



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEP - 6 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Monica J. Cash

Oxon Hill, MD 20745

RE: MUR 5920

Dear Ms. Cash:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission (the "Commission") became aware of information suggesting that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). On June 20, 2007, the Commission found reason to believe that you knowingly and willfully violated 2 U.S.C. § 432(b)(3), a provision of the Act, and 11 C.F.R. § 102.15. Enclosed is the Factual and Legal Analysis that sets forth the basis for the Commission's determination.

We have also enclosed a brief description of the Commission's procedures for handling possible violations of the Act. In addition, please note that you have a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519. In the meantime, 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.

If you are interested in engaging in pre-probable cause conciliation, please contact Wanda D. Brown, the attorney assigned to this matter, at (202) 694-1650 or (800) 424-9530, within seven days of receipt of this letter. During conciliation, you may submit any factual or

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legal materials that you believe are relevant to the resolution of this matter. Because the Commission only enters into pre-probable cause conciliation in matters that it believes have a reasonable opportunity for settlement, we may proceed to the next step in the enforcement process if a mutually acceptable conciliation agreement cannot be reached within sixty days. See 2 U.S.C. § 437g(a), 11 C.F.R. Part 111 (Subpart A). Similarly, if you are not interested in pre-probable cause conciliation, the Commission may conduct formal discovery in this matter or proceed to the next step in the enforcement process. Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed Designation of Counsel 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.

We look forward to your response.

Sincerely,



Robert D. Lenhard
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Monica J. Cash

MUR: 5920

I. BACKGROUND

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). Based on available information, there is reason to believe that Monica J. Cash knowingly and willfully violated 2 U.S.C. § 432(b)(3) by commingling WCF funds with her personal funds.

II. FACTUAL AND LEGAL ANALYSIS

The WCF is a multicandidate political committee, as defined by 2 U.S.C. § 441a(a)(4), that has filed disclosure reports with the Commission since 1994. Monica Cash was employed as WCF's office manager from December 2000 to January 14, 2004. Cash was purportedly responsible for various aspects of the WCF's day-to-day operations, including tracking incoming contributions and donor information, tracking disbursements and operating expenditures, and filing financial disclosure reports with the Commission and various state election offices on behalf of the WCF's treasurer, Allison Thompson. According to Cash, she was also responsible for making deposits into WCF bank accounts, cutting checks to pay vendors, and reconciling the WCF's bank records.

Between 2001 and 2003, Cash reportedly drafted approximately 58 WCF checks totaling \$83,050 made payable to "Monica Cash" or "Cash," and then forged signatures of WCF employees with signatory authority on the checks.¹ Cash then either presented the checks for

¹ Cash did not have signatory authority on any of the checking accounts maintained by the WCF.

cash, or deposited the checks into her personal checking account. In order to avoid detection, Cash concealed these unauthorized disbursements by deleting the transactions from the internal WCF database that was used to prepare the committee's disclosure reports.

On March 16, 2007, Cash was indicted for Bank Fraud, False Statements, and Uttering and Possessing a Forged Security as a result of her embezzlement of WCP funds. On April 27, 2007, a plea agreement signed by Cash was filed with the United States District Court for the District of Columbia pursuant to the indictment. In this plea agreement, Cash agrees to enter a guilty plea to the charge of Uttering and Possessing a Forged Security, in violation of 18 U.S.C. § 513(a) and to provide full restitution to the WCF.² Cash is scheduled to be sentenced for this offense on August 10, 2007.

The Act prohibits the commingling of committee Federal funds with "the personal funds of any individual."³ 2 U.S.C. § 432(b)(3) and 11 C.F.R. § 102.15. In this matter, Cash improperly commingled WCF funds with her personal funds, in violation of 2 U.S.C. § 432(b)(3), by writing checks to herself from WCF accounts without authorization, and then cashing or depositing the checks into her personal bank account. Cash disguised the activity by deleting the disbursements from the database used by WCF to track disbursements for the purpose of filing its disclosure reports. As discussed previously, Cash pled guilty to criminal charges related to the embezzlement scheme, and is scheduled to be sentenced on August 10, 2007.

² In exchange for Cash's agreement, the United States dismissed one charge of Bank Fraud, a violation of 18 U.S.C. § 1344, and eight counts of False Statements, a violation of 18 U.S.C. § 1001.

³ To establish a knowing and willful violation, there must be knowledge that one is violating the law. See *FEC v. John A. Dramei for Congress Comm.*, 640 F. Supp. 985, 987 (D. N.J. 1986). A knowing and willful violation may be established "by proof that the defendant acted deliberately and with knowledge that the representation was false." *US v. Hopkins*, 916 F.2d 207, 214 (5th Cir. 1990). An inference of a knowing and willful act may be drawn "from the defendant's elaborate scheme for disguising" his or her actions. *Id.* at 214-15.

Accordingly, there is reason to believe that Monica J. Cash knowingly and willfully violated 2 U.S.C. § 432(b)(3) and 11 C.F.R. § 102.15 by commingling WCF funds with her personal funds.

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