



STATE OF MAINE  
COMMISSION ON GOVERNMENTAL ETHICS  
AND ELECTION PRACTICES  
135 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0135

Commission Meeting 5/28/2015  
Agenda Item #3

To: Commissioners  
From: Jonathan Wayne, Executive Director  
Date: May 19, 2015  
Re: Recommended Findings of Violation and Penalties/Lisa H. Willey

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Lisa H. Willey was a Maine Clean Election Act candidate for the Maine House of Representatives in the 2014 elections. She was not elected to the Legislature.

At your last meeting, you considered preliminary penalties totaling \$16,537 for four campaign reports that were considered late, because they were substantially incomplete when they were originally filed in 2014. You reduced the late-filing penalties to \$500.

After she amended her campaign finance reports in February 2015 to reflect her actual expenditures, the Commission staff directed the auditor to conduct a "special purpose" audit of her campaign.

The audit report contains only one finding. In her campaign finance reports (as originally filed), the candidate reported making two expenditures that apparently did not happen:

42 Day Post-Primary Report (originally filed 7/22/2014)

Vendor: WalMart

Date: 5/30/2014

Amount: \$193.81

Remark: Printing Supplies

Eleven Day Pre-General Report (originally filed 10/25/2014)

Vendor: Brill Lumber

Date: 10/11/2014

Amount: \$400.00

Remark: Sign Making Supplies

The candidate did not delete these two transactions as part of the amendments she made in February 2015.

The audit examination of the campaign's bank records disclosed no transactions in these amounts. The Commission's auditor, Candidate Registrar Emma Burke and I met with the candidate after the Commission's April 29, 2015 meeting to resolve outstanding audit issues. The candidate appeared to be in doubt that these two payments were made.

During the meeting, the candidate offered no explanation for why these erroneous entries were electronically entered into the Commission's efilings system. With regard to the incorrect "expenditure" of \$400 to Brill Lumber on 10/11/2014, the candidate actually did make a payment of \$336.00 to Brill Lumber on 10/14/2014 (which was part of the February 2, 2015 amendment). So, it is possible that, when originally filing the report on 10/25/2014, the candidate or her father entered the \$400 expenditure as an estimate or placeholder, but it is impossible to know without some explanation from the candidate. She did not respond to the draft version of the audit report.

With regard to the incorrect entry of paying \$193.81 to Walmart for printing supplies, there is no evidence of any payment to Walmart near this amount or date. During the April 29, 2015 meeting with the candidate, Ms. Willey appeared aware that the campaign had not made a payment of this scale to Walmart for printing supplies. So, the reason for the entry of this in the Commission's efilings system remains a mystery.

Recommendations by Commission Staff – We recommend finding that Ms. Willey violated 21-A M.R.S.A. §1125(12) by reporting two expenditures that apparently did not occur. The Commission staff recommends no financial penalty for the misreporting, in light of the \$500 late-filing penalty assessed against the candidate for substantially incomplete reports. We view the two false entries as the result of the same lack of dedication to filing complete and accurate reports that was demonstrated at your April 29 meeting.

Thank you for your consideration of this agenda item.



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135 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0135

May 19, 2015

Lisa H. Willey  
PO Box 193  
South Casco, ME 04077

Subject: 2014 Campaign Audit – Final Audit Report

Dear Ms. Willey:

Enclosed is the final report of the Commission's audit of your 2014 House campaign contributions and expenditures. We anticipate presenting the report to our commissioners at their meeting on Thursday, May 28, 2015. You will be invited to attend the meeting for the purpose of discussing the audit findings with the members of the Commission. Jonathan Wayne, the Commission's Executive Director, will contact you in advance to schedule your appearance.

Call me at (207) 255-6618 or Jonathan at (207) 287-4179 if you have any questions or concerns regarding the report or its presentation at the Commission meeting.

Thank you for your cooperation during the audit process and for helping us meet the objectives of the Commission's audit program.

Sincerely,

A handwritten signature in black ink, appearing to read "Vincent W. Dinan".

Vincent W. Dinan  
Commission Auditor

Enclosure

Cc: Jonathan Wayne



STATE OF MAINE  
COMMISSION ON GOVERNMENTAL ETHICS  
AND ELECTION PRACTICES  
135 STATE HOUSE STATION  
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04333-0135

May 19, 2015  
Audit Report No. 2014-SP002  
Candidate: Lisa H. Willey  
House District 66

### Background

Lisa H. Willey was a candidate for election to the Maine House of Representatives, District 66, in the 2014 general election. Ms. Willey was certified for Maine Clean Election Act (MCEA) funding on May 1, 2014. Under the terms of the Act, MCEA candidates are required to submit reports of contributions received, campaign expenditures, equipment purchases and dispositions, and outstanding campaign debt for specified periods during the election cycle.

### Audit Scope

The auditor examined selected contributions made to the campaign, and certain expenditures made during the following reporting periods:

- Seed Money
- 11 Day Pre-Primary
- 42 Day Post-Primary
- 42 Day Pre-General
- 11 Day Pre-General
- 42 Day Post-General

The transactions examined were recorded in the campaign's accounting and banking records. The audit's purpose was to determine if the identified contributions and expenditures (1) were properly approved by the candidate or his or her authorized representative; (2) were adequately documented as evidenced by original vendor invoices and cancelled checks or other acceptable third party disbursement documentation; (3) were properly reported to the Commission; and (4) complied in all material respects with the requirements of the Maine Clean Election Act and the Commission's rules.

### Audit Findings and Recommendations

#### **Overview**

The campaign of Lisa H. Willey was not in the statistical random sample of 2014 campaigns selected for audit. After identifying significant reporting discrepancies following the general election, the Commission staff requested the Auditor to undertake an examination of the candidate's campaign finances. In February, 2015, the Auditor informed Ms. Willey by letter that an audit was being initiated; attached to the letter was a list of financial transactions constituting about 85 percent of the candidate's reported campaign expenditures for which she was asked to provide documentary support.

#### **Finding No. 1 – Campaign Expenditures Reported in Error**

The Willey campaign reported expenditures in two different reporting periods that the candidate was unable to substantiate, as follows:

2014 Campaign Audit  
Candidate: Lisa H. Willey  
Final Audit Report

42 Day Pre-Primary Report

Vendor: WalMart  
Date: 5/30/2014  
Amount: \$193.81  
Remark: Printing Supplies

Eleven Day Pre-General Period

Vendor: Brill Lumber  
Date: 10/11/2014  
Amount: \$400.00  
Remark: Sign Making Supplies

The audit examination of the campaign's bank records disclosed no transactions in the amounts above. Moreover, at a meeting with the Commission's Auditor after the Commission's April 29, 2015 meeting, the candidate appeared to be in doubt that these two payments were made and had no credible explanation to explain the circumstances which led to the erroneous expense reports. The Auditor noted that the candidate's reported cash balance after the 42 Day Post-General reporting period was a negative \$590.25. By off-setting the ending balance with the total of the unsupported expenditures discussed above, the resulting balance is a negligible (\$3.56). Finally, however, the Auditor was unable, based on the records available, to determine whether the transactions above actually occurred.

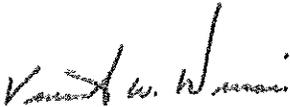
Standard – 21-A M.R.S.A. §1125(12) states in part that “certified candidates shall report any money collected, all campaign expenditures, obligations, refunds received by a candidate or agent of that candidate and related activities to the commission according to procedures developed by the commission.”

Recommendations – The Commission staff recommends that the Commission find the candidate in violation of 21-A M.R.S.A. §1125(12) by reporting two expenditures that apparently did not occur. Although the Commission may assess penalties of up to \$10,000 for violations of the MCEA, the Commission staff recommends no financial penalty for the misreporting, in light of the \$500 late-filing penalty assessed against the candidate for substantially incomplete reports at the Commission's April 29, 2015 meeting.

Candidate's Comments on the Audit Finding

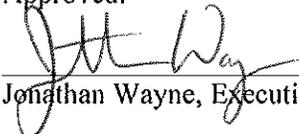
The candidate chose not to provide written comments on the audit finding.

Respectfully Submitted,



Vincent W. Dinan, Auditor

Approved:

  
Jonathan Wayne, Executive Director

as  
originally  
filed  
7/22/2014

**SCHEDULE B  
EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls			
DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
5/30/2014	WALMART N.WINDHAM WINDHAM, ME 04062	PRINTING SUPPLIES	LIT	\$193.81
<b>TOTAL EXPENDITURES FOR CANDIDATE:</b>				<b>\$193.81</b>

as  
amended  
Feb. 2015

**SCHEDULE B  
EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls			

DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
5/30/2014	WALMART N.WINDHAM WINDHAM, ME 04062	PRINTING SUPPLIES	LIT	\$193.81
6/2/2014	RITE AID UNKNOWN FALMOUTH, ME 04105	FOOD FOR CAMPAIGN WORKERS	FOD	\$4.12
6/2/2014	SHAWS UNKNOWN WINDHAM, ME 04062	FOOD FOR CAMPAIGN WORKERS	FOD	\$23.99
6/2/2014	STAPLES UNKNOWN WINDHAM, ME 04062	OFFICE SUPPLIES, PAPER, INK, ETC	OFF	\$138.18
6/6/2014	BIG APPLE UNKNOWN RAYMOND, ME 04071	GASOLINE FOR CAMPAIGNING PURPOSES	TRV	\$20.16
6/16/2014	HAYES TRUE VALUE UNKNOWN BRIDGTON, ME 04009	EQUIPMENT FOR A FUNDRAISING PARTY	FND	\$43.00
6/30/2014	HOME DEPOT UNKNOWN WINDHAM, ME 04062	SUPPLIES FOR T SHIRTS, SIGNS, ETC	OTH	\$96.27
7/7/2014	AMAZON.COM UNKNOWN UNKNOWN, WA 98101	ENVELOPES	OTH	\$16.75
7/7/2014	DR. DON'S BUTTONS UNKNOWN GLENDALE, AZ 85308	BUTTON MAKING SUPPLIES	OTH	\$669.77
7/7/2014	YUMMYEARTH.COM UNKNOWN RAMSEY, NJ 07446	LOLLIPOPS FOR EVENTS	OTH	\$38.45
7/10/2014	DR. DON'S BUTTONS UNKNOWN GLENDALE, AZ 85308	BUTTON MAKING SUPPLIES	OTH	\$178.10
7/10/2014	JOHNNY'S SELECTED SEEDS UNKNOWN ALBION, ME 04910	SEEDS FOR SEED PACKET FLYERS	OTH	\$108.26

as  
originally  
filed  
10/25/2014

**SCHEDULE B  
EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls			
DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
10/11/2014	BRILL LUMBER RTE. 117 BRIDGTON, ME 04009	SIGN MAKING SUPPLIES	LIT	\$400.00
<b>TOTAL EXPENDITURES FOR CANDIDATE:</b>				<b>\$400.00</b>

as amended  
Feb. 2015

**SCHEDULE B  
EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls			

DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
9/17/2014	STAPLES UNKNOWN WINDHAM, ME 04062	PRINTING, ETC	OFF	\$42.25
10/11/2014	BRILL LUMBER RTE. 117 BRIDGTON, ME 04009	SIGN MAKING SUPPLIES	LIT	\$400.00
10/14/2014	AUBUCHON UNKNOWN NAPLES, ME 04055	SPRAYPAINT	OTH	\$9.90
10/14/2014	BRILL LUMBER UNKNOWN BRIDGTON, ME 04009	PLYWOOD AND STAKES FOR SIGNS	OTH	\$336.98
10/14/2014	HAYES TRUE VALUE UNKNOWN BRIDGTON, ME 04009	SIGN SUPPLIES	OTH	\$27.66
10/14/2014	LOWES UNKNOWN WINDHAM, ME 04062	SIGN SUPPLIES	OTH	\$21.08
10/14/2014	LOWES UNKNOWN WIND, ME 04062	SIGN SUPPLIES	OTH	\$36.35
10/15/2014	LOWES UNKNOWN WINDHAM, ME 04062	SIGN SUPPLIES	OTH	\$63.45
10/15/2014	THE SIGN STORE UNKNOWN AUBURN, ME 04210	STENCIL DESIGN AND CREATION	LIT	\$84.39
<b>TOTAL EXPENDITURES FOR CANDIDATE:</b>				<b>\$1,022.06</b>



STATE OF MAINE  
COMMISSION ON GOVERNMENTAL ETHICS  
AND ELECTION PRACTICES  
135 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0135

May 7, 2015

Ms. Lisa H. Willey  
P.O. Box 193  
South Casco, ME 04077

**NOTICE OF RECOMMENDED FINDING OF VIOLATION AND  
POTENTIAL CIVIL PENALTY**

Dear Mr. Willey,

Thank you for your cooperation with the Ethics Commission's audit of your 2014 campaign as a Maine Clean Election Act (MCEA) candidate. The draft version of the audit report is enclosed. After receiving any written response from you to the draft report, the Commission's Auditor will issue a final audit report. That report will be considered at a meeting of the Commission on Thursday, May 28, 2015 in Augusta (details below).

The draft audit report contains only one proposed finding: that you included two expenditures in campaign finance reports that apparently never occurred. We discussed these two expenditures with you at a meeting on April 29, 2015, and you did not provide any explanations for the entries. Based on the information provided to date, the preliminary view of the Commission staff is that these two entries were inaccurate and we do not understand why or how they were entered. We will re-evaluate that view if you can provide any evidence that you did, in fact, make these payments.

*Potential finding of violation and penalty.* At this time, the Commission staff intends to recommend that the Commissioners find that you violated a provision in the Maine Clean Election Act, 21-A M.R.S.A. § 1125(12), by misreporting your expenditures. The Commission staff intends to recommend the assessment of no financial penalty for the violation, because we believe that the \$500 penalty assessed on April 29 already underscores the importance of accurate and complete financial reporting.

As you know, the Commissioners do not always accept the staff's recommendation. Accordingly, the Commissioners may assess a financial penalty for the violation. Any violation of the MCEA (including § 1125(12)) can result in a civil penalty of up to \$10,000.

*Your opportunity to respond.* You are encouraged to attend the Commission's May 28 meeting to explain the circumstances of the two reported expenditures. The meeting will

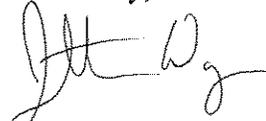
Mr. Lisa H. Willey  
Page 2  
May 7, 2015

be held at 9:00 a.m. at the Commission's Office at 45 Memorial Circle in Augusta. You are also welcome to respond to the recommended finding of violation and potential penalty by submitting a written response. If we receive it by Monday, May 18, we will include it in a packet of written materials that we will send to the Commissioners by U.S. Mail. If we receive your response after May 18, we will distribute it by electronic mail to the Commissioners before the May 28 meeting.

Also, following up on our discussion of your schedule for paying the \$500 penalty, we recommend paying it prior to the May 28 meeting.

Please feel free to call me at 287-4179 or email me at [Jonathan.Wayne@maine.gov](mailto:Jonathan.Wayne@maine.gov) if you have any questions about the May 28 meeting or the audit.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jonathan Wayne', written in a cursive style.

Jonathan Wayne  
Executive Director

cc: Commission Auditor Vincent W. Dinan

**Maine Revised Statutes  
Title 21-A: ELECTIONS**

**Chapter 14: THE MAINE CLEAN ELECTION ACT HEADING: IB 1995, c. 1,  
§17 (new)**

**§1125. TERMS OF PARTICIPATION**

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**12. Reporting; unspent revenue.** Notwithstanding any other provision of law, the treasurer or deputy treasurer of participating and certified candidates shall report any money collected, all campaign expenditures, obligations, refunds received by a candidate or agent of that candidate and related activities to the commission according to procedures developed by the commission. If a certified candidate pays fund revenues to a member of the candidate's immediate family or household or a business or nonprofit entity affiliated with a member of the candidate's immediate family or household, the treasurer or deputy treasurer must disclose the candidate's relationship to the payee in a manner prescribed by the commission. In developing these procedures, the commission shall utilize existing campaign reporting procedures whenever practicable. The commission shall ensure timely public access to campaign finance data and may utilize electronic means of reporting and storing information. Upon the filing of a final report for any primary election in which the candidate was defeated and for all general elections, that candidate shall return all unspent fund revenues to the commission. If the candidate or agent of the candidate receives a refund of an expenditure made for the campaign after filing the final report, the candidate shall return those funds to the fund within 14 days of receiving the refund.

[ 2013, c. 334, §33 (AMD) .]

**Maine Revised Statutes  
Title 21-A: ELECTIONS**

**Chapter 14: THE MAINE CLEAN ELECTION ACT HEADING: IB 1995, c. 1,  
§17 (new)**

**§1127. VIOLATIONS**

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1. **Civil fine.** In addition to any other penalties that may be applicable, a person who violates any provision of this chapter or rules of the commission adopted pursuant to section 1126 is subject to a fine not to exceed \$10,000 per violation payable to the fund. In addition to any fine, for good cause shown, a candidate, treasurer, consultant or other agent of the candidate or the political committee authorized by the candidate pursuant to section 1013-A, subsection 1 found in violation of this chapter or rules of the commission may be required to return to the fund all amounts distributed to the candidate from the fund or any funds not used for campaign-related purposes. If the commission makes a determination that a violation of this chapter or rules of the commission has occurred, the commission shall assess a fine or transmit the finding to the Attorney General for prosecution. A final determination by the commission may be appealed to Superior Court in accordance with Title 5, chapter 375, subchapter 7 and the Maine Rules of Civil Procedure, Rule 80C. Fines assessed or orders for return of funds issued by the commission pursuant to this subsection that are not paid in full within 30 days after issuance of a notice of the final determination may be enforced in accordance with section 1004-B. Fines paid under this section must be deposited in the fund. In determining whether or not a candidate is in violation of the expenditure limits of this chapter, the commission may consider as a mitigating factor any circumstances out of the candidate's control.

[ 2011, c. 558, §10 (AMD) .]

2. **Class E crime.** A person who willfully or knowingly violates this chapter or rules of the commission or who willfully or knowingly makes a false statement in any report required by this chapter commits a Class E crime and, if certified as a Maine Clean Election Act candidate, must return to the fund all amounts distributed to the candidate.

[ 1995, c. 1, §17 (NEW) .]

**SECTION HISTORY**

IB 1995, c. 1, §17 (NEW). 2003, c. 81, §1 (AMD). 2005, c. 301, §33 (AMD). 2005, c. 542, §6 (AMD). 2009, c. 302, §23 (AMD). 2011, c. 558, §10 (AMD).