

Agenda

Item #8



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

MEMORANDUM

TO: Members of the Commission

DATE: April 12, 2011

SUBJECT: Audit Report Transmittal

Attached are the audit summaries of our examinations of campaign contributions and expenditures reported by the following candidates:

Candidate	Contest	Election	Status
Elizabeth Mitchell	Governor	2010 General	No Exceptions
Joseph Palmieri	Senate District 7	2010 General	Four Deficiency Findings
Anne Haskell	House District 117	2010 General	No Exceptions
Paul Davis	House District 26	2010 General	No Exceptions

Respectfully submitted,

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

Vincent W. Dinan
Commission Auditor

Attachments



STATE OF MAINE
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April 5, 2011

The Honorable Elizabeth H. Mitchell
277 Cushnoc Road
Vassalboro, ME 04989

Subject: Final Report – Audit of 2010 Gubernatorial Campaign Contributions and Expenditures

Dear Senator Mitchell:

Enclosed is the final audit report of the Commission on Governmental Ethics and Election Practices (Commission) concerning our review of your 2010 campaign contributions and expenditures.

We plan to present the audit report at the Commission meeting on April 26, 2011. Prior to that time, Jonathan Wayne will contact you to schedule your appearance before the Commission, should you choose to attend.

Finally, Sen. Mitchell, I want to thank you, your Treasurer, Allison Paine, and your Financial Coordinator, Mary Elisabeth Randall, for your cooperation and assistance in helping the Commission meet our audit objectives.

Sincerely,

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

Vincent W. Dinan
Commission Auditor

Enclosure

cc: Allison Paine, Campaign Treasurer
Mary Elisabeth Randall, Campaign Financial Coordinator



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April 5, 2011

Audit Report No. 2010 – GV002

**Candidate: Senator Elizabeth H. Mitchell
Gubernatorial Candidate – 2010 General Election**

Background

Senator Elizabeth H. Mitchell was a candidate for Governor of the State of Maine in the 2010 General Election.

Sen. Mitchell was certified by the Commission on Governmental Ethics and Election Practices (Commission) as a Maine Clean Election Act (MCEA) candidate on April 8, 2010. MCEA candidates are required under the Act to submit reports of the following activities: contributions made to their campaigns; campaign expenditures; outstanding campaign debt; and acquisitions and subsequent disposition of campaign equipment. Such reports are made for specified periods during the election cycle. Contributions and expenditures reported by the Mitchell Campaign and listed in the following reports were included in the audit examination:

- January, 2010 Pre-Election Semi-Annual
- 2010 Seed Money
- 2010 42 Day Pre-Primary
- 2010 Eleven Day Pre-Primary
- 2010 42 Day Post-Primary
- 2010 42 Day Pre-General
- 2010 Eleven Day Pre-General
- 2010 42 Day Post-General

Audit Scope and Process

The Mitchell Campaign generated contributions and expenditures in the following amounts:

FINANCIAL ELEMENT	AMOUNT
Seed Money Contributions	\$ 113,854
MCEA Funding	\$1,796,227
Other Cash Receipts	\$ 2,873
Disbursements	\$1,905,263

The Commission staff validated more than \$40,000 of Seed Money contributions from registered Maine voters. The MCEA requires that candidates for Governor who seek to qualify for "Clean Election" funding must collect a minimum of \$40,000 in Seed Money contributions from registered Maine voters.

In addition, the Commission Auditor performed verification tests on out-of-state contributions made by check and through online processing services.

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The Auditor also verified supporting documentation for \$924,000 or about 50 percent of total campaign expenditures. The verification process involved making random selections of expenditure transactions from different reporting periods and ranging in value, and tracing the transactions to source documentation, i.e., vendor invoices, receipts, and contracts. Source documents were then matched to payment records, e.g., cancelled checks, wire transfers.

It should be noted that the Mitchell Campaign spent about \$1.238 million on radio and television advertising, or about 65 percent of total expenditures went to purchases of broadcast media services. The Auditor verified documentary support for about 60 percent of all media expenditures.

The audit disclosed no purchases of equipment by the Mitchell Campaign that were paid for with MCEA funds.

Findings and Recommendations

Contributions – no reporting discrepancies or exceptions.

Expenditures – no reporting discrepancies or exceptions.

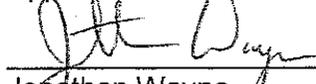
Candidate's Comments

Senator Mitchell did not offer comments on the report.

Respectfully submitted to the Members of the Commission,


Vincent W. Dinan
Commission Auditor

Approved:


Jonathan Wayne
Executive Director



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April 1, 2011

The Honorable Paul T. Davis, Sr.
36 Townhouse Road
Sangerville, ME 04479

Subject: Final Audit Report – Audit of 2010 Campaign Contributions and Expenditures

Dear Representative Davis:

Enclosed is our final report of the audit by the Commission on Governmental Ethics and Election Practices (Commission) of your 2010 campaign contributions and expenditures. You will note that the report identifies no exceptions or discrepancies in your reporting practices.

Thank you for your cooperation during the audit process, and in helping us achieve 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: Gail Stutzman, Campaign Treasurer



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April 1, 2011

Audit Report No. 2010-HR008

**Candidate: Paul T. Davis, Sr.
House District 26**

Background

Representative Paul T. Davis, Sr. was a candidate for re-election to the Maine House of Representatives, District 26, in the 2010 general election. Rep. Davis was certified for Maine Clean Election Act (MCEA) funding on April 1, 2010. 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 (11/5/2008 through 4/1/2010)
- Eleven Day Pre-Primary (4/2/2010 through 5/25/2010)
- 42 Day Post-Primary (5/26/2010 through 7/13/2010)
- 42 Day Pre-General (7/14/2010 through 9/14/2010)
- 11 Day Pre-General (9/15/2010 through 10/19/2010)
- 42 Day Post-General (10/21/2010 through 12/7/2010)

The transactions examined were recorded in the campaign's accounting records and were reported to the Commission. The purpose of the audit was to determine that



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March 28, 2011

The Honorable Anne M. Haskell
31 Higgins Street
Portland, ME 04103

Subject: Final Audit Report – Audit of 2010 Campaign Contributions and Expenditures

Dear Representative Haskell:

Enclosed is our final report of the audit by the Commission on Governmental Ethics and Election Practices (Commission) of your 2010 campaign contributions and expenditures. You will note that the report identifies no exceptions or discrepancies in your reporting practices.

Thank you for your cooperation during the audit process, and in helping us achieve 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: David A. Larrivee, Campaign Treasurer



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March 28, 2011

Audit Report No. 2010-HR007

**Candidate: Anne M. Haskell
House District 117**

Background

Representative Anne M. Haskell was a candidate for re-election to the Maine House of Representatives, District 117, in the 2010 general election. Rep. Haskell was certified for Maine Clean Election Act (MCEA) funding on March 21, 2010. 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 (11/5/2008 through 3/21/2010)
- Eleven Day Pre-Primary (3/22/2010 through 5/25/2010)
- 42 Day Post-Primary (5/26/2010 through 7/13/2010)
- 42 Day Pre-General (7/14/2010 through 9/14/2010)
- 11 Day Pre-General (9/15/2010 through 10/19/2010)
- 42 Day Post-General (10/21/2010 through 12/7/2010)

The transactions examined were recorded in the campaign's accounting records and were reported to the Commission. The purpose of the audit was to determine that

- Seed Money contributions were made from the personal resources of the contributors, and were made in amounts within the limits imposed by the Act.
- Campaign expenditures (1) were properly approved by the candidate or her authorized representative; (2) were adequately documented as evidenced by original vendor invoices and cancelled checks or other acceptable disbursement documentation; and (3) complied in all material respects with the requirements of the Maine Clean Election Act and the Commission's rules.

Audit Findings and Recommendations

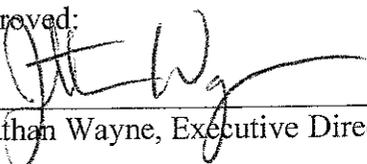
The audit disclosed no reporting deficiencies or exceptions.

Respectfully submitted to the Commission for information and file.



Vincent W. Dinan, Auditor

Approved:



Jonathan Wayne, Executive Director