notes that these five expenditures were reported by Respondent Cook as treasurer of the Committee on its itemized campaign disclosure statements and largely supported by documentation and checks issued by the committee.

20. The Commission determines that these expenditures did not meet the requirements of General Statutes § 9-607, § 9-710 and § 9-706-2, Regs., Conn. State Agencies, in that the making of expenditures for the personal expenses of the candidate and to defray the normal living expenses of the candidate and himself is prohibited.

Post-Election Expenditures are Strictly Limited

21. Candidate committees are permitted to make expenditures which are for "campaign related expenditures made to directly further the participating candidate's nomination or election to the office specified in the participating candidate's affidavit certifying the candidate's intent to abide by Citizens' Election Program Requirements" as is prescribed by Regs., Conn. State Agencies § 9-706-1.

22. Post-election expenditures are strictly limited to costs associated with preparing for the programs audit process and defined "amounts for post-primary or post-election thank you notes or other advertising to thank campaign staff, contributors, volunteers, or supporters," as prescribed by Regs., Conn. State Agencies § 9-706-2.

23. After audit and investigation, the Commission determines that the Committee incurred the following expenditures by date amount after the election was held: 06/13/17, \$427.00; 12/25/16, \$350.00; 12/26/16, \$107.39; 04/25/17, \$70.18; 11/13/16, \$57.50; and 06/11/17, \$66.99.
24. These six expenditures, totaling the amount of \$1, 079.06, were incurred after the election was held. The Commission finds that these post-election expenditures were not strictly limited to those prescribed by § 9-706-2, Regs., Conn. State Agencies, for post-election thank you notes to staff, contributors, volunteers, and supporters.
25. The Commission concludes that Respondent Cook made post-election expenditures as the treasurer of a committee participating in the CEP that were not strictly limited to those permitted by CEP regulations. Such expenditures therefore did not meet the requirements of General Statutes § 9-607 and § 9-706-2.

Resolution of Matters

26. The Commission determines that this audit referral was warranted due to the findings after audit that determined that the Committee did not provide adequate documentation during the audit and because the audit revealed numerous instances where the requirements of the governing statutes and regulations for a candidate committee participating in the CEP were not met. *See* General Statutes § 9-607, § 9-608 and § 9-706; and § 9-706-2, Regs., Conn. State Agencies.
27. Nevertheless, due to the fact that the Committee participated in the 2016 election cycle; and, that Respondent Tyson-Wood and Respondent Cook, after four years from the relevant reporting periods, are no longer required to maintain Committee documentation and records; the Commission's declines to commit further resources to these pending matters.
28. The Commission will provide copies of this disposition to Respondent Tyson-Wood, Respondent Cook and Respondent Tyson; and each will be deemed on notice of the statutes and regulations pertaining to candidate committees participating in the CEP as detailed herein.
29. The Commission therefore dismisses the audit-referral in File Nos. 2020-070A & B, with no further action.

ORDER

The following Order is issued on the basis of the aforementioned findings:

These matters are dismissed, with no further action.

Adopted this 7th day of August, 2024 at Hartford, Connecticut.



Stephen T. Penny, Chairman
By Order of the Commission