



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA FAX (504-558-9482) AND FIRST CLASS MAIL

JUN 22 2012

Ravi K. Sangisetty, Esq.
Sangisetty & Samuels, LLC
610 Baronne Street, 3rd Floor
New Orleans, LA 70113

RE: MUR 6519
Cynthia Fayard

Dear Mr. Sangisetty:

On December 23, 2011, the Federal Election Commission notified your client, Cynthia Fayard, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). On June 18, 2012, the Commission found, on the basis of the information in the complaint, and information provided by you, that there is no reason to believe Cynthia Fayard violated 2 U.S.C. § 441f, a provision of the Act, or 11 C.F.R. § 110.4(b)(1) of the Commission's regulations. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). The Factual and Legal Analysis, which explains the Commission's findings, is enclosed for your information.

If you have any questions, please contact Kamau Philbert, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Mark D. Shonkwiler
Assistant General Counsel

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Calvin C. Fayard, Jr. **MUR: 6519**
Cynthia Fayard
Chalyn Fayard
Cathryn Caroline Fayard,
Calvin C. Fayard, III
Frances Gray Fayard
Carolyn Mistoler
D. Blayne Honeycutt
Valerie Honeycutt

I. INTRODUCTION

Complainant alleges that Calvin C. Fayard, Jr. or Cynthia Fayard provided the funds that their daughter Chalyn Fayard used for a \$10,000 contribution to the federal account of the Democratic State Central Committee of Louisiana ("DSCCL") in October 2010. Respondents maintain that Chalyn Fayard used her own funds for the contribution and provided information showing that she had sufficient personal funds to make the contribution. Complainant also generally alleges that additional contributions the DSCCL's federal account reported as being made by Fayard family members and associates came from an unnamed source. Respondents deny these allegations.

As discussed below, the available information shows that Chalyn Fayard made the \$10,000 federal contribution with her own funds. Further, the less specific allegations regarding additional federal contributions made in the names of various other Fayard family members and associates are based on speculation and have been denied. Therefore, the Commission finds no reason to believe that respondents violated the Act or Commission regulations.

1 **II. FACTS**

2 **A. Background**

3 The DSCCL is a state political party committee of the Louisiana Democratic Party that
4 is registered with the Commission and maintains a federal account.

5 Calvin Fayard, Jr. is a Louisiana attorney and one of two named partners of the law firm
6 Fayard & Honeycutt, APC. Cynthia Fayard is his ex-wife and the mother of his three adult
7 children: Chalyn Cynthia Fayard, a veterinarian; Cathryn "Caroline" Fayard, an attorney; and
8 Calvin C. Fayard, III, an attorney. Frances Gray Fayard is Calvin Fayard, Jr.'s current wife and
9 is also an attorney. D. Blayne Honeycutt is Calvin Fayard, Jr.'s law partner at Fayard &
10 Honeycutt, APC, and Valerie Honeycutt is his wife. Carolyn Mistoler allegedly was Calvin
11 Fayard, Jr.'s personal and business bookkeeper during the relevant period. *See* Complaint at 2.

12 Disclosure reports filed with the Commission show that the Fayard family members
13 contributed over \$655,000 to various federal candidates and committees since 1997. Calvin
14 Fayard, Jr. has contributed over \$280,000; Cynthia Fayard, who is retired, has contributed over
15 \$84,000; Chalyn Fayard has contributed over \$45,000; Caroline Fayard has contributed over
16 \$45,000; Calvin C. Fayard, III, has contributed over \$51,000; and Frances Gray Fayard has
17 contributed over \$149,000.

18 **B. 2010 Federal Contributions**

19 On October 26, 2010, Chalyn Fayard contributed \$10,000 to the federal account of the
20 DSCCL. Commission disclosure reports show that other Fayard family members contributed an
21 additional \$55,000 to the federal account of the DSCCL in October 2010. Calvin C. Fayard, Jr.,
22 Cynthia Fayard, and D. Blayne Honeycutt each contributed \$10,000 on October 19, 2010, and

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1 Frances Gray Fayard contributed \$5,000 on the same date. Caroline Fayard and Valerie
2 Honeycutt each contributed \$10,000 on October 26, 2010.¹

3 Complainant, a former paralegal at Fayard and Honeycutt, APC, alleges that Chalyn
4 Fayard's \$10,000 contribution was made with funds that her parents transferred into her bank
5 account. *See* Complaint at 2-3. Complainant does not claim to have any direct knowledge of
6 such a reimbursement, but alleges that Chalyn Fayard could not have afforded the \$10,000
7 contribution because she was a veterinary doctoral student in Scotland and was unemployed at
8 the time. *See* Complaint at 3.

9 Chalyn Fayard asserts that, although she was a full-time graduate veterinary student at
10 the time of her contributions, she had substantial personal assets and investments with which to
11 make the contribution. *See* Response at 2. She submitted an affidavit stating that the \$10,000
12 contribution was made with personal funds, and was not reimbursed. *Id.* She also provided
13 information showing that she received significant income from wages and investments during
14 2010. Chalyn Fayard further provided bank records showing the source of the funds used to
15 make the \$10,000 contribution.² *See* Supplemental Response dated April 19, 2012 at 1.
16 According to the bank records, Chalyn Fayard made the \$10,000 federal contribution with
17 check No. 846 dated October 26, 2010 from her Chase checking account. The check was

¹ The Commission's disclosure reports show that Caroline Fayard previously contributed \$5,000 to the DSCCL's federal account on July 13, 2010 and that Frances Gray Fayard contributed \$2,950 in August 2010. Although Complainant alleged that Calvin Fayard III's contributions to the DSCCL were also reimbursed, the committee's reports show no federal contributions from Calvin Fayard III in 2010.

² On April 19 and May 11, 2012, Chalyn Fayard voluntarily provided relevant bank records and a copy of a personal financial statement.

1 cashed on October 28, 2010 from equivalent funds Chalyn Fayard transferred from her Chase
2 savings account.

3 Without providing any details, Complainant also alleges that the \$55,000 in federal
4 contributions to the DSCCL reported as being made by various other Fayard family members
5 and associates came from an unnamed source. Complainant provided no factual basis for the
6 allegations. Those respondents assert that they made their contributions with personal funds,
7 but they did not provide personal financial information. *See* Response at 2.

8 **C. 2010 Nonfederal Contributions**

9 Fayard family members also made substantial non-federal contributions in 2010.
10 Complainant alleges that on January, 20, 2011, the Louisiana Board of Ethics commenced an
11 investigation into whether Calvin Fayard, Jr., Cynthia Fayard, and Caroline Fayard violated the
12 Louisiana Campaign Finance Disclosure Act by making contributions in the name of another to
13 evade Louisiana's \$5,000 individual contribution limit to state candidates. *See* Complaint at 3.

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17 Complainant suggests that the Louisiana Board of Ethics investigation into nonfederal
18 contributions indicates that Chalyn Fayard's \$10,000 federal contribution to the DSCCL was
19 part of a broader reimbursement scheme to support Caroline Fayard's 2010 candidacy for

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Lieutenant Governor of Louisiana.⁴ *See* Complaint at 2-3. Respondents deny the allegations.

See Response.

III. ANALYSIS

The Federal Election Campaign Act of 1971, as amended ("the Act"), prohibits a person from making a contribution in the name of another person, knowingly permitting one's name to be used to effect such a contribution, or knowingly accepting a contribution made by one person in the name of another. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1). The Commission's regulations prohibit knowingly helping or assisting any person in making a contribution in the name of another. 11 C.F.R. § 110.4(b)(1)(iii). Contributions made to the DSCCL's federal account are subject to the limits and prohibitions of the Act. *See* 11 C.F.R. § 102.5(a).

Complainant alleges that the Fayards reimbursed various contributions, including Chalyn Fayard's \$10,000 contribution. Complainant's allegation regarding Chalyn Fayard relies on the premise that as a full-time student she would not have the funds to make a \$10,000 contribution. The available evidence does not support the allegation. Chalyn Fayard provided a sworn affidavit declaring that she made the \$10,000 contribution with personal funds, and that she was not reimbursed. She also provided bank records showing that she had sufficient existing funds in her bank accounts to fund the contribution, and that the contribution was made with funds she transferred from her savings account. There is no available information that casts any doubt as to the veracity of the statements in Chalyn Fayard's sworn affidavit.

⁴ During the 2010 election cycle, Caroline Fayard was a first-time candidate for Lieutenant Governor in the state of Louisiana. She received sufficient votes in an October 2, 2010 special election to run against Louisiana's Secretary of State Jay Dardenne in a November 2, 2010 runoff election. The special election followed the resignation of former Lieutenant Governor, Mitch Landrieu, who became Mayor of New Orleans. *See* Ed Anderson, *Race for Louisiana's [sic] Next Lieutenant Governor Heats Up*, Times-Picayune (Oct. 21, 2010).

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1 Therefore, the Commission finds no reason to believe Chalyn Fayard, Calvin Fayard, Jr., or
2 Cynthia Fayard violated 2 U.S.C. § 441f or 11 C.F.R. § 110.4(b)(1) with regard to the \$10,000
3 federal contribution reported as having been made by Chalyn Fayard.

4 Complainant further alleges that various other federal contributions the DSCCL reported
5 as being made by Chalyn Fayard's parents, siblings, and the Honeycutts in 2010 were
6 reimbursed. Complainant provided no information to support the allegations, however, and
7 respondents have denied the allegations. Therefore, the Commission also finds no reason to
8 believe Calvin Fayard, Jr., Cynthia Fayard, Caroline Fayard, Calvin C. Fayard, III, Frances
9 Gray Fayard, D. Blayne Honeycutt, and Valerie Honeycutt violated 2 U.S.C. § 441f or
10 11 C.F.R. § 110.4(b)(1) in connection with federal contributions to the DSCCL reported as
11 having been made in their names.

12 Finally, Complainant alleges that Carolyn Mistoler, the Fayard and Honeycutt law firm's
13 bookkeeper, helped or assisted the family with the purported reimbursement scheme. Based on
14 the above discussion, the Commission further finds no reason to believe Ms. Mistoler violated
15 2 U.S.C. § 441f or 11 C.F.R. § 110.4(b)(1).

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