

REPORTS ANALYSIS REFERRAL  
TO  
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: March 24, 2009

ANALYST: Robin Kelly

- I. COMMITTEE: Puckett for Congress  
C00445296  
Mary E. Puckett, Treasurer<sup>1</sup> (10/9/08 – present)  
Arthur Lee Willis, II (1/30/08 – 10/8/08)  
4133 South Main Street  
P.O. Box 245  
South Bend, IN 46624
- II. RELEVANT STATUTE: 2 U.S.C. §434(b)(4)  
11 CFR §104.3(b)

III. BACKGROUND:

**Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)**

Puckett for Congress (“the Committee”) amended its 2008 July Quarterly Report, covering the period of April 17, 2008 through June 30, 2008, to disclose additional disbursements totaling \$184,805.65 that were not included in the original 2008 July Quarterly Report (Attachment 2).

On July 21, 2008, the Committee filed its original 2008 July Quarterly Report covering April 17 through June 30, 2008, disclosing no disbursements made by the Committee (Image 28991630154).

On August 18, 2008, the Committee filed an Amended July Quarterly Report, covering April 17 through June 30, 2008. The amended report disclosed \$95,777.21 on Line 17

<sup>1</sup> In a Miscellaneous Electronic Submission (Form 99) filed on August 28, 2008, the Committee stated, “on August 18, 2008, the treasurer for our campaign was fired. Our campaign is currently looking for a new treasurer, and once we appoint one, a new Form 1 will be filed.” On October 9, 2008, the Committee filed an Amended Statement of Organization (FEC FORM 1) designating Mary E. Puckett, previously Assistant Treasurer, as the new Treasurer.

(Operating Expenditures) and \$296.62 on Line 21 (Other Disbursements) of the Detailed Summary Page (Image 28932453994).

On August 19, 2008, the Reports Analysis Division (RAD) Analyst spoke with committee representative Frank Fotia, who said that the treasurer had been fired due to his filing of an incorrect July Quarterly Report. He wanted to know what the Committee needed to do to designate a new treasurer. Mr. Fotia said he needed some time to straighten out the Committee's records before he could file the amendment. The RAD Analyst advised him to fix the reports as soon as possible, and if the Committee received a Request for Additional Information ("RFAI") from the Commission, they would then have 30 days to submit a response (Attachment 3).

On August 27, 2008, the treasurer, Arthur Willis, called. He said that the Committee was in the process of amending its reports. He also said they had a new address, and would be designating a new treasurer. The RAD Analyst told him that the Committee should file an amended Statement of Organization (FEC FORM 1) to show the new information as soon as possible (Attachment 3).

On August 28, 2008, the Committee filed a Miscellaneous Electronic Submission ("Form 99") (Image 28991950482), which stated in part:

"On August 18, 2008, the treasurer for our campaign was fired. Our campaign is currently looking for a new treasurer, and once we appoint one, a new Form 1 will be filed. In the mean time, we have been going over the books, and discovered that our former treasurer had not been doing his work for months. We are currently going back over everything from day 1 of our campaign and will be filing amended reports for Quarter 1 and Quarter 2."

On September 23, 2008, the Committee filed an Amended 2008 July Quarterly Report covering the period from April 17 through June 30, 2008. The amended report disclosed \$94,509.03 on Line 17 (Operating Expenditures), \$90,000.00 on Line 19(a) (Loan Repayments Made to the Candidate) and \$296.62 on Line 21 (Other Disbursements) of the Detailed Summary Page (Image 28933346736).

On September 25, 2008, the Committee again amended its 2008 July Quarterly Report. The totals disclosed on Lines 17, 19(a), and 21 of the Detailed Summary Page remained unchanged (Image 28992266918).

On October 17, 2008, an RFAI was sent to the Committee referencing the Amended 2008 July Quarterly Report, received 9/25/08. Among other issues, the RFAI requested further clarification regarding the substantial increase in the amount of disbursements which were not disclosed in the original filing (Image 28039873034).

On October 21, 2008, the RAD Analyst spoke with Juan Manigault, the Campaign Chairman. Mr. Manigault explained some of the reasons for the issues cited in the RFAI which was sent on the Amended 2008 July Quarterly Report, received 9/25/08, such as the change in campaign management. He said the Committee would file a Form 99 explaining the errors (Attachment 3).

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On October 22, 2008, the RAD Analyst again spoke with Juan Manigault, who stated that the previous treasurer, Arthur Willis, had a heart attack. The RAD Analyst told him to put any relevant information in a Form 99. Mr. Manigault said he would file something within the week (Attachment 3).

On October 28, 2008, a Form 99 was received from the Committee, which stated in part:

“This report is in response to FEC letter dated October 17, 2008 regarding an amended July Quarterly Report (4/17/08 through 6/30/08), received 9/25/08. This report addresses three items requiring additional information to assure compliance with federal election campaign finance requirements.

In response to item one regarding substantial increase in the amount of receipts and disbursements from those disclosed in our original report in early September, the campaign appointed a new Campaign Manager. In early October the campaign appointed a new Treasurer. The Campaign also hired an Administrative Assistant and retained its Director of Communications. This new campaign team was responsible for all aspects of the campaign including filing campaign finance reports.

All receipts and disbursements were reentered into the electronic filing system from the beginning of the campaign to September 30. This was done as a result of the previous Treasurer having congestive heart failure and recovery in April 2008. While this individual was recovering, it was unclear as to whether all receipts and disbursements had been entered into the electronic filing system and reported to the FEC. The only way to assure accuracy was to reenter all items. This was done in September and amended reports were filed with the FEC. This resulted in substantial increases in receipts and disbursements for the period identified.

The campaign believes that a similar adjustment will occur with the report filed for the period July 1, 2008 through September 30, 2008. All reports filed or to be filed for periods after September 30, 2008 should be accurate” (Image 28993082306).

On January 28, 2009, Luke Puckett, the candidate, called to inquire about terminating the committee. He was contemplating terminating the committee, but said that because of the outstanding loans owed to him, he may wait. He indicated that the previous treasurer, Arthur Willis, who was responsible for the filing of the 2008 July Quarterly Report, had died (Attachment 3).

On January 29, 2009, the RAD Analyst again spoke with Luke Puckett. The RAD Analyst informed him that because of an outstanding compliance issue and the substantial increase in disbursements on the Amended July Quarterly Report, received 9/25/08, the committee would not be able to terminate at this time. The RAD Analyst advised Mr. Puckett to file the Year End Report by January 31, 2009 (Attachment 3).

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On February 6, 2009 the RAD Analyst called Juan Manigault. Mr. Manigault said that he was no longer involved with the Committee. He gave the RAD Analyst a number to reach the current treasurer, Mary Puckett (Attachment 3).

On February 13, 2009, Hannah Moore, a committee staff member, called the RAD Analyst. She was doing the data entry and amending some of the reports in response to RFAIs. The RAD Analyst informed Ms. Moore that due to the increase in disbursements on the Amended July Quarterly Report, received 9/25/08 the Committee was being referred for further Commission action. The RAD Analyst stated that the Committee could place any additional materials on the public record to further clarify the situation. Ms. Moore said that she was aware of the problem, but that she was not involved with the Committee at that time, and had no further information to add (Attachment 3).

On February 25, 2009 Frank Fotia called to ask how the Committee could properly terminate. The RAD Analyst explained the process and reiterated that if the Committee submitted a termination report, they should continue filing all required quarterly reports until they receive confirmation from the Commission that their termination request was accepted.

On March 18, 2009 the RAD Analyst spoke with Mr. Puckett and informed him that the Committee could not be terminated because of an open compliance matter and the referable increase in disbursements on the Amended 2008 July Quarterly Report, received 9/25/08. In regard to the latter, Mr. Puckett indicated that the Committee had been experiencing problems with its software provider, and had filed the original 2008 July Quarterly Report in a hurry since it was already late at the time of its submission. Mr. Puckett stated that Arthur Willis, the treasurer at the time, told him that he took care of everything when he filed the report. Mr. Puckett requested to terminate the Committee as soon as possible.

To date, no further communication has been received from the Committee regarding this matter.

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**Puckett for Congress (C000445296)**  
**2008 July Quarterly Report/Amended 2008 July Quarterly Report, received 9/25/08**  
**Overview of Additional Disbursements**

Report Line	Original July 2008 Quarterly Report (Image 28991630154)	Amended July 2008 Quarterly Report, filed 9/25/08 (Image 28992266915)	Disbursement Variance Amount
Line 17 (Operating Expenditures)	\$0.00	\$94,509.03	\$94,509.03
Line 19(a) (Loan Repayments Made to the Candidate)	\$0.00	\$90,000.00	\$90,000.00
Line 21 (Other Disbursements)	\$0.00	\$296.62	\$296.62
		<b>Total Variance</b>	<b>\$184,805.65</b>

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