



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2932

DATE FILMED 10/31/90 CAMERA NO. 4

CAMERAMAN AS

20040302973



GENERAL COUNSEL  
 Defense Contract Audit Agency  
 Cameron Station  
 Alexandria, VA 22304-6178

RECEIVED  
 FEDERAL ELECTION COMMISSION  
 MAIL ROOM

OGC 1503

DEFENSE LEGAL SERVICES 89 JAN -5 AM 10:31

Pal Mon 209

4 January 1989

DL

General Counsel  
 Federal Election Commission  
 999 E Street, N.W.  
 Washington, DC 20463

Dear Sir:

The enclosed Suspected Irregularity Referral Form (DCAAF 2000.0) is forwarded for information and whatever action you deem appropriate.

The DCAA point of contact for audit matters is Paul H. Phillips, Branch Manager, New Orleans Branch Office, Eastern Region, DCAA. He can be reached on (504) 257-3353. The DCAA point of contact for legal matters is John N. Ford, Deputy General Counsel, DCAA, who can be reached on (202) 274-7322.

FOR THE DIRECTOR, DCAA

*John J. Quill*  
 JOHN J. QUILL  
 General Counsel

Encl

Copy furnished:  
 DPFU/DOJ  
 Dir, Inv Ops/DCIS  
 RD, Eastern Reg w/o encl  
 BMGR, New Orleans BO w/o encl

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89 JAN -5 PM 3:27

SUSPECTED IRREGULARITY REFERRAL FORM

Name of DCAA Employee 20 December 1988  
Submitting Referral:  
Donald W. Kittrell

FAO Location: New Orleans Branch Office

Telephone Number: (504) 257-3353

Cognizant FAO Managers' Name  
and Telephone Number:  
Paul H. Phillips  
(504) 257-3353

Information which suggests a reasonable basis for suspicion of fraud, corruption, or unlawful activity affecting Government contracts must be reported promptly. DCAA employees are encouraged to use this form. If there are any questions as to whether or not this referral should be made, please call your local DoD investigator.

You may not be able to supply all of the information. This form is designed to identify the type of information typically needed by an investigator. Be as thorough as possible in order to assist the investigator in understanding the possible irregularity.

You are required to discuss your suspicions and your written submission with your supervisor to assure that adequate information has been developed.

**Part I**

a) — Name of contractor. Terry Gaudet and Associates, Inc.

Division, City and State. Lafayette, LA

Location of Incident. Lafayette, LA

b) — Size, nature and type of contracts in question. \_\_\_\_\_

U.S. Post Office Contract, unknown size

c) — Name of affected major acquisition program, if any. N/A

d) — Contract number(s). \_\_\_\_\_

N/A

e) — Organization and location which administers the contract(s). \_\_\_\_\_

N/A

f) — Organization and location which awards the contract(s). \_\_\_\_\_

N/A

**Part II**

a) — Type of audit being performed when suspected irregularity was detected. (Also provide the audit assignment number.)

Forward Pricing Rate Review

10040302925

b) — Is continued audit effort planned for this audit assignment and/or does the FAO plan to extend, expand, or redirect audit effort in ensuing audits of the referred contractor? No

List the audit assignment number(s) for new audit effort.

N/A

c) — Are there any other in process audits or completed audits related in any way to the suspected irregularity? List the audit assignment number(s).

N/A

d) — Is there pending a contract modification, adjustment, claim resolution or agreement that relates in any way to the suspected irregularity? Explain. N/A

N/A

**Part III**

a) — To whom is distribution of this referral being made? DCAA Legal, Headquarters and Defense Criminal Investigative Service.

**Part IV**

Answer the following questions as fully as possible. Use as many pages as necessary.

a) — Thorough description of suspected irregularity.

The contractor made political contributions which may have violated Title 2 U.S.C. 441C. Contributions were made for state and local elections, as well as, the U.S. Senate. Total contributions made are as follows:

Fiscal Year 1984 (9/30/84)	\$ 3,725
Fiscal Year 1985 (9/30/85)	400
Fiscal Year 1986 (9/30/86)	1,450
Fiscal Year 1987 (9/30/87)	2,420
Partial year (7/31/88)	550

The contractor has had U.S. Government contracts with the Post Office. However, we do not know when the contributions were made to the U.S. Senate election or whether the contractor had a U.S. Government contract at the time of the contributions.

04020:996

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b) — Identify indicators by which irregularity was accomplished (e.g., altered time cards, bogus invoices).

Political contributions were identified on the contractor's financial statements.

c) — Attach copies of any document(s) you believe are necessary to assist in any understanding of what irregular activity is suspected and why it is suspected.

d) — Full description of books and records pertinent to irregularity with contractor nomenclature for these books and records.

General Ledger and Financial Statements.

e) — Name, job, city and location of individuals who provided information or who may have relevant information.

Terry Gaudet, President of Terry Gaudet and Associates, Inc.

Lafayette, LA.

f) — Estimate the loss or impact to known Government contracts with this contractor. If loss or impact can only be measured on one contract, then estimate that amount.

As far as we know, the contractor has only one U.S. Government contract and that is with the U.S. Post Office.

g) — Extent of questioned practices, time span, isolated incident or a pattern.

See IV (a).

h) — Position or name of person(s) involved. Terry Gaudet

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i) - Indicators of involvement of upper management. Terry Caudet is the president of the corporation and is the person from whom we obtained much of our information.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

j) - Why do you think wrongdoing is intentional; i.e., that acts were done with fraudulent intent? We believe Mr. Gaudet is simply unaware of the statute which prevents firms contracting with the United States from making contributions to candidates for political office.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10040101998

FOR OFFICIAL USE ONLY



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 16, 1989

Mr. John J. Quill  
General Counsel  
Defense Legal Services  
Defense Contract Audit Agency  
Cameron Station  
Alexandria, VA 22304-6178

RE: Pre-MUR 209

Dear Mr. Quill:

This is to acknowledge receipt of your letter dated January 4, 1989, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Terry Gaudet and Associates, Inc. We are currently reviewing the matter and will advise you of the Commission's determination.

If you have any questions or additional information, please call Janice Lacy, the attorney assigned to this matter, at (202) 376-5690. Our file number for this matter is Pre-MUR 209.

Pursuant to 2 U.S.C. Section 437g(a)(4)(B) and Section 437g(a)(12)(A), the Commission's review of this matter shall remain confidential until the file has been closed.

Sincerely,

Lawrence M. Noble  
General Counsel

  
By: Lois G. Lerner  
Associate General Counsel

20040102279



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

MEMORANDUM

TO : File Pre-MUR #209  
FROM : Daniel J. Blessington *DB 6/7/89*  
SUBJECT : Telephone Conversation with Gary Edenfield of DCAA

Called Mr. Edenfield at approximately 2:00 P.M. on 6/6/89.  
We discussed the following:

First - I asked Mr. Edenfield to explain to me what a pricing review audit was. He told me that this particular review had been requested by the Army Corps of Engineers, that it was an "indefinite order" so that prices for draftsmen, etc. would be approved when Ks came up in the future. Therefore, pricing reviews are done for firms with prospective Ks; they also may be current or former govt. contractors.

Second - Apparently an inexperienced auditor found that Gaudet & Associate had recorded political contributions in the company's records. It is Edenfield's understanding that no one has apprised Mr. Gaudet of the illegality of such contributions, and Mr. Gaudet did not seem aware of anything untoward in the contributions.

Third - Mr. Edenfield told me that what DCAA sent us constitutes all the information in their possession. Presumably, the significance of the political contributions was not realized until the filed auditor returned to the New Orleans office from Lafayette, 150 miles away. Therefore, the information is pretty sketchy. Presumably there are many more records in Lafayette.

There seems no point in requesting additional information from DCAA.

Fourth - Confirmed that Terry Gaudet was President of Terry Gaudet and Associates, Inc.  
The address is:

4000000000



4209

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Terry Gaudet and Associates, Inc.  
114 Toledo Drive  
Lafayette, Louisiana 70506  
Telephone (318) 234-5710

In a related effort, asked Cynthia Deisher to do a name search  
for me - 1984-1988 - Gaudet of Lafayette.

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**SENSITIVE**

**FEDERAL ELECTION COMMISSION**  
999 E Street, N.W.  
Washington, D.C. 20463

**FIRST GENERAL COUNSEL'S REPORT**

Pre-MUR #209

STAFF MEMBER: Blessington

SOURCE OF PRE-MUR: Defense Contract Audit Agency Referral

RESPONDENTS: Terry Gaudet and Associates, Inc.  
Terry Gaudet  
Beverly Gaudet

RELEVANT STATUTE(S.): 2 U.S.C. § 441b  
2 U.S.C. § 441c  
2 U.S.C. § 441f  
11 C.F.R. § 110.4(b)  
11 C.F.R. § 114.2  
11 C.F.R. § 115.1  
11 C.F.R. § 115.2

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: Defense Contract Audit Agency

**I. GENERATION OF MATTER**

During a rate review of Terry Gaudet and Associates, Inc., ("Associates"), the Defense Contract Audit Agency ("DCAA") found evidence that the corporation had made political contributions to federal, state and local candidates in the years 1984-1988.<sup>1</sup> The DCAA forwarded a "Suspected Irregularity Referral Form" (Attachment I) to the Office of the General Counsel that

1. In a telephone conversation with an Office of the General Counsel representative, a DCAA auditor indicated that a forward pricing rate review had been requested by the Army Corps of Engineers in order to have approved prices for anticipated contracts. Terry Gaudet and Associates, Inc. was apparently one of a number of prospective contractors who underwent a pricing review as a result of this request.

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indicates that Associates made contributions of \$8,545 for the years indicated; no breakdown was provided with respect to federal and other candidates. The referral notes that Associates has had a contract with the United States Postal Service, but provides no details concerning it.

**II. FACTUAL AND LEGAL ANALYSIS**

**A. Contributions by a Federal Contractor**

Federal contractors are prohibited from making "any contribution of money or other things of value ... to any political party, committee, or candidate for public office ... ." 2 U.S.C. § 441c. The Commission's regulations are explicit that the prohibition of section 441c does not extend to contributions or expenditures in connection with state or local elections. 11 C.F.R. § 115.2.

According to the DCAA referral, Associates' general ledger and financial statements indicate that political contributions of \$8,545 had been made by the corporation for fiscal years 1984-1987 and part of 1988. Moreover, Terry Gaudet, the corporation's president, apparently indicated that the contributions involved federal, state and local elections.<sup>2</sup>

The referral provides no information as to the status of Mr. Gaudet and the corporation as federal contractors at the time

---

2. Disclosure reports filed with the Commission by The John Breaux Committee indicate that Mr. Gaudet made contributions of \$500 in July of 1985 and in June of 1987. In addition, Beverly Gaudet of the same address is reported as having made a contribution of \$1,000 to the same committee on the same day in 1987. The Friends of James David Cain reports a contribution of \$1,000 from Mr. Gaudet in August of 1985.

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the political contributions were made. Whether or not a person has violated 2 U.S.C. § 441c is dependent upon the time that the contribution was made. Commission regulations at 11 C.F.R. § 115.1(b) provide:

(b) The period during which a person is prohibited from making a contribution or expenditure is the time between the earlier of the commencement of negotiations or when the requests for proposals are sent out, and the later of--

(1) The completion of performance under; or

(2) The termination of negotiations for, the contract or furnishing of material, supplies, equipment, land, or buildings, or the rendition of personal services.

Based on the foregoing, there is reason to believe that Terry Gaudet and Terry Gaudet and Associates, Inc. may have violated 2 U.S.C. § 441c.

**B. Corporate Contributions**

A corporation is prohibited from making contributions in connection with a federal election. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(b). Moreover, an officer or director of a corporation is prohibited from consenting to the making of such contributions. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(d).

The referral states that corporate records indicate that Associates made political contributions in the years 1984-1988. Terry Gaudet, the corporation's president, acknowledged that some of the contributions involved federal elections. Moreover,

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disclosure reports on file with the Commission indicate contributions by Terry Gaudet and Beverly Gaudet in 1985 and 1987.

Based on the foregoing, there is reason to believe Terry Gaudet and Terry Gaudet and Associates, Inc. violated 2 U.S.C. § 441b.

C. Contributions in the Name of Another

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

In Advisory Opinion 1986-41, the Commission noted that the prohibition of Section 441f applies to any person. This includes "an incorporated or unincorporated entity who gives money to another to effect a contribution in the second person's name."

The DCAA referral indicates that Associates made contributions to federal candidates. Disclosure reports indicate that contributions were made by both Terry and Beverly Gaudet. Reports of The John Breau Committee indicate that Terry Gaudet

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1987 and that Beverly Gaudet made a contribution of \$1,000 in June of 1987. The Friends of James David Cain reports that a contribution of \$1,000 was made by Mr. Gaudet in August of 1985. These facts suggest that Associates' contributions may have been made in the names of Terry Gaudet and Beverly Gaudet.

Therefore, there is reason to believe that Terry Gaudet, Beverly Gaudet and Terry Gaudet and Associates, Inc. violated 2 U.S.C. § 441f.

**III. RECOMMENDATIONS**

1. Open a MUR.
2. Find reason to believe that Terry Gaudet and Terry Gaudet and Associates, Inc. violated 2 U.S.C. §§ 441b, 441c and 441f.
3. Find reason to believe that Beverly Gaudet violated 2 U.S.C. § 441f.
4. Approve the attached letters and factual and legal analyses.
5. Approve the attached subpoenas to produce documents and orders to submit written answers.

Lawrence M. Noble  
General Counsel

7/11/89  
\_\_\_\_\_  
Date

BY:

  
\_\_\_\_\_  
Lois G. Lerner  
Associate General Counsel

**Attachments:**

1. Referral Materials
2. Proposed Letters Factual and Legal Analyses (3)  
and Subpoenas/Orders (3)

40303006



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20541

MEMORANDUM TO:

FROM: MARJORIE W. EMMONS  
DATE: JULY 14, 1989  
SUBJECT: Pre-MUR 209 - First General Counsel's Report  
Signed July 11, 1989.

The above-captioned document was circulated to the Commission on Wednesday, July 12, 1989, 4:00 P.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens \_\_\_\_\_  
Commissioner Elliott \_\_\_\_\_  
Commissioner Josefiak \_\_\_\_\_  
Commissioner McDonald \_\_\_\_\_  
Commissioner McGarry \_\_\_\_\_  
Commissioner Thomas \_\_\_\_\_ XXXX

This matter will be placed on the agenda for July 25, 1989.

70040303007

BALLOT



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**SENSITIVE**

DATE & TIME TRANSMITTED: WEDNESDAY JULY 12, 1989 4:00

COMMISSIONER: AIKENS, ELLIOTT, JOSEPHAK, McDONALD, McGARRY, ~~THOMAS~~

RETURN TO COMMISSION SECRETARY BY FRIDAY, JULY 14, 1989 4:00

SUBJECT: Pre-MUR 209 - First General Counsel's Report  
Signed July 11, 1989.

900403008

- ( ) I approve the recommendation
- (✓) I object to the recommendation

RECEIVED  
FEDERAL ELECTION COMMISSION  
89 JUL 14 PM 2:33

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE: 7/14 89 SIGNATURE *John Thomas*

A DEFINITE VOTE IS REQUIRED. ALL BALLOTS MUST BE SIGNED AND DATED.  
PLEASE RETURN ONLY THE BALLOT TO THE COMMISSION SECRETARY.  
PLEASE RETURN BALLOT NO LATER THAN DATE AND TIME SHOWN ABOVE.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Terry Gaudet and Associates, Inc. ) Pre-MUR 209  
Terry Gaudet )  
Beverly Gaudet )

(MUR  
2932)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of July 25, 1989, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to Pre-MUR 209:

1. Open a Matter Under Review (MUR).
2. Find reason to believe that Terry Gaudet and Terry Gaudet and Associates, Inc. violated 2 U.S.C. §§ 441b, 441c and 441f.
3. Find reason to believe that Beverly Gaudet violated 2 U.S.C. § 441f.
4. Approve the letters and factual and legal analyses attached to the General Counsel's report dated July 11, 1989.
5. Approve the subpoenas to produce documents and orders to submit written answers as recommended in the General Counsel's report dated July 11, 1989.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

7-25-89

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

2040303009



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 4, 1989

Terry Gaudet  
114 Toledo Drive  
Lafayette, Louisiana 70506

RE: MUR 2932  
Terry Gaudet

Dear Mr. Gaudet:

On July 25, 1989, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. §§ 441b, 441c and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. Please note the enclosed subpoena and order that requires the production of documents and answers to questions.

In the absence of any additional information demonstrating that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter.

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Terry Gaudet  
Page 2

Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Daniel Blessington, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Danny L. McDonald  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Subpoena and Order

40303011

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 2932  
)

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Terry Gaudet  
114 Toledo Drive  
Lafayette, Louisiana 70506

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

200403012

MUR # 2932

Terry Gaudet

Page 2

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto ~~signed~~ his hand in Washington, D.C. on this *4th* day of  
*August*, 1989.

*Danny L. McDonald*  
\_\_\_\_\_  
Danny L. McDonald, Chairman  
Federal Election Commission

ATTEST:

*Marjorie W. Emmons*  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments

Document Request and Questions (1 page)  
Definitions (2 pages)  
Instructions (1 page)

20040303013

Terry Gaudet

Document Request

- A. Please provide all documents and materials that relate, refer or pertain to contributions made by you to candidates for federal office. Please include all documents and materials that relate, refer or pertain to any reimbursements you received for any of the above-referenced contributions.

Questions

1. Describe all contributions made by you to candidates for federal office. Include all contributions made in your name for which you were reimbursed.
2. With respect to the contributions referred to in Paragraph 1, describe the specific circumstances surrounding their making and delivery. Please describe in detail any discussions or contacts with anyone concerning such contributions.

40305014

Terry Gaudet

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Documents and materials" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, contribution solicitations, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Contract negotiations" shall mean all dealings and discussions relating to a proposed contract for goods and services.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

403015

**Terry Gaudet**

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories, and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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Terry Gaudet

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January of 1984 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

403017

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Terry Gaudet

MUR: 2932

I. CONTRIBUTIONS BY A FEDERAL CONTRACTOR

Federal contractors are prohibited from making "any contribution of money or other things of value ... to any political party, committee, or candidate for public office ... ."

2 U.S.C. § 441c. The Commission's regulations are explicit that the prohibition of section 441c does not extend to contributions or expenditures in connection with state or local elections.

11 C.F.R. § 115.2.

According to a referral from the Defense Contract Audit Agency ("DCAA"), general ledger and financial statements of Terry Gaudet and Associates, Inc. indicate that political contributions of \$8,545 had been made by the corporation for fiscal years 1984-1987 and part of 1988. Moreover, Terry Gaudet, the corporation's president, apparently indicated that the contributions involved federal, state and local elections.<sup>1</sup>

1. Disclosure reports filed with the Commission by The John Breaux Committee indicate that Mr. Gaudet made contributions of \$500 in July of 1985 and in June of 1987. In addition, Beverly Gaudet of the same address is reported as having made a contribution of \$1,000 to the same committee on the same day in 1987. The Friends of James David Cain reports a contribution of \$1,000 from Mr. Gaudet in August of 1985.

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The referral provides no information as to the status of Mr. Gaudet and the corporation as federal contractors at the time the political contributions were made. Whether or not a person has violated 2 U.S.C. § 441c is dependent upon the time that the contribution was made. Commission regulations at 11 C.F.R. § 115.1(b) provide:

(b) The period during which a person is prohibited from making a contribution or expenditure is the time between the earlier of the commencement of negotiations or when the requests for proposals are sent out, and the later of--

(1) The completion of performance under; or

(2) The termination of negotiations for, the contract or furnishing of material, supplies, equipment, land, or buildings, or the rendition of personal services.

Based on the foregoing, it appears that Terry Gaudet may have violated 2 U.S.C. § 441c.

## II. CORPORATE CONTRIBUTIONS

A corporation is prohibited from making contributions in connection with a federal election. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(b). Moreover, an officer or director of a corporation is prohibited from consenting to the making of such contributions. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(d).

The referral states that corporate records indicate that Associates made political contributions in the years 1984-1988. Terry Gaudet, the corporation's president, acknowledged that some

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of the contributions involved federal elections. Moreover, disclosure reports on file with the Commission indicate contributions by Terry Gaudet and Beverly Gaudet in 1985 and 1987.

Based on the foregoing, it appears that Terry Gaudet has violated 2 U.S.C. § 441b..

**III. CONTRIBUTIONS IN THE NAME OF ANOTHER**

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

In Advisory Opinion 1986-41, the Commission noted that the prohibition of Section 441f applies to any person. This includes "an incorporated or unincorporated entity who gives money to another to effect a contribution in the second person's name."

The DCAA referral indicates that Associates made contributions to federal candidates. Disclosure reports indicate that contributions were made by both Terry and Beverly Gaudet. Reports of The John Breau Committee indicate that Terry Gaudet

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made contributions of \$500 each in July of 1985 and in June of 1987 and that Beverly Gaudet made a contribution of \$1,000 in June of 1987. The Friends of James David Cain reports that a contribution of \$1,000 was made by Mr. Gaudet in August of 1985. These facts suggest that Associates' contributions may have been made in the names of Terry Gaudet and Beverly Gaudet.

Therefore, it appears that Terry Gaudet may have violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 4, 1989

Terry Gaudet, President  
Terry Gaudet and Associates, Inc.  
114 Toledo Drive  
Lafayette, Louisiana 70506

RE: MUR 2932  
Terry Gaudet and  
Associates, Inc.

Dear Mr. Gaudet:

On July 25, 1989, the Federal Election Commission found that there is reason to believe Terry Gaudet and Associates, Inc. violated 2 U.S.C. §§ 441b, 441c and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Terry Gaudet and Associates, Inc. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. Please note the enclosed subpoena and order that requires the production of documents and answers to questions.

In the absence of any additional information demonstrating that no further action should be taken against Terry Gaudet and Associates, Inc., the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter.

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Terry Gaudet  
Page 2

Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

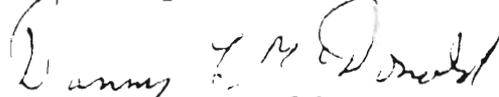
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Daniel Blessington, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

  
Danny L. McDonald  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Subpoena and Order

30040303023

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 ) MUR 2932  
 )

SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Terry Gaudet, President  
Terry Gaudet and Associates, Inc.  
114 Toledo Drive  
Lafayette, Louisiana 70506

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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MUR # 2932

Terry Gaudet, President

Page 2

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this *4th* day of  
*August*, 1989.

*Danny L. McDonald*  
Danny L. McDonald, Chairman  
Federal Election Commission

ATTEST:

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary to the Commission

Attachments

Document Requests and Questions (1 page)  
Definitions (2 pages)  
Instructions (1 page)

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Terry Gaudet and Associates, Inc.

MUR: 2932

I. CONTRIBUTIONS BY A FEDERAL CONTRACTOR

Federal contractors are prohibited from making "any contribution of money or other things of value ... to any political party, committee, or candidate for public office ... ."

2 U.S.C. § 441c. The Commission's regulations are explicit that the prohibition of section 441c does not extend to contributions or expenditures in connection with state or local elections.

11 C.F.R. § 115.2.

According to a referral from the Defense Contract Audit Agency ("DCAA"), general ledger and financial statements of Terry Gaudet and Associates, Inc. indicate that political contributions of \$8,545 had been made by the corporation for fiscal years 1984-1987 and part of 1988. Moreover, Terry Gaudet, the corporation's president, apparently indicated that the contributions involved federal, state and local elections.<sup>1</sup>

1. Disclosure reports filed with the Commission by The John Breaux Committee indicate that Mr. Gaudet made contributions of \$500 in July of 1985 and in June of 1987. In addition, Beverly Gaudet of the same address is reported as having made a contribution of \$1,000 to the same committee on the same day in 1987. The Friends of James David Cain reports a contribution of \$1,000 from Mr. Gaudet in August of 1985.

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The referral provides no information as to the status of Mr. Gaudet and the corporation as federal contractors at the time the political contributions were made. Whether or not a person has violated 2 U.S.C. § 441c is dependent upon the time that the contribution was made. Commission regulations at 11 C.F.R.

§ 115.1(b) provide:

(b) The period during which a person is prohibited from making a contribution or expenditure is the time between the earlier of the commencement of negotiations or when the requests for proposals are sent out, and the later of--

(1) The completion of performance under; or

(2) The termination of negotiations for, the contract or furnishing of material, supplies, equipment, land, or buildings, or the rendition of personal services.

Based on the foregoing, it appears that Terry Gaudet and Associates, Inc. may have violated 2 U.S.C. § 441c.

## II. CORPORATE CONTRIBUTIONS

A corporation is prohibited from making contributions in connection with a federal election. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(b). Moreover, an officer or director of a corporation is prohibited from consenting to the making of such contributions. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(d).

The referral states that corporate records indicate that Associates made political contributions in the years 1984-1988. Terry Gaudet, the corporation's president, acknowledged that some

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of the contributions involved federal elections. Moreover, disclosure reports on file with the Commission indicate contributions by Terry Gaudet and Beverly Gaudet in 1985 and 1987.

Based on the foregoing, it appears that Terry Gaudet and Associates, Inc. has violated 2 U.S.C. § 441b..

**III. CONTRIBUTIONS IN THE NAME OF ANOTHER**

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

In Advisory Opinion 1986-41, the Commission noted that the prohibition of Section 441f applies to any person. This includes "an incorporated or unincorporated entity who gives money to another to effect a contribution in the second person's name."

The DCAA referral indicates that Associates made contributions to federal candidates. Disclosure reports indicate that contributions were made by both Terry and Beverly Gaudet. Reports of The John Breau Committee indicate that Terry Gaudet

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made contributions of \$500 each in July of 1985 and in June of 1987 and that Beverly Gaudet made a contribution of \$1,000 in June of 1987. The Friends of James David Cain reports that a contribution of \$1,000 was made by Mr. Gaudet in August of 1985. These facts suggest that Associates' contributions may have been made in the names of Terry Gaudet and Beverly Gaudet.

Therefore, it appears that Terry Gaudet and Associates, Inc. may have violated 2 U.S.C. § 441f.

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**Terry Gaudet and Associates, Inc.**

Document Requests

- A. Please provide all documents and materials that relate, refer or pertain to any contributions to candidates for federal office made by Terry Gaudet and Associates, Inc. Please include all documents and materials that relate, refer or pertain to any reimbursements made to any individuals for contributions they made in their names to candidates for federal office.
- B. Please provide all documents and materials that relate, refer or pertain to all contracts for goods or services provided by Terry Gaudet and Associates, Inc. to the United States, or any of its departments or agencies. Please include all documents and materials that relate, refer or pertain to requests for proposals and contract negotiations, whether or not they resulted in signed contracts.

Questions

1. Describe all contributions made by Terry Gaudet and Associates, Inc. to candidates for federal office. Include all contributions made in the names of others that were reimbursed by Terry Gaudet and Associates, Inc.
2. With respect to the contributions referred to in paragraph 1, describe the circumstances surrounding their making and delivery. Please describe in detail all discussions or contacts with candidates and/or their representatives concerning contributions by Terry Gaudet and Associates, Inc.
3. Please provide the following information with respect to all contracts and contract negotiations between Terry Gaudet and Associates, Inc. and the United States or any of its departments or agencies:
- a) Dates of requests for proposals to which Terry Gaudet and Associates, Inc. responded;
  - b) Dates that negotiations commenced and terminated with respect to specific contracts or prospective contracts; and
  - c) Beginning and ending dates of all contractual relationships.

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Terry Gaudet and Associates, Inc.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Documents and materials" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, contribution solicitations, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Contract negotiations" shall mean all dealings and discussions relating to a proposed contract for goods and services.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

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**Terry Gaudet and Associates, Inc.**

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**Terry Gaudet and Associates, Inc.**

**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January of 1984 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

August 4, 1989

Beverly Gaudet  
114 Toledo Drive  
Lafayette, Louisiana 70506

RE: MUR 2932  
Beverly Gaudet

Dear Ms. Gaudet:

On July 25, 1989, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. Please note the enclosed subpoena and order that requires the production of documents and answers to questions.

In the absence of any additional information demonstrating that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter.

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Beverly Gaudet  
Page 2

Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

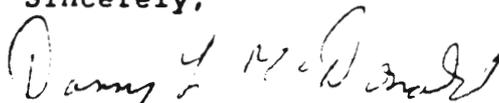
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Daniel Blessington, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Danny L. McDonald  
Chairman

Enclosures  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Subpoena and Order

004030335

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
) MUR 2932  
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SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Beverly Gaudet  
114 Toledo Drive  
Lafayette, Louisiana 70506

20403036  
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

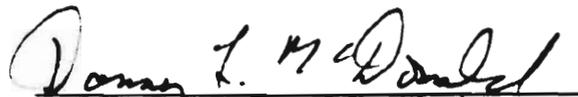
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

MUR # 2932

Beverly Gaudet

Page 2

WHEREFORE, the Chairman of the Federal Election Commission  
has hereunto set his hand in Washington, D.C. on this *4th* day of  
*August*, 1989.

  
\_\_\_\_\_  
Danny L. McDonald, Chairman  
Federal Election Commission

ATTEST:

  
\_\_\_\_\_  
Marjorie W. Emmons  
Secretary to the Commission

Attachments

- Document Request and Questions (1 page)
- Definitions (2 pages)
- Instructions (1 page)

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Beverly Gaudet

Document Request

- A. Please provide all documents and materials that relate, refer or pertain to contributions made by you to candidates for federal office. Please include all documents and materials that relate, refer or pertain to any reimbursements you received for any of the above-referenced contributions.

Questions

1. Describe all contributions made by you to candidates for federal office. Include all contributions made in your name for which you were reimbursed.
2. With respect to the contributions referred to in Paragraph 1, describe the specific circumstances surrounding their making and delivery. Please describe in detail any discussions or contacts with anyone concerning such contributions.

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Beverly Gaudet

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Documents and materials" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, contribution solicitations, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Contract negotiations" shall mean all dealings and discussions relating to a proposed contract for goods and services.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

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Beverly Gaudet

"And" as well as "or" shall be construed ~~disjunctively~~ or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**Beygrly Gaudet**

**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January of 1984 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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Reports of The John Breaux Committee indicate that Terry Gaudet made contributions of \$500 each in July of 1985 and in June of 1987 and that Beverly Gaudet made a contribution of \$1,000 in June of 1987. The Friends of James David Cain reports that a contribution of \$1,000 was made by Mr. Gaudet in August of 1985. These facts suggest that Associates' contributions may have been made in the names of Terry Gaudet and Beverly Gaudet.

Therefore, it appears that Beverly Gaudet may have violated 2 U.S.C. § 441f.

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EUGENE E. CHIARULLI, JR.  
ATTORNEY AT LAW

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315 SOUTH COLLEGE  
SUITE 125  
LAFAYETTE, LA 70503

(318) 233-2802

August 21, 1989

Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

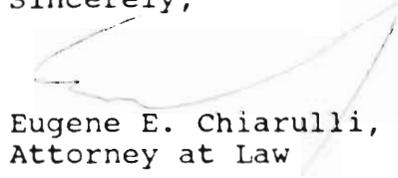
RE: MUR 2932

Dear Sirs:

Attached is a sworn Statement of Facts and Answers to Allegations, Answers to Subpoena to Produce Documents and Orders to Submit Written Answers in the above matter for your consideration. Also attached is a Statement of Designation of Counsel.

I trust that the attached information is sufficient for you to determine that no further action need be taken in this matter. If, however, you need addition information we will be happy to provide it.

Sincerely,



Eugene E. Chiarulli, Jr.  
Attorney at Law

EEC:eap

Attachments

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OFFICE OF GENERAL COUNSEL  
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**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR** 2932

**NAME OF COUNSEL:** Eugene E. Chiarulli, Jr., J.D.

**ADDRESS:** 315 South College, Suite 125  
Lafayette, LA 70503

**TELEPHONE:** (318) 233-2802

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

2/18/89  
**Date**

Beverly Gaudet  
**Signature**

Terry Gaudet  
**Signature**

**RESPONDENT'S NAME:** Terry Gaudet & Associates, Inc., Terry & Beverly Gaudet

**ADDRESS:** 114 Toledo Drive  
Lafayette, LA 70506

**HOME PHONE:** (318) 984-9306

**BUSINESS PHONE:** (318) 234-5710

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OFFICE OF GENERAL COUNSEL  
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Terry Gaudet and Associates, Inc.  
Terry Gaudet  
Beverly Gaudet

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MUR 2932

STATEMENT OF FACTS  
AND ANSWERS TO ALLEGATIONS

TO: Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Now before the Federal Election Commission comes Terry Gaudet and Associates, Inc., herein represented by its President, James Terry Gaudet, and Terry Gaudet and Beverly Gaudet, who submit the following statement of facts and answers to allegations:

A. Terry Gaudet and Associates, Inc. is a consulting professional engineering firm based in Lafayette, Louisiana. James Terry Gaudet (herein referred to as Terry Gaudet) is its president and Beverly Gaudet is his wife.

Terry Gaudet and Associates, Inc. was requested by letter dated August 23, 1988, to submit a proposal of salary and overhead rates to be used for an indefinite delivery contract by the Army Corps of Engineers. On September 6, 1988, Terry Gaudet and Associates, Inc. submitted a proposal for consideration. Prior to final negotiations of the terms of the contract, an audit was conducted by DCAA to determine if the basis for the rates proposed by Terry Gaudet and Associates, Inc. were correctly based on the financial history of the firm. The final negotiations for the contract were conducted on December 6, 1988. The contract was awarded commencing January 13, 1989. This contract is the first federal contract ever received by Terry Gaudet and Associates, Inc. Prior to August, 1988, this firm had never sought

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OFFICE OF GENERAL COUNSEL  
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nor been requested to submit a proposal for a federal contract.

The answers to interrogatories and copies of checks filed with this answer indicate that all political contributions by Terry Gaudet and Associates, Inc. were made to state and local candidates. Terry Gaudet and Beverly Gaudet do not deny that they made contributions to the John Breaux and James David Cain committees in 1985 and 1987 as indicated in your statement of facts. These contributions however, were personal contributions and were not on behalf of, nor were they reimbursed by anyone. Further the contributions by Mr. and Mrs. Gaudet were made at a time when neither they nor Terry Gaudet and Associates, Inc. were involved in negotiations for, or performance of any federal contract.

Based on the above, and the attached documents and answers to interrogatories, respondents James Terry Gaudet, Beverly Gaudet and Terry Gaudet and Associates, Inc. submit that they have not violated any federal laws and they request that this matter be closed.

Respectfully Submitted

  
\_\_\_\_\_  
James Terry Gaudet

  
\_\_\_\_\_  
Beverly Gaudet

7 4 0 3 0 3 0 4 7

STATE OF LOUISIANA

PARISH OF LAFAYETTE

BEFORE ME, Eugene E. Chiarulli, Jr., Notary Public, on this 21st day of August, 1989, personally came and appeared James Terry Gaudet and Beverly Gaudet who after being duly sworn did depose and state that the above statement of facts are true and correct to the best of their knowledge and belief.

*James Terry Gaudet*  
James Terry Gaudet

*Beverly Gaudet*  
Beverly Gaudet

*[Signature]*  
Notary Public

90040305048

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Terry Gaudet )  
Beverly Gaudet )  
 ) MUR 2932  
 )

ANSWER TO SUBPOENA TO PRODUCE  
DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

TO: Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Now before the Federal Election Commission comes James Terry Gaudet and Beverly Gaudet, who pursuant to the subpoena and order issued by the said Commission, submit the following documents and answers:

ANSWERS TO DOCUMENT REQUESTS

A. All contributions Terry Gaudet and Beverly Gaudet have made to candidates for federal office have been by personal check. It is the Gaudet's practice to sort their cancelled personal checks annually removing those which are relevant to their tax return and destroying the rest. Therefore, they are unable to produce copies of the checks in question. Neither Mr. or Mrs. Gaudet have ever been reimbursed for any contribution to a candidate for federal office, therefore there are no documents to produce regarding reimbursement.

ANSWERS TO QUESTIONS

1. Terry Gaudet made contributions of \$500.00 in July of 1985 and June of 1987 to the John Breau Committee. Beverly Gaudet made a contribution of \$1,000.00 in June of 1987 to the John Breau Committee. Terry Gaudet made a contribution of \$1,000.00 in August of 1985 to the Friends of James David Cain. Neither Terry nor Beverly Gaudet have ever been reimbursed for a contribution to a candidate for federal office.

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
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200403049

Respectfully Submitted

James Terry Gaudet  
James Terry Gaudet

Beverly Gaudet  
Beverly Gaudet

STATE OF LOUISIANA

PARISH OF LAFAYETTE

BEFORE ME, Eugene E. Chiarulli, Jr., Notary Public, on this  
1st day of August, 1989, personally came and appeared  
James Terry Gaudet and Beverly Gaudet who after being duly sworn  
did depose and state that the above answers are true and correct  
to the best of their knowledge and belief.

James Terry Gaudet  
James Terry Gaudet

Beverly Gaudet  
Beverly Gaudet

Eugene E. Chiarulli, Jr.  
Notary Public

93040803050

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Terry Gaudet and Associates, Inc.

)  
)  
) MUR 2932  
)

ANSWER TO SUBPOENA TO PRODUCE  
DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

TO: Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

89 AUG 22 AM 10:12

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

Now before the Federal Election Commission comes Terry Gaudet and Associates, Inc., herein represented by its President, James Terry Gaudet who pursuant to the subpoena and order issued by the said Commission, submits the following documents and answers:

ANSWERS TO DOCUMENT REQUESTS

A. Terry Gaudet and Associates, Inc. has never made any contributions to candidates in federal office, nor has it ever reimbursed any individual for contributions they made in their names to candidates for federal office. For the years in question (1984-1987 and part of 1988) Terry Gaudet and Associates, Inc. made \$6,920.00 in contributions to candidates for state and local elections, copies of which checks are attached.

B. Copy of letter dated August 23, 1988 from B. B. Steele, P.E., U.S. Army, Engineering Division, requesting Terry Gaudet and Associates, Inc. to submit a proposal for engineering services under a indefinite deliver contract is attached.

ANSWERS TO QUESTIONS

1. Terry Gaudet and Associates, Inc. has never made any contribution to candidates for federal office, nor has it ever reimbursed any individual for contributions they made in their names to candidates for federal office.

2. Not applicable.

3a. The only request of a proposal to which Terry Gaudet and Associates, Inc. has ever responded to is the request dated August 23, 1988, described in B. above.

150804008

3b. In response to the above request, Terry Gaudet and Associates, Inc. submitted a proposal on September 9, 1988 and final negotiations took place at a meeting on December 6, 1988.

3c. The contract began on January 13, 1989 and is for a term of 1 year with an option to renew for an additional year.

Respectfully Submitted  
Terry Gaudet and Associates, Inc.

  
BY: James Terry Gaudet  
President

STATE OF LOUISIANA  
PARISH OF LAFAYETTE

BEFORE ME, Eugene E. Chiarulli, Jr., Notary Public, on this 21st day of August, 1989, personally came and appeared James Terry Gaudet who after being duly sworn did agree and state that the above answers are true and correct to the best of his knowledge and belief.

  
James Terry Gaudet

  
Notary Public

90040303052

August 23, 1988

Military Branch  
Engineering Division

Terry Gaudet and Associates, Incorporated  
114 Toledo Drive  
Lafayette, Louisiana 70506

Gentlemen:

This is to confirm the telephone conversation between Mr. Terry Gaudet of your firm and Mr. Frank A. Wilson of the Fort Worth District on August 19, 1988. Your firm has been selected to negotiate for services in connection with Indefinite Delivery Contract for Multidiscipline (Primarily Mechanical and Electrical) Design Work for Military and Civil Works Projects in Texas, New Mexico and Louisiana (Primarily Fort Polk, Louisiana) advertised under Announcement Number DACA63-88-R-0148. You are, therefore, advised that regulations state ". . . to avoid any possible conflict of interest, the designing Architect-Engineer for a facility, including any subsidiaries, affiliates, and associates, will not be permitted to construct the facility . . . ."

This contract will be an Indefinite Delivery Contract for a one-year period with an option for an additional one year extension of time and an additional \$400,000.00 maximum amount. Individual projects may be awarded on Delivery Orders during this time frame. The maximum allowable fee for a Delivery Order will be \$75,000.00 with an initial total contract amount of \$400,000.00.

You are hereby requested to submit a proposal (original and 3 copies) of salary and overhead rates to be used on this contract by September 13, 1988. This data should be submitted in sufficient detail to permit analysis of direct labor costs, overhead and general and administrative costs. Submit data for your firm and the subcontractors, if any, as listed on the Standard Form (SF) 255 which you submitted for this announcement. Rates for the various disciplines which could be utilized for this contract should be stated separately. It is expected that the following disciplines could be utilized for the performance of work under this contract: Architect, Civil Engineer, Structural Engineer, Mechanical Engineer, Electrical Engineer, Sanitary Engineer, Estimator, Specification Writer, Draftsman, Typist, Fire Protection/Life Safety Specialist, and Architectural Hardware Specialist. Also provide rates for

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reproduction of photographic copies per 8 1/2" X 11" sheet and blue-line copies per 28" X 40" sheet.

Provide present and projected salary rates by disciplines and level of responsibility (i.e., Senior Engineer, Junior Engineer, Trainee). Please furnish necessary documentation to substantiate proposed salary rate increases during the period of the contract.

The following items are enclosed for your information and use in preparing your proposal:

- a. Fee Proposal Definitions
- b. Cost and Pricing Data Example for Indefinite Delivery Contract
- c. Representations and Certifications Form
- d. A copy of A-E Contract Clauses used on Indefinite Delivery Contracts
- e. Standard Form (SF) 1411 (2 copies) with instructions
- f. Certificate of Current Cost and Pricing Data Example
- g. Form CASB-CMF, Facilities Capital Cost of Money Factors Computation

The Federal Acquisition Regulation (FAR), Subpart 31.2, describes the basis for determining if a certain cost proposed for a contract is allowable, reasonable and allocable. We have listed some nonallowable costs on our Fee Proposal Definitions document. The detailed overhead on direct labor and general and administrative (G&A) costing data supplied as part of your fee proposal must be sufficient to permit evaluation for regulatory compliance. Since the overhead and G&A rates are calculated on the basis of direct labor you must also show the direct labor cost used and its derivation.

The Fee Proposal Definitions and Cost and Pricing Example documents are supplied as an aid that you might better understand our pricing terminology. Your overhead on direct labor and G&A rates should be calculated in the manner shown on these documents in order for the Government negotiator to expeditiously evaluate the proposal.

The Representations and Certifications Form provides information about your firm as required by regulations. It must be completed and returned with your proposal.

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You are to complete the SF 1411 and return it with your proposal and with any revised proposal you submit for this contract. Your fee proposal transmittal letter must indicate which items of your proposal are factual and which are judgmental. The Certificate of Current Cost and Pricing Data, as required by The Truth in Negotiations Act, is to be prepared on your letterhead, dated and signed by an officer of your firm. This is your certification that the cost and pricing data used in your fee proposal are correct as of the date that negotiations are completed. It should be prepared, signed and transmitted after negotiations are finalized.

It is recommended that you read the sample contract clauses provided. Your attention is directed to the clauses which cover "Responsibility of the Architect-Engineer Contractor," "Payment," and "Design Within Funding Limitation." Note that you will be held responsible for the quality of the plans, specifications and other data provided and for all damages caused the Government as a result of negligence in the performance of any services furnished under this contract.

As prescribed in the FAR we have inserted the following provision related to facilities capital cost of money:

FACILITIES CAPITAL COST OF MONEY (SEP 87) (FAR 52.215-30)

(a) Facilities capital cost of money will be an allowable cost under the contemplated contract, if the criteria for allowability in subparagraph 31.205-10(a)(2) of the Federal Acquisition Regulation are met. One of the allowability criteria requires the prospective contractor to propose facilities capital cost of money in its offer.

(b) If the prospective Contractor does not propose this cost, the resulting contract will include the clause Waiver of Facilities Capital Cost of Money.

(End of Provision)

Should you claim this item as an allowable part of your fee proposal you must comply with the FAR 15.904 and submit Form CASB-CMF showing the derivation of the proposed amount. A blank Form CASB-CMF is enclosed for your use. Guidance for completing the form may be found in Part 414 of Title 4 of the Code of Federal Regulations and in Part 30.414 of the FAR.

You should be aware that the quality of services rendered under this contract will have considerable influence on your being selected for future work for the Corps of Engineers. A performance evaluation will be prepared on completion of your services and will be maintained in our files for six years.

403055

We have also enclosed a copy of Appendix "A" for Indefinite Delivery Contracts and Exhibit I to this appendix. Appendix "A" is an explanation of standards and performance requirements for this contract. Exhibit I provides a list of available Design Data to be furnished by the Government. The items listed in Part I, General Policy Guidance are provided as enclosures to this letter. You are to review the indexes supplied and provide a written request of data required prior to beginning design of each project under this contract. Items of data under Part II, Project Specific Data, will be provided as required by the Scope of Work developed for specific projects under this contract.

Please note that profit will be negotiated on individual projects. It will be determined based upon our Weighted Guidelines Method which considers contractor's risk, investment, period of performance, relative difficulty of the work, etc. Current Department of Defense policy does not allow the application of profit to G&A expenses.

Your proposal should be addressed to:

Commander  
U.S. Army Engineer District, Fort Worth  
ATTN: CESWF-ED-MS/Frank A. Wilson  
Post Office Box 17300  
Fort Worth, Texas 76102-0300

After analysis of your fee proposal you will be contacted to arrange a date for negotiations. If there are any questions concerning this project, please call Frank A. Wilson, in this office, (817) 334-2511.

For your convenience an index of enclosures is attached.

Sincerely,

B. B. Steele, P.E.  
Chief, Engineering Division

Enclosures

Copy Furnished:  
✓ CESWF-CT-CA, Charge No. Rd 810483708150

93040303056

FEDERAL TERRITORY GAUDET & ASSOCIATES  
OFFICE OF COLLECTION 1247 HILDEBRAND DRIVE  
LAFAYETTE, LA 70506

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PAY TO THE ORDER OF

Richard LeBlanc

\$ 100.00

One hundred dollars + 00/100

DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

FOR

#000822# :065203004# 2510039892#

#0000010000#

Phyllis Menard

TERRY GAUDET & ASSOCIATES

883

114 TOLEDO DRIVE  
LAFAYETTE, LA 70508

PAY TO THE ORDER OF

Blanco Campaign Fund

\$ 100.00

JUN 1 0 03

DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

FOR

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Phyllis Menard

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TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE.  
LAFAYETTE, LA 70506

889

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6/5/1986

11288300002

PAY TO THE ORDER OF Sid Mayland Campaign Fund \$ 500.00

Five hundred dollars + 00/100 DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

Phyllis Menard

FOR #000889# @065203004# 510039892# #0000050000#

TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE.  
LAFAYETTE, LA 70506

1045

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8/27/1986

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Phyllis Menard  
Hymn Broussard Campaign Fund \$150.00

AUG 29 1988  
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TERRY GAUDET & ASSOCIATES

114 TOLEDO DRIVE.  
LAFAYETTE, LA 70508

1056

PAY  
TO THE  
ORDER OF

Huey M. Cauley Campaign Fund

Two hundred dollars + 00/100

\$ 200.00

DOLLARS

Commerce & Energy Bank

P.O. Box 30700  
Lafayette, LA 70508

FOR

Phyllis Menard

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TERRY GAUDET & ASSOCIATES

114 TOLEDO DRIVE.  
LAFAYETTE, LA 70508

1092

PAY  
TO THE  
ORDER OF

Marguerite Lyle Campaign Fund

\$ 150.00

Commerce & Energy Bank

P.O. Box 30700  
Lafayette, LA 70508

FOR

Phyllis Menard

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**TERRY GAUDET & ASSOCIATES**

114 TOLEDO DRIVE.  
LAFAYETTE, LA 70506

1155

PAY  
TO THE  
ORDER OF

Senator Cecil Picard Campaign Fund

One hundred dollars + 00/100

\$ 100.00

DOLLARS



**Commerce & Energy Bank**

P.O. Box 30700  
Lafayette, LA 70503

Phyllis Menard

FOR

⑆001155⑆ ⑆065203004⑆

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PAYROLL CHECK

**TERRY GAUDET & ASSOCIATES**

114 TOLEDO DRIVE.  
LAFAYETTE, LA 70506

1173

PAY  
TO THE  
ORDER OF

Robert T' Bruay Campaign Fund

One hundred fifty dollars + 00/100

\$ 150.00

DOLLARS



**Commerce & Energy Bank**

P.O. Box 30700  
Lafayette, LA 70503

FOR

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PAYROLL CHECK



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TERRY GAUDET & ASSOCIATES

114 TOLEDO DRIVE.  
LAFAYETTE, LA 70508

1333

2305 2305 10 01-21-87 127934952 84-300/662

1/15/1987

PAY TO THE ORDER OF

Committee for Improvements to our Justice System \$500.00

JAN 21 1987  
REGISTERED BY  
A 87C337886 500 0000678 DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

Phyllis Menard

FOR

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TERRY GAUDET & ASSOCIATES

114 TOLEDO DRIVE.  
LAFAYETTE, LA 70508

1479

2207 2232 10 03-17-87 124722102 84-300/662

3/11/1987

PAY TO THE ORDER OF

Senator Allen R. Baro Campaign Fund \$100.00

JAN 21 1987  
REGISTERED BY  
A 87C337886 100 0000678 DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

Phyllis Menard

FOR

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TERRY GAUDET & ASSOCIATES

114 TOLEDO DRIVE,  
LAFAYETTE, LA 70508

1488

PAY TO THE ORDER OF Walter Conway

2102-2104 10 03-23-87 1217b2343 84-300/632

3/16/19 87

\$ 100.00

One hundred dollars + 00/100 DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

FOR

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Phyllis Menard

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PAYROLL CHECK

TERRY GAUDET & ASSOCIATES

114 TOLEDO DRIVE,  
LAFAYETTE, LA 70508

1489

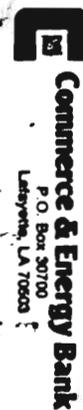
PAY TO THE ORDER OF Walter Conway

2102-2104 10 03-23-87 1217b2344 84-300/632

3/16/19 87

\$ 100.00

One hundred dollars + 00/100 DOLLARS



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70503

Phyllis Menard

FOR #001489# 1:0652030041: 1510039892#

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PAYROLL CHECK

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TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE.  
LAFAYETTE, LA 70506

1542

64-300/652

PAY TO THE ORDER OF

Edwin Edwards Dinner

4/9/1987

\$1,000.00

DOLLARS

**PROCESSED**  
4/10/87

Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70506

Phyllis Menard

FOR

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TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE.  
LAFAYETTE, LA 70506

1603

64-300/652

PAY TO THE ORDER OF

Jim Brown for Governor

5/13/1987

\$250.00

DOLLARS

REGISTERED # H 870337886 250 0000678

Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70506

Phyllis Menard

FOR

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**TERRY GAUDET & ASSOCIATES**

114 TOLEDO DRIVE  
LAFAYETTE, LA 70506

1961

84-300/652

PAY TO THE ORDER OF

*Edwin Edmondson*

10/16/1987

110794193  
\$ 500.00



Commerce & Energy Bank  
P.O. Box 10888  
Lafayette, LA 70508

LAFAYETTE, LA

*W. Gaudet*

FOR

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**PROCESSED**  
OCT 22 87  
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**TERRY GAUDET & ASSOCIATES**

114 TOLEDO DRIVE  
LAFAYETTE, LA 70506

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84-300/652

PAY TO THE ORDER OF

*Edwin*

10/16/1987

110794193  
\$ 500.00



Commerce & Energy Bank  
P.O. Box 10888  
Lafayette, LA 70508

LAFAYETTE, LA

*W. Gaudet*

FOR

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**PROCESSED**  
OCT 22 87  
THE

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TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE  
LAFAYETTE, LA 70508

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84-300/652

PAY TO THE ORDER OF *Lynn Duddy* Fund

10/19/1987

\$100.00

SUM 100 DOLLS 00 CTS DOLLARS

**PROCESSED**  
OCT 30 1987  
Commerce & Energy Bank  
P.O. BOX 7658  
LAFAYETTE, LA

**Commerce & Energy Bank**  
P.O. BOX 7658  
LAFAYETTE, LA

*Phyllis Menard*

FOR #001967# ⑆065783004⑆ 498510039892# ⑆0000010000⑆

TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE  
LAFAYETTE, LA 70508

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84-300/652

PAY TO THE ORDER OF *Buddy Roemer* Education Committee

12-19-87

\$1,000.00

SUM 1000 DOLLS 00 CTS DOLLARS

**PROCESSED**  
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Commerce & Energy Bank  
P.O. BOX 7658  
LAFAYETTE, LA

**Commerce & Energy Bank**  
P.O. BOX 7658  
LAFAYETTE, LA

*Phyllis Menard*

FOR #002055# ⑆065783004⑆ 498510039892# ⑆0000100000⑆

**TERRY GAUDET & ASSOCIATES**

114 TOLEDO DRIVE  
LAFAYETTE, LA 70506

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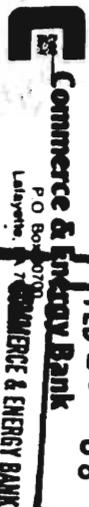
PAY TO THE ORDER OF Dud East

**PROCESSED**  
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REGISTERED 250 DOLLARS

2/24/19 88

\$250.00



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70506

Phyllis Merand

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**TERRY GAUDET & ASSOCIATES**

114 TOLEDO DRIVE  
LAFAYETTE, LA 70506

2257

PAY TO THE ORDER OF Bar Baen

**PROCESSED**  
MAR 08 1988

REGISTERED 100 DOLLARS

2/29/19 88

\$100.00



Commerce & Energy Bank  
P.O. Box 30700  
Lafayette, LA 70506

Phyllis Merand

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TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE  
LAFAYETTE, LA 70508

PAY TO THE ORDER OF La. Council for Social Reform

107-29-88  
7/19/1988

150000.00

**PROCESSED**  
REGISTERED  
MAR 02 11 45 AM '88

100 DOLLARS

FOR Phyllis Menard

100000000000

2258

TERRY GAUDET & ASSOCIATES  
114 TOLEDO DRIVE  
LAFAYETTE, LA 70508

PAY TO THE ORDER OF J. Rick Leff

103-02-88  
2/29/1988

100000.00

**PROCESSED**  
REGISTERED  
MAR 02 11 45 AM '88

100 DOLLARS

FOR Phyllis Menard

100000000000

TERRY GAUDET & ASSOCIATES, INC.

114 TOLEDO DR  
LAFAYETTE, LA - 70506

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84-40  
652

PAY TO THE ORDER OF Water Cement Co. International \$ 200.00

DOLLARS

FIRST NATIONAL BANK  
LAFAYETTE, LOUISIANA



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⑆0215703⑆

⑆00000020000⑆

*Terry Gaudet*

10/11/84

TERRY GAUDET & ASSOCIATES, INC.

114 TOLEDO DR  
LAFAYETTE, LA 70506

THANK YOU 2855

84-40  
652

PAY TO THE ORDER OF Water Cement Co. International \$ 500.00

DOLLARS

FIRST NATIONAL BANK  
LAFAYETTE, LOUISIANA



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*Terry Gaudet*

690304000

TERRY GAUDET & ASSOCIATES, INC.  
114 TOLEDO DR  
LAFAYETTE, LA 70506

2883

9/22/1986

84.40  
652

PAY TO THE ORDER OF La. Democratic Party \$ 250.00

Two hundred fifty dollars + 00/100 DOLLARS

FIRST NATIONAL BANK  
LAFAYETTE, LOUISIANA



*[Signature]*

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SECRETARIAT

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**SENSITIVE**

August 7, 1990

**MEMORANDUM**

TO: The Commission  
FROM: Lawrence M. Noble  
General Counsel *LMN*  
SUBJECT: MUR 2932

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of these briefs and the letters notifying the respondents of the General Counsel's intent to recommend to the Commission findings of no probable cause to believe were mailed on August 7, 1990. Following receipt of the respondents' reply to this notice, this Office will make a further report to the Commission.

- Attachments
1. Letters to respondents
  2. Briefs

93040803071



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 7, 1990

Eugene E. Chiarulli, Jr., J.D.  
315 South College, Suite 125  
Lafayette, LA 70503

RE: MUR 2932  
Terry Gaudet and Associates,  
Inc.

Dear Mr. Chiarulli:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on July 25, 1989, the Federal Election Commission found reason to believe that Terry Gaudet and Associates, Inc. violated 2 U.S.C. §§ 441b, 441c and 441f, and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

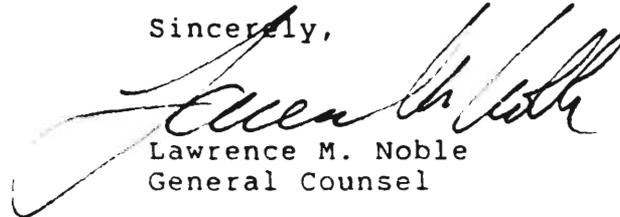
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Eugene E. Chiarulli, Jr., J.D.  
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Jeff Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Brief

90040303J/3

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Terry Gaudet and Associates, Inc. ) MUR 2932 )

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

This matter was generated by a referral from the Defense Contract Audit Agency ("DCAA") after it had conducted a forward pricing rate review of Terry Gaudet and Associates, Inc. ("Associates") in anticipation of a possible contract between Associates and the Army Corps of Engineers.1 According to the referral, the general ledger and financial statements of Associates indicated that political contributions of \$8,545 had been made by the company in fiscal years 1984 through 1987 and part of 1988. Moreover, the referral indicated that these political contributions were made in connection with both federal and non-federal elections. Finally, the referral indicated that Associates had had at some point a contract with the United States Postal Service.

II. ANALYSIS

A. Contributions by a Federal Contractor

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits federal contractors from making "any contribution of money or anything of value... to any political party, committee, or candidate for public office... ." 2 U.S.C. § 441c. Commission Regulations explicitly provide that the prohibition of

1. According to the response to the reason to believe finding, Associates was requested to submit a proposal, submitted one, and was later awarded a contract.

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section 441c does not extend to contributions or expenditures made in connection with state or local elections. 11 C.F.R. § 115.2.

Although the referral indicated that the total of Associates' political contributions included some made in connection with federal elections, neither Associates' response nor Commission records show supporting evidence of such prohibited contributions. In response to Commission discovery requests, Associates provided copies of checks used for its political contributions starting in January of 1984. The total amount of all political contributions noted in the referral is precisely the same as the amount indicated by the check copies submitted by Associates for the period beginning in calendar year 1984 and ending on September 30, 1987. None of these contributions appear to have been made in connection with federal elections. For fiscal year 1988, the referral indicates that Associates made political contributions of \$550; the response indicates that Associates actually made contributions of \$2,650 that it considered political in nature. Regardless of the greater amount acknowledged by Associates, none of these contributions appear to have been made in connection with a federal election.

The evidence now before the Commission indicates that the questioned contributions were not prohibited by the Act. Rather it appears that the political contributions noted in the referral, and upon which the Commission's reason to believe finding was based, were all related to state and local political activities. Therefore, it appears that Associates did not violate

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2 U.S.C. § 441c.<sup>2</sup>

**B. Corporate Contributions**

Corporations are prohibited from making contributions in connection with federal elections. 2 U.S.C. § 441b. Associates is a corporation, and is therefore prohibited from making such contributions. As indicated above, the evidence gathered in this matter indicates that Associates did not make contributions in connection with federal elections on the basis of the contributions noted in the referral. Therefore, it appears that Associates did not violate 2 U.S.C. § 441b.

**C. Contributions in the Name of Another**

Pursuant to Section 441f of Title 2 of the Act, "[n]o person shall knowingly make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution... ." The referral indicated that Associates made

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2. Whether or not a person is considered a federal contractor for purposes of section 441c is also dependent upon the time that the contribution or expenditure is made. Under Commission regulations, a person is prohibited from making a contribution or expenditure from: 1) the earlier of the commencement of contract negotiations or when a request for proposal is sent out; and 2) the later of the completion of contract performance or the termination of negotiations. 11 C.F.R. § 115.1(b). According to its response to the Commission's reason to believe finding, Associates received a request for proposal from the Army Corps of Engineers in a letter dated August 23, 1988, after the political contributions in question were made. Thus, Associates could not have violated section 441c on the basis of its status with regard to this contract. The referral indicated, without elaboration, that Associates had had a Postal Service contract at one time. In its response, Associates indicated that its first involvement with federal contracts was the aforementioned Corps of Engineers project for which the DCAA conducted its forward pricing rate review, which resulted in this referral. This uncertainty over its prior status is moot, however, since it does not appear that Respondent made contributions or expenditures in connection with federal elections.

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contributions in connection with federal elections, but disclosure reports on file with the Commission did not indicate that the corporation had made any such contributions. Disclosure reports did show, however, that Associates' president, Terry Gaudet, and his wife, Beverly Gaudet, had made contributions to federal candidates during the time period indicated by the referral. On this basis, the Commission found reason to believe that Associates' contributions may have been made in the names of these two individuals in violation of 2 U.S.C. § 441f. In response to the Commission's interrogatories, Terry Gaudet and Beverly Gaudet stated in a sworn statement that neither of them has ever been reimbursed for a contribution to a candidate for federal office. Associates stated in a sworn statement that it has never reimbursed any individual for contributions they made in their names to candidates for federal office.

On the basis of the information contained in the responses to the Commission's findings, it does not appear that Associates made contributions in connection with federal elections disguised as contributions from others. Accordingly, Associates does not appear to have violated 2 U.S.C. § 441f on the basis of the information before the Commission.

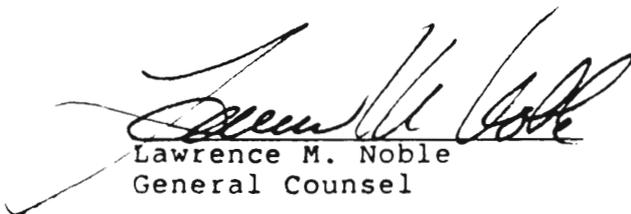
**III. GENERAL COUNSEL'S RECOMMENDATIONS**

Find no probable cause to believe that Terry Gaudet and Associates, Inc. violated 2 U.S.C. §§ 441b, 441c, and 441f.

Date

8/6/90

Lawrence M. Noble  
General Counsel



92040303077



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 7, 1990

Eugene E. Chiarulli, Jr., J.D.  
315 South College, Suite 125  
Lafayette, LA 70503

RE: MUR 2932  
Beverly Gaudet

Dear Mr. Chiarulli:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on July 25, 1989, the Federal Election Commission found reason to believe that Beverly Gaudet violated 2 U.S.C. § 441f, and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

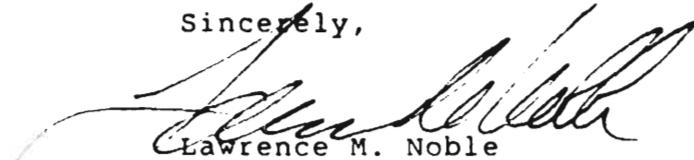
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Eugene E. Chiarulli, Jr., J.D.  
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Jeff Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Brief

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in connection with state or local elections. 11 C.F.R. § 115.2.

Although the referral indicated that the total of Associates' political contributions included some made in connection with federal elections, neither information supplied by respondents nor Commission records show supporting evidence of such prohibited contributions. In response to Commission discovery requests, counsel for respondents provided copies of checks used for Associates' political contributions starting in January of 1984. The total amount of all political contributions indicated in the referral is precisely the same as the amount indicated by the check copies submitted by Associates for the period beginning in calendar year 1984 and ending on September 30, 1987. None of these contributions appear to have been made in connection with federal elections. For fiscal year 1988, the referral indicates that Associates made political contributions of \$550; the response indicates that Associates actually made contributions of \$2,650 that it considered political in nature. Regardless of the greater amount acknowledged by Mr. Gaudet and Associates for that fiscal year, none of the contributions appear to have been made in connection with a federal election.

The evidence now before the Commission indicates that the questioned contributions were not prohibited by the Act. Rather it appears that the political contributions noted in the referral, and upon which the Commission's reason to believe findings were based, were all related to state and local political activities.

**B. Contributions in the Name of Another**

Pursuant to Section 441f of Title 2 of the Act, "[n]o person shall knowingly make a contribution in the name of another person

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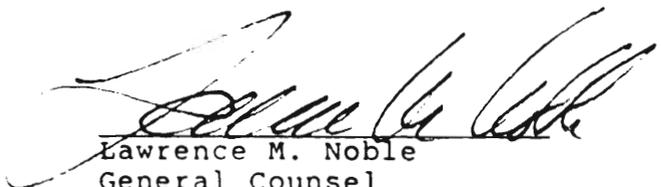
or knowingly permit his name to be used to effect such a contribution... ." The referral indicated that Associates made contributions in connection with federal elections, but disclosure reports on file with the Commission did not indicate that the corporation had made any such contributions. Disclosure reports did show, however, that Associates' President, Terry Gaudet, and his wife, Beverly Gaudet, had made contributions to federal candidates during the time period indicated by the referral. On this basis, the Commission found reason to believe that Associates' contributions may have been made in the names of these two individuals in violation of 2 U.S.C. § 441f. In response to the Commission's interrogatories, Terry Gaudet and Beverly Gaudet stated in a sworn statement that neither of them has ever been reimbursed for a contribution to a candidate for federal office. Associates stated in a sworn statement that it has never reimbursed any individual for contributions they made in their names to candidates for federal office.

As noted above, it does not appear that Associates made contributions in connection with federal elections that it sought to disguise as contributions from others. Accordingly, it does not appear that Beverly Gaudet has violated 2 U.S.C. § 441f on the basis of the information before the Commission.

**III. GENERAL COUNSEL'S RECOMMENDATION**

Find no probable cause to believe that Beverly Gaudet violated 2 U.S.C. § 441f.

8/7/90  
Date

  
Lawrence M. Noble  
General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 7, 1990

Eugene E. Chiarulli, Jr., J.D.  
315 South College, Suite 125  
Lafayette, LA 70503

RE: MUR 2932  
Terry Gaudet

Dear Mr. Chiarulli:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on July 25, 1989, the Federal Election Commission found reason to believe that Terry Gaudet violated 2 U.S.C. §§ 441b, 441c and 441f, and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

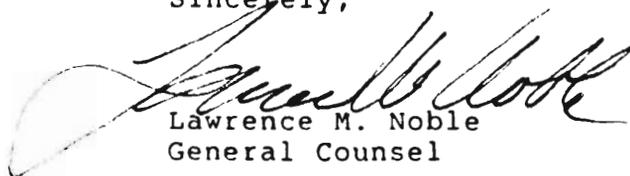
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Eugene E. Chiarulli, Jr., J.D.  
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Jeff Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Brief

90040303034

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Terry Gaudet

)  
)  
)

MUR 2932

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

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This matter was generated by a referral from the Defense Contract Audit Agency ("DCAA") after it had conducted a forward pricing rate review of Terry Gaudet and Associates, Inc. ("Associates") in anticipation of a possible contract between Associates and the Army Corps of Engineers.<sup>1</sup> James Terry Gaudet (herein referred to as Terry Gaudet) is President of Associates. According to the referral, the general ledger and financial statements of Associates indicated that political contributions of \$8,545 had been made by the company in fiscal years 1984 through 1987 and part of 1988. Moreover, the referral indicated that these political contributions were made in connection with both federal and non-federal elections. Finally, the referral indicated that Associates had had at some point a contract with the United States Postal Service.

II. ANALYSIS

A. Contributions by a Federal Contractor

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits federal contractors from making "any contribution of money or anything of value... to any political party, committee, or candidate for public office... ." 2 U.S.C. § 441c.

1. According to the response to the reason to believe finding, Associates was requested to submit a proposal, submitted one, and was later awarded a contract.

Commission Regulations explicitly provide that the prohibition of section 441c does not extend to contributions or expenditures made in connection with state or local elections. 11 C.F.R. § 115.2.

Although the referral indicated that the total of Associates' political contributions included some made in connection with federal elections, neither Associates' response nor Commission records show supporting evidence of such prohibited contributions. In response to Commission discovery requests, counsel for Mr. Gaudet and Associates provided copies of checks used for the company's political contributions starting in January of 1984. The total amount of all political contributions indicated in the referral is precisely the same as the amount indicated by the check copies submitted by Associates for the period beginning in calendar year 1984 and ending on September 30, 1987. None of these contributions appear to have been made in connection with federal elections. For fiscal year 1988, the referral indicates that Associates made political contributions of \$550; the response indicates that Associates actually made contributions of \$2,650 that it considered political in nature. Regardless of the greater amount acknowledged by Mr. Gaudet and Associates for that fiscal year, none of the contributions appear to have been made in connection with a federal election.

The evidence now before the Commission indicates that the questioned contributions were not prohibited by the Act. Rather it appears that the political contributions noted in the referral, and upon which the Commission's reason to believe finding was based, were all related to state and local political activities. Therefore, it appears that Terry Gaudet did not violate

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2 U.S.C. § 441c.<sup>2</sup>

**B. Corporate Contributions**

Corporations are prohibited from making contributions in connection with federal elections. 2 U.S.C. § 441b. Moreover, an officer or director of a corporation is prohibited from consenting to the making of such contributions. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(d). Associates is a corporation, and Terry Gaudet is its president. The former is therefore prohibited from making such contributions, and the latter from consenting to them.

As set forth above, the evidence gathered in this matter indicates that Associates did not make contributions in connection with federal elections on the basis of the activities noted in the referral. Therefore, it appears that Terry Gaudet did not thereby consent to the making of prohibited corporate contributions by Associates in violation of 2 U.S.C. § 441b.

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2. Whether or not a person is considered a federal contractor for purposes of section 441c is also dependent upon the time that the contribution or expenditure is made. Under Commission regulations, a person is prohibited from making a contribution or expenditure from: 1) the earlier of the commencement of contract negotiations or when a request for proposal is sent out; and 2) the later of the completion of contract performance or the termination of negotiations. 11 C.F.R. § 115.1(b). According to Mr. Gaudet's and Associates' response to the Commission's reason to believe findings, Associates received a request for proposal from the Army Corps of Engineers in a letter dated August 23, 1988, after the making of the contributions noted in the referral. Thus, Mr. Gaudet and his company could not have violated section 441c on the basis of its status with respect to this contract. The referral indicated, without elaboration, that Associates had had a Postal Service contract at one time. In its response, Associates indicated that its first involvement with federal contracts was the aforementioned Corps of Engineers project for which the DCAA conducted its forward pricing rate review, which resulted in this referral. This uncertainty over Associates' prior status is moot, however, since it does not appear that Respondent made contributions or expenditures in connection with federal elections.

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C. Contributions in the Name of Another

Pursuant to Section 441f of Title 2 of the Act, " [n]o person shall knowingly make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution... ." The referral noted that Associates made contributions in connection with federal elections, but disclosure reports on file with the Commission did not indicate that the corporation had made any such contributions. Disclosure reports did show, however, that Associates' President, Terry Gaudet, and his wife, Beverly Gaudet, had made contributions to federal candidates during the time period indicated by the referral. On this basis, the Commission found reason to believe that Associates' contributions may have been made in the names of these two individuals in violation of 2 U.S.C. § 441f. In response to the Commission's interrogatories, Terry Gaudet and Beverly Gaudet stated in a sworn statement that neither of them has ever been reimbursed for a contribution to a candidate for federal office. Associates stated in a sworn statement that it has never reimbursed any individual for contributions they made in their names to candidates for federal office.

As noted above, it does not appear that either Terry Gaudet or Associates made contributions in connection with federal elections that they sought to disguise as contributions from others. Accordingly, it does not appear that Terry Gaudet has violated 2 U.S.C. § 441f on the basis of the information before the Commission.

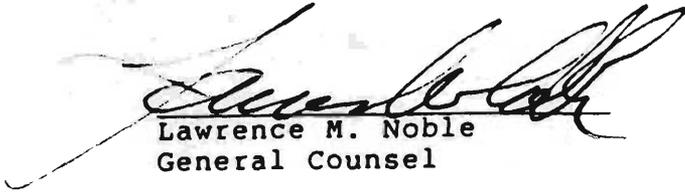
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**III. GENERAL COUNSEL'S RECOMMENDATION**

Find no probable cause to believe that Terry Gaudet violated 2 U.S.C. §§ 441b, 441c, and 441f.

Date

8/6/90

  
Lawrence M. Noble  
General Counsel

90040303039

90 AUG -7 AM 11:34

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
Terry Gaudet and Associates, Inc.	)	MUR 2932
Terry Gaudet	)	
Beverly Gaudet	)	

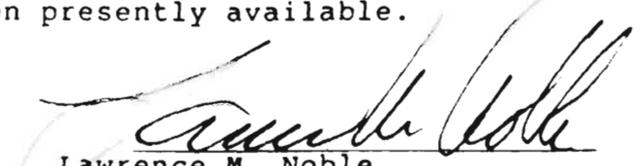
**SENSITIVE**

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter with respect to Terry Gaudet and Associates, Inc., Terry Gaudet, and Beverly Gaudet based on the assessment of the information presently available.

Date

8/6/90

  
 Lawrence M. Noble  
 General Counsel

90040803090

90 SEP 18 AM 11:06

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Terry Gaudet and Associates, Inc. ) MUR 2932  
Terry Gaudet )  
Beverly Gaudet )

**SENSITIVE**  
**EXECUTIVE SESSION**  
**SEP 25 1990**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On July 25, 1989, the Commission found reason to believe that Terry Gaudet, and Terry Gaudet and Associates, Inc., violated 2 U.S.C. §§ 441b, 441c, and 441f, and Beverly Gaudet violated 2 U.S.C. § 441f. The Commission also approved subpoenas and orders to the respondents with respect to the findings. On August 7, 1990, this Office forwarded to counsel for the respondents a copy of the General Counsel's Briefs. The briefs recommended that the Commission find that there is no probable cause to believe the respondents had violated the respective sections. Staff of this Office contacted counsel, who stated that he did not intend to file a response to the briefs.

II. ANALYSIS

This Office relies on the General Counsel's Briefs in this matter, dated August 6, 1990, and incorporates them by reference into this report. These briefs recommended that the Commission find no probable cause to believe that Terry Gaudet, and Terry Gaudet and Associates, Inc., violated 2 U.S.C. § 441b, 441c, and 441f, and no probable cause to believe that Beverly Gaudet violated 2 U.S.C. § 441f.

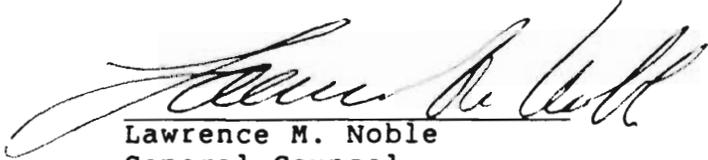
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III. RECOMMENDATIONS

1. Find no probable cause to believe that Terry Gaudet and Associates, Inc., violated 2 U.S.C. §§ 441b, 441c, and 441f.
2. Find no probable cause to believe that Terry Gaudet violated 2 U.S.C. §§ 441b, 441c, and 441f.
3. Find no probable cause to believe that Beverly Gaudet violated 2 U.S.C. § 441f.
4. Close the file.
5. Approve the appropriate letter.

Date

9/17/90

  
Lawrence M. Noble  
General Counsel

Staff Assigned: Jeffrey D. Long

91040303092

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Terry Gaudet and Associates, Inc.; ) MUR 2932  
Terry Gaudet; Beverly Gaudet. )

CERTIFICATION

I, Hilda Arnold, recording secretary for the Federal Election Commission Executive Session of October 4, 1990, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2932:

1. Find no probable cause to believe that Terry Gaudet and Associates, Inc., violated 2 U.S.C. §§ 441b, 441c, and 441f.
2. Find no probable cause to believe that Terry Gaudet violated 2 U.S.C. §§ 441b, 441c, and 441f.
3. Find no probable cause to believe that Beverly Gaudet violated 2 U.S.C. § 441f.
4. Close the file.
5. Approve the appropriate letter as recommended in the September 17, 1990 General Counsel's Report.

Commissioners Elliott, Josefiak, McDonald, McGarry and Thomas voted affirmatively for the decision. Commissioner Aikens was absent.

Attest:

Oct. 5, 1990  
Date

  
Hilda Arnold  
Administrative Assistant

2004030393



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

October 15, 1990

Mr. John Quill  
General Counsel  
Defense Legal Services  
Defense Contract Audit Agency  
Cameron Station  
Alexandria, Virginia 23304-6178

RE: MUR 2932

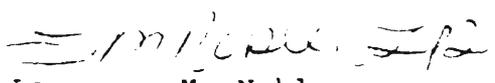
Dear Mr. Quill:

This is in reference to the matter involving Terry Gaudet and Associates, which your office referred to the Federal Election Commission on January 4, 1989.

On October 4, 1990, the Commission found that there was no probable cause to believe Terry Gaudet and Associates, Inc. violated 2 U.S.C. §§ 441b, 441c, and 441f; Terry Gaudet violated 2 U.S.C. §§ 441b, 441c, and 441f; Beverly Gaudet violated 2 U.S.C. § 441f, provisions of the Federal Election Campaign Act, as amended ("the Act"). This determination was based on information ascertained from Federal Election Commission disclosure records.

We appreciate your cooperation in helping the Commission meet its enforcement responsibilities under the Act. If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

  
Lawrence M. Noble  
General Counsel

200403034



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 15, 1990

Eugene E. Chiarulli, Jr., J.D.  
315 South College, Suite 125  
Lafayette, Louisiana 70503

RE: MUR 2932  
Terry Gaudet and Associates,  
Inc.; Terry Gaudet; Beverly  
Gaudet

Dear Mr. Chiarulli:

This is to advise you that on October 4, 1990, the Federal Election Commission found that there is no probable cause to believe that your clients, Terry Gaudet and Associates, Inc., violated 2 U.S.C. §§ 441b, 441c, and 441f; Terry Gaudet violated 2 U.S.C. §§ 441b, 441c, and 441f; Beverly Gaudet violated 2 U.S.C. § 441f. Accordingly, the file in this matter has been closed.

The file will be made part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence M. Noble".

Lawrence M. Noble  
General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2932

DATE FILMED 10/31/90 CAMERA NO. 4

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