



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 3, 2011

**Ken Wainstein
O'Melveny & Myers LLP
1625 Eye Street, N.W.
Washington, D.C. 20006**

**RE: MUR 6447
Monica Turner**

Dear Mr. Wainstein:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission (the "Commission") became aware of information suggesting Monica Turner may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). On December 14, 2010, the Commission found reason to believe that Monica Turner violated 2 U.S.C. §§ 441a(a)(1)(A) and 441g, provisions of the Act. 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.

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We look forward to your response.

On behalf of the Commission,


Cynthia L. Bauerly
Chair

Enclosures
Factual and Legal Analysis

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**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

RESPONDENT: Monica Turner

MUR: 6447

I. GENERATION OF MATTER

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).

II. FACTUAL AND LEGAL ANALYSIS

A. Factual Background

In 2006, Michael Steele was a Senate candidate in the Maryland Primary and General Elections and the Lieutenant Governor of Maryland. Steele for Maryland, Inc. and Elisabeth S. Rubin, treasurer, ("Federal Committee") was his authorized federal campaign committee.

Monica Turner, Steele's sister, volunteered on her brother's state and federal campaigns by stuffing envelopes, appearing in advertisements, providing monetary support, and hosting fundraisers. She worked with Michael Levitt, the campaign manager, and others on the Federal Committee campaign staff.

Paul Ellington was Steele's chief of staff in the lieutenant governor's office and worked on Steele's 2006 Senate campaign. Belinda Cook worked on his Senate campaign in various roles.

In 2006, Monica Turner hosted two fundraisers at her Bethesda, Maryland, home to support Steele's Senate campaign. On July 8, 2006, prior to the primary election, Turner and Shawnda Wilkinson, the co-chair of Women of Steele, co-hosted a fundraising event. The invitation and response form state, "Paid For By Steele for Maryland, Inc." The invitation

requests that contribution checks be made payable to "Steele for Maryland, Inc." Turner paid for the following Federal Committee expenses in connection with the July fundraiser:

Table One: Expenses for July Event

PAYEE	PURPOSE	AMOUNT	METHOD
Class Act Catering	Catering services	\$5,462.35	Check #6110 ¹
Rosa Vargas	Event help	\$250	Check #6111
Joy Sayoto	Event help	\$150	Check #6112
Roland [illegible]	Event security	\$250	Check #6114
Autopark Valet	Event valet service	\$466	Visa credit card
TOTAL		\$6,578.35	

Approximately 80 people attended the July 8, 2006, fundraiser and contributed \$44,450.

On October 21, 2006, prior to the general election, Turner hosted an event billed as a combination birthday party/fundraiser for Steele. The invitation and response form state, "Paid for By Steele for Maryland, Inc." The return address shows Turner's name and the campaign headquarters address. Turner paid for the following expenses in connection with the Oct. 21, 2006, fundraiser:

Table Two: Expenses for October Event

PAYEE	PURPOSE	AMOUNT	METHOD
Class Act Catering	Catering services	\$7,000	Check #6710
Rosa Vargas	Event help	\$300	Check #6711
[Illegible]	Event help	\$300	Check #6714
[Illegible]	Event security	\$250	Check #6713
TOTAL		\$7,850	

Approximately 95 people attended the October fundraiser and contributed \$48,570.

¹ The checks listed in Tables One, Two and Three refer to checks drawn on Monica Turner's personal checking account.

The Federal Committee was apparently low on funds throughout Fall 2006, and Turner paid for additional services and materials procured by it. The following are other expenditures paid by Turner on behalf of the Federal Committee:

Table Three: Additional Expenses Paid by Turner

PAYEE	PURPOSE	DATE PAID ²	AMOUNT	METHOD
Mike Richardson	Radio ad sound editor	Oct. 5, 2006	\$300	Check #6621
Eric Taylor	Email advertising blast	Oct. 10, 2006	\$1,500	Check #6701
Lorraine Treanor	Campaign office help	Oct. 13, 2006	\$800	Check #6705
Eric Taylor	Email advertising blast	Nov. 8, 2006	\$3,000	Check #6748
Eric Taylor	Email advertising blast	Nov. 8, 2006	\$2,000	Check #6750
Mike Richardson	Radio ad sound editor	Nov. 20, 2006	\$150	Check #6783
TOTAL			\$7,750	

Lastly, Turner made two cash contributions to the Federal Committee. On October 28, 2006, Turner gave Ellington \$6,000 in cash to purchase campaign "needs" such as telephones and advertising. On November 4, 2006, Turner wrote a check to herself for \$8,500, cashed it, and gave the money to Ellington because the campaign needed to reserve radio advertising spots before the election.

² The dates in this table refer to the payment date.

Table Four: Cash Contributions

PURPOSE	DATE	CASH AMOUNT
"Campaign needs"	Oct. 28, 2006	\$6,000
Radio airtime	Nov. 4, 2006	\$8,500
TOTAL		\$14,500

In sum, Turner made in-kind and cash contributions to Steele and his Federal Committee totaling \$36,678.35. The Federal Committee did not report any contributions from Turner in its FEC disclosure reports. The Federal Committee also did not report any debt in connection with Turner's contributions.

Turner states that she was not approached about reimbursement until the close of the election campaign when Ellington and/or Cook informed Turner that the Federal Committee had a legal obligation to reimburse her for all the expenses she incurred on behalf of the campaign. Turner states that Ellington suggested it would be beneficial to the campaign if the reimbursement check were made out to Brown Sugar Unlimited, a corporation owned by Turner, and either he or Belinda Cook asked Turner to create the invoices. Brown Sugar, in fact, had been dissolved as a Maryland corporation in March 2006. Turner said she refused to create invoices from Brown Sugar, but she said she would send an email itemizing her expenses. On November 13, 2006, Turner sent an email to Cook and Steele listing her expenses, minus the maximum individual contribution amount for both elections (\$4,200), for a total of \$33,462. Sometime thereafter, the Federal Committee sent Turner copies of three purported invoices from Brown Sugar Unlimited. The invoices, dated December 22, 2006, requested payment from the Federal Committee, as follows:

Table Five: Brown Sugar Unlimited "Invoices"

Invoice #1	"July and October Fundraising Event"	\$14,762.35
Invoice #2	"September 12 – November 7, 2006 Consulting Services, Urban Campaign Strategy"	\$18,000.00
Invoice #3	"Web Site Consulting Services, Urban Web Site Advertising Design"	\$4,500.00
TOTAL		\$37,262.35

On February 6, 2007, the Federal Committee wrote a check to Brown Sugar Unlimited for \$37,262.35.³ The Committee disclosed the payment to Brown Sugar on its 2007 April Quarterly Report. Turner deposited the reimbursement check into her personal bank account.

B. Legal Analysis

The Federal Election Campaign Act of 1971, as amended, ("the Act") limits how much an individual may contribute to a candidate. 2 U.S.C. § 441a. In 2006, an individual could not contribute more than \$2,100 per election per candidate. 2 U.S.C. § 441a(a)(1)(A) (2006). A "contribution" includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(8)(A)(i). The term "contribution" does not include "the use of real or personal property ... and the cost of invitations, food, and beverages, voluntarily provided by an individual to any candidate ... on the individual's residential premises ... to the extent that the cumulative value ... does not exceed \$1,000 with respect to any single election, and ... does not exceed \$2,000 in any calendar year." 2 U.S.C. § 431(8)(B)(ii); 11 C.F.R. §§ 100.75 and 77. Cash contributions that in the aggregate exceed \$100 are prohibited. 2 U.S.C. § 441g.

³ The Federal Committee did not deduct the maximum permissible contribution as Turner requested.

Monica Turner exceeded the Act's contribution limits by paying expenses for the July and October 2006 Senate fundraisers, paying for other expenses incurred on behalf of the Federal Committee, and making direct cash contributions to the Federal Committee. In total, she contributed \$36,678.35. Subtracting the maximum allowable contribution of \$4,200 for the 2006 primary and general elections combined, and subtracting \$1,000 per each in-home event results in Turner making \$30,478.35 (\$36,678.35 - \$6,200 = \$30,478.35) in excessive contributions to the Federal Committee. In addition, because she gave the Federal Committee \$14,500 in cash, she violated 2 U.S.C. § 441g, which prohibits cash contributions of more than \$100.

Therefore, the Commission has determined to find reason to believe that Monica Turner violated 2 U.S.C. §§ 441a(a)(1)(A) and 441g by making excessive in-kind and cash contributions.