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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Christopher Hughey
Acting General Counsel

Kathleen M. Guith
Acting Associate General Counsel for Enforcement

Stephen A. Gura
Deputy Associate General Counsel for Enforcement

BY: Peter G. Blumberg *PGB*
Assistant General Counsel

Wanda D. Brown *WDB by PGB*
Attorney

SUBJECT: MUR 6188 (Clifford Morgan)

RE: Pre-Probable Cause Conciliation Agreement

ACTIONS RECOMMENDED: (1) Accept the signed conciliation agreement;
(2) approve the appropriate letter; and (3) close the file.

BACKGROUND

On April 30, 2009, the Commission found reason to believe that Clifford Morgan knowingly and willfully violated 2 U.S.C. §§ 432(c)(5) and 434(b)(4) and (6) by failing to keep an accurate account of funds belonging to the San Antonio Police Officer's Association PAC, (the "Committee") and by failing to disclose transactions associated with his embezzlement scheme in reports filed with the Commission. The Commission also authorized this Office to enter into conciliation with Morgan prior to a finding of probable cause to believe,

Morgan's embezzlement scheme also resulted in his prosecution for Second Degree Theft in Bexar County, Texas.

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On October 29, 2010, Morgan pled no contest to the state theft charges and was sentenced to five years in prison. At his sentencing, Morgan paid \$57,000 to reimburse part of the funds he embezzled, and the court ordered him to reimburse the remainder of the funds, \$47,000, after he is released from prison.

DISCUSSION

Attached is a signed conciliation agreement negotiated with Respondent Clifford Morgan.¹ Attachment 1. The agreement recites the pertinent facts of this matter and contains knowing and willful admissions to violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), as well as an agreement to cease and desist from further violations. The agreement also prohibits Morgan from working or volunteering for federal political committees in a financial capacity for ten years.²

¹ The conciliation agreement is signed by counsel for Morgan. Counsel indicates that Morgan's incarceration makes him inaccessible at this time and unable to sign the agreement, and in the interest of a speedy resolution, counsel requested to be allowed to sign the agreement on behalf of his client. This Office verified both verbally and by letter that counsel discussed with his client the provisions of the agreement, and that Morgan consented to those provisions and authorized counsel to sign and submit the agreement on his behalf.

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The Commission previously approved a ten-year prohibition in a conciliation agreement resolving MUR 6162 (Sohn).

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Considering Morgan's limited assets and outstanding debt, as well as a lengthy incarceration related to criminal theft charges, this Office believes that the negotiated agreement is an appropriate settlement of this matter. Therefore, we recommend that the Commission accept the signed agreement, approve the appropriate letter, and close the file in this matter.

RECOMMENDATIONS

1. Accept the signed conciliation agreement;
2. Approve the appropriate letter; and
3. Close the file.