

1 **FEDERAL ELECTION COMMISSION**
2
3 **FIRST GENERAL COUNSEL'S REPORT**
4

5 MUR: 7102
6 DATE COMPLAINT FILED: 7/8/2016
7 DATE OF NOTIFICATION: 7/12/2016
8 DATE OF LAST RESPONSE: 9/27/2016
9 DATE ACTIVATED: 10/25/2016

10
11 EXPIRATION OF SOL: 3/2/2021
12 ELECTION CYCLE: 2016
13

14 **COMPLAINANT:**

15 Matthew G. Whitaker, Foundation for
16 Accountability & Civic Trust

17 **RESPONDENTS:**

18 Friends of CJ for Congress and Ann M.
19 Barnum in her official capacity as treasurer
20 Charles John "C.J." Baricevic

21 Keefe, Keefe & Unsell, P.C.
22 Thomas Q. Keefe Jr.
23 Thomas Q. Keefe III
24 Samantha Unsell
25 Debra M. Eastridge
26 Jan Harding
27 Jill A. Harres
28 Ashley E. Meuren
29 Madonna Schutzenhofer
30 Lisa J. Wierciak

31
32 **RELEVANT STATUTES**
33 **AND REGULATIONS:**

34 52 U.S.C. § 30116(a)(1)
35 52 U.S.C. § 30118(a)
36 52 U.S.C. § 30122
37 11 C.F.R. § 110.1(b)(1)(iii)
38 11 C.F.R. § 110.4(b)
39 11 C.F.R. § 114.2

40 **INTERNAL REPORTS CHECKED:**

41 Disclosure Reports

42 **FEDERAL AGENCIES CHECKED:**

43 None
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1 **I. INTRODUCTION**

2 The Complaint alleges that the law firm of Keefe, Keefe, & Unsell, P.C. (the “firm” or
3 “KKU”) and its three named attorneys, Thomas Q. Keefe Jr., Thomas Q. Keefe III, and
4 Samantha Unsell (collectively “the named partners”),¹ made \$16,200 in contributions in the
5 names of six KKU administrative employees to Friends of CJ for Congress and Ann M. Barnum,
6 in her official capacity as treasurer (the “Committee”), and used KKU’s corporate resources to
7 facilitate those contributions. Complainant further alleges that the Committee and CJ Baricevic
8 (“Baricevic”) knowingly accepted the prohibited contributions.

9 For the reasons set forth below, we recommend that the Commission find reason to
10 believe that (1) KKU and the named partners made contributions in the names of others;
11 (2) KKU made prohibited corporate contributions; (3) the named partners made excessive
12 contributions or consented to prohibited corporate contributions, and (4) KKU and the named
13 partners used corporate resources to facilitate the contributions.² We further recommend that the
14 Commission take no action at this time as to the KKU administrative employees, Debra M.
15 Eastridge, Jan Harding, Jill A. Harres, Ashley E. Meuren, Madonna Schutzenhofer, and Lisa J.
16 Wierciak; and also take no action at this time as to Baricevic and the Committee.

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¹ The Response identifies Keefe Jr., Keefe III, and Unsell as “partners” of the firm. Response of Keefe, Keefe, & Unsell, P.C.; Thomas Q. Keefe, Jr.; Thomas Q. Keefe, III; and Samantha Unsell (“KKU Resp.”) at 1 (Sept. 27, 2016). We thus refer to them as the “named partners” in this report.

² As explained below, we make these recommendations in the alternative because we do not know whether the funds used to make the contributions came from the professional corporation or the named partners. After the proposed investigation, we will make recommendations consistent with the facts we obtain.

1 **II. FACTUAL SUMMARY**

2 Charles John "C.J." Baricevic was a 2016 candidate for the U.S. House of
 3 Representatives in Illinois' 12th congressional district.³ Friends of CJ for Congress is his
 4 principal campaign committee. Ann M. Barnum is the treasurer of the committee.

5 KKU is organized as a professional corporation in Illinois. Its website lists the firm as
 6 having four attorneys: the three named partners and Kelly T. Crosby.⁴ On June 26, 2015, a
 7 Thomas Q. Keefe⁵ contributed \$5,400 to the Committee (\$2,700 for the primary and \$2,700 for
 8 the general election), and Unsell did the same on June 29, 2015. Keefe III contributed \$2,500 on
 9 July 25, 2015. On March 2, 2016, the following six KKU administrative employees each made
 10 \$2,700 contributions to the Committee.⁶

Name	Title	Amount	Date
Debra M. Eastridge	Secretary	\$2,700	March 2, 2016
Jan Harding	Receptionist	\$2,700	March 2, 2016
Jill A. Harres	Legal Assistant	\$2,700	March 2, 2016
Ashely E. Meuren	Secretary	\$2,700	March 2, 2016
Madonna Schutzenhofer	Secretary	\$2,700	March 2, 2016
Lisa J. Wierciak	Legal Assistant	\$2,700	March 2, 2016

³ Baricevic lost the November 2016 general election.

⁴ <http://keefeandkeefe.com/>. Kelly T. Crosby appears to also go by the name Kelly Crosby Keefe, as evidenced by a Committee contribution record that identifies Kelly Crosby Keefe as an attorney for KKU. She is not a named respondent in this matter.

⁵ Because this Thomas Q. Keefe contributed the maximum legal amount to the Committee for the 2016 cycle in June, and Thomas Q. Keefe, III, contributed \$2,500 in July, we assume that the person who contributed \$5,400 in June was Thomas Q. Keefe, Jr.

⁶ Complainant cites a newspaper article suggesting that local law firms, including KKU, supported the Committee because these attorneys practiced before Baricevic's father, the chief judge for Southern Illinois' local circuit; Kevin McDermott, *Lawyers Shower Campaign Money on 12th District Candidate who is the son of Chief Judge*, S. ILLINOISIAN (May 23, 2016), available at http://thesouthern.com/news/local/govt-and-politics/lawyers-shower-campaign-money-on-th-district-candidate-who-is/article_05028760-da77-5512-9233-16def3f02c78.html. The article notes that the firm donated \$37,600 to the Committee through four attorneys, one spouse, and the contributions at issue here. Though it notes an "unusual level of giving for people who aren't in higher-paying occupations," the article does not make any specific allegation as to a reimbursement scheme.

1 On the same date, the Committee also received a \$2,700 contribution from Kelly Crosby
2 Keefe, who appears to be the fourth lawyer in the firm, as well as two \$2,700 contributions from
3 Rita Keefe, an apparent member of the Keefe family.

4 The Complaint alleges that the firm reimbursed the six administrative employees for their
5 contributions either directly or through “unlawful ‘bonuses.’”⁷ The Complaint asserts that a
6 \$2,700 contribution would be a “financial hardship” for the administrative staff contributors. In
7 support, the Complaint relies on salary information from job postings for administrative jobs at
8 other local area organizations, which reflect an average annual salary of \$31,000. The
9 Complaint concludes that “the likelihood that these contributions were made by these [low paid]
10 employees, in these [large] amounts, and on the same day without reimbursement or direction by
11 the Partners or KCU defies logic.”⁸ The Complaint further alleges that KCU impermissibly
12 facilitated the contributions by using KCU staff time, offices, “and other corporate facilities.”⁹

13 The Response filed by KCU and the three named partners (“KCU Response”) does not
14 directly deny that KCU reimbursed its employees’ contributions. Instead, Respondents argue
15 that the Complaint is speculative, and the Commission has not pursued alleged violations based
16 solely on information that individuals at the same company made contributions on the same date
17 in the same amount. The Response also argues that the Complaint’s salary data is unreliable and
18 not specific to KCU.¹⁰ The Response, however, does not provide any salary information
19 regarding the KCU administrative employees that contradicts the Complaint’s assertions. The
20 alleged conduit respondents did not file any responses.

⁷ Compl. at 2-3 (June 28, 2016).

⁸ *Id.* at 3.

⁹ *Id.* at 4.

¹⁰ KCU Resp. at 2.

1 The Complaint also alleges that Baricevic and the Committee knowingly accepted the
2 reimbursed contributions because it is “patently obvious” that the administrative employees
3 could not afford to contribute the maximum amount.¹¹ The Candidate denies having knowledge
4 of any impropriety in connection with the contributions from KKU administrative employees.¹²

5 **III. LEGAL ANALYSIS**

6 **A. There is Reason to Believe That KKU and the Named Partners Made** 7 **Contributions in the Names of Others**

8
9 The Federal Election Campaign Act of 1971, as amended (the “Act”) and Commission
10 regulations limited contributions to federal candidates for the 2016 election cycle to \$2,700 per
11 election.¹³ The Act and Commission regulations also prohibit a person from making a
12 contribution in the name of another, knowingly permitting his or her name to be used to effect
13 such a contribution, or knowingly accepting such a contribution.¹⁴ A person who furnishes
14 another with funds for the purpose of contributing to a candidate or committee “makes” the
15 resulting contribution.¹⁵ This is true whether funds are advanced to another person to make a
16 contribution in that person’s name or promised as reimbursement of a solicited contribution.¹⁶

¹¹ Compl. at 5-6.

¹² Response of Charles John “C.J.” Baricevic, Jr. at 1 (July 25, 2017).

¹³ 52 U.S.C. § 30116(a)(1); 11 C.F.R. § 110.1(b)(1)(iii); 80 Fed. Reg. 5750.

¹⁴ 52 U.S.C. § 30122; 11 C.F.R. § 110.4(b)(1)(i)-(iv). The Commission’s regulations also provide that it is a violation for any person to knowingly help or assist in making a contribution in the name of another. 11 C.F.R. § 110.4(b)(1)(iii). On April 6, 2018, a district court enjoined the Commission from enforcing 11 C.F.R. § 110.4(b)(1)(iii) and struck that regulation from the Code of Federal Regulations. *FEC v. Swallow*, No. 15-439 (D. Utah). The court held that 52 U.S.C. § 30122 is unambiguous and leaves no room for the FEC’s interpretation that a person may violate the statute by knowingly helping or assisting in making a contribution in the name of another. Accordingly, we make no recommendation regarding KKU’s named partners assisting in the making of contributions in the names of others.

¹⁵ *See United States v. Boender*, 649 F.3d 650,660 (7th Cir. 2011).

¹⁶ *See United States v. Whittemore*, 776 F.3d 1074, 1080 (9th Cir. 2015) (holding that defendant’s “unconditional gifts” to relatives and employees, along with the suggestion that they contribute the funds to a specific political committee, violated section 30122).

1 The requirement that a contribution be made in the name of its true source ensures compliance
2 with the Act's limitations and prohibitions and promotes Congress's objective of ensuring the
3 complete and accurate disclosure by committees of the political contributions they receive.¹⁷

4 Additionally, the Act prohibits corporations from contributing to a federal candidate's
5 political committee, and further prohibits any officer of a corporation from consenting to any
6 such contribution by the corporation, and any candidate or political committee from knowingly
7 accepting such a contribution.¹⁸

8 If KKU reimbursed administrative employees for their contributions with corporate
9 funds, those contributions would be both impermissible corporate contributions and
10 contributions in the names of others. If Keefe Jr., Keefe III, and Unsell — self-identified as
11 partners — are officers of the firm, their consent to those corporate contributions would also
12 violate the Act.¹⁹ Alternatively, if the named partners reimbursed administrative employees with
13 their own funds, they violated the prohibition against contributions in the names of others and
14 exceeded the Act's contribution limits.²⁰ As described below, a variety of circumstantial
15 evidence supports the inference that the administrative employees' contributions were
16 reimbursed.²¹

¹⁷ See *United States v. O'Donnell*, 608 F.3d 546, 553 (9th Cir. 2010) (“[T]he congressional purpose behind [section 30122] — to ensure the complete and accurate disclosure of the contributors who finance federal elections — is plain.”).

¹⁸ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b), (d), (e).

¹⁹ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(e).

²⁰ See 52 U.S.C. §§ 30116(a); 30122.

²¹ The Act further addresses knowing and willing violations of the law, which occur when one has knowledge that he/she is violating the law. See 52 U.S.C. § 30109(a)(5)(B) and 30109(d); *Federal Election Commission v. John Dramezi for Congress Committee*, 640 F. Supp. 985, 987 (D. N.J. 1986). The available record is insufficient to determine if any of the Respondents acted with such knowledge, so we recommend that the Commission not make any knowing and willful findings at this time. If such information becomes available during the investigation, we will make appropriate recommendations.

1 *First*, the majority of the contributors in this case appear to be subordinate employees,
2 and use of such employees (and their spouses) as conduits is a very common feature of section
3 30122 schemes.²² The facts here fit that pattern. On March 2, 2016, the Committee received
4 nine \$2,700 contributions from eight people who either are or appear to be related to KCU: six
5 subordinate administrative employees (Eastridge, Harding, Harres, Meuren, Schutzenhofer, and
6 Wierciak), a KCU attorney (Kelley Crosby Keefe), and an apparent member of the Keefe family
7 (Rita Keefe).²³

8 *Second*, the Commission has found that patterns of clustered giving, as in this case, are
9 indicative of conduit contribution arrangements. In MUR 5305 (Herrera for Congress, *et al.*), the
10 Commission noted that contributions from colleagues at a design firm were clustered on four
11 specific dates, and over half of the total contributions from firm employees occurred on the same
12 date.²⁴ Similarly, in MUR 5818 (Fieger, Fieger, Kenney & Johnson, P.C.), 36 of 46 contributors
13 from the same law firm contributed on one of three dates.²⁵ Similarly, all of the KCU-related
14 contributors gave the same maximum amount on the same date.

15 Respondents, relying on a three-Commissioner Statement of Reasons (“SOR”) in MUR
16 4850 (Deloitte & Touche LLP), argue that ““little, if any, weight”” should be given to “evidence

²² See, e.g., MUR 7005, 7056 (Adam Victor, *et al.*) (use of subordinate employees as conduits); MUR 6465 (Fiesta Bowl, *et al.*) (use of subordinate employees and spouses as conduits); MUR 6234 (Cenac, *et al.*) (same); see also MUR 7472 (Barletta, *et al.*)(same)(open matter).

²³ Rita Keefe made two \$2,700 contributions.

²⁴ See Factual & Legal Analysis (Rhodes Design and Development) at 2, MUR 5305 (Herrera for Congress, *et al.*) (finding reason to believe where employees holding a wide range of positions all made the maximum contribution allowed under the Act in clusters of several dates, and respondents expressed a willingness to conciliate, thereby confirming that such a pattern indicated a conduit contribution scheme).

²⁵ See Factual & Legal Analysis at 2, MUR 5818 (Fieger, Fieger, Kenney & Johnson, P.C.) (finding reason to believe in part because the record showed “a large number of maximum contributions made on the same days by individuals associated with the Firm, many of whom had never previously contributed to any Federal campaign” and, *inter alia*, a news article reported a former employee’s claim that the firm had reimbursed him for contributions).

1 that employees made contributions to a candidate committee on the same day.”²⁶ Even if that
2 SOR had garnered four affirmative votes of Commissioners—and it did not—the facts of that
3 case are materially distinguishable. According to that SOR, the Complaint in MUR 4850
4 “alleged in conclusory fashion that ‘contributions made [to the Committee to Re-Elect Vito
5 Fossella] via conduits or intermediaries appear to have been made from . . . DELOITTE &
6 TOUCHE LLP. Complainant . . . provided no basis for this allegation.”²⁷ The Fossella
7 Committee reported that 23 Deloitte & Touche employees contributed to it during the relevant
8 election cycle, however, all but two employees contributed only \$250, and few of the employees
9 contributed on the same day.²⁸ Thus, the only facts supporting the allegations in that complaint
10 were that 23 employees of one of the largest multinational professional services firms in the
11 world²⁹ contributed to the same committee, a few did so on the same day, and almost all of the
12 contributions were well below the contribution limits.

13 In contrast, the complaint in this matter identifies six administrative employees and one
14 attorney of a four-attorney firm who all made maximum \$2,700 contributions to a candidate on
15 the same day. They did so shortly after the three named partners contributed a combined
16 \$13,300 to that candidate, and at the same time a Keefe family member contributed \$2,700 to
17 that candidate. Conduit contribution schemes often involve colleagues who both contributed on

²⁶ KKU Resp. at 2 (quoting the SOR in MUR 4850).

²⁷ SOR at 1 (MUR 4850). The complaint in that matter failed to name specific employees involved in the alleged conduit scheme.

²⁸ *Id.*

²⁹ *See generally* DELOITTE, *2017 Facts and Figures*, <https://www2.deloitte.com/us/en/pages/about-deloitte/articles/facts-and-figures.html> (stating that, in 2017, Deloitte’s headcount was more than 84,000).

1 the same date and gave the maximum allowable contributions,³⁰ and the present case is much
2 more similar to those cases than MUR 4850.

3 *Third*, the amount of the contributions, made only 13 days after similar maximum
4 contributions to another federal candidate, raise reasonable questions whether the administrative
5 employees contributed their own funds. The Complaint relies on job-board salary information
6 for secretarial positions in Illinois as proof that the employees likely could not have afforded to
7 make the contributions with their own money. Assuming that the cited amount, \$31,000, is
8 similar to the contributors' salaries, the \$2,700 contributions would represent about 9% of their
9 annual gross incomes.³¹ The Commission has relied on a contributor's job title and salary as
10 indicia of reimbursements, particularly where that contributor gave a large sum along with other
11 colleagues. In MUR 5305, for example, colleagues contributed on a cluster of dates and, the
12 Commission noted, "[d]espite their wide range of positions . . . all made the maximum
13 contribution allowed by the Act."³² And, in MUR 4818 (Roberts for Congress, *et al.*), the
14 Commission stated that contributions from law firm employees "were of very sizable amounts to
15 be given by support staff."³³ There, employees of the firm, including multiple administrative
16 assistants and secretaries, contributed sums just under \$1,000, the threshold for reporting last-

³⁰ See MUR 5305; MUR 5818; *cf.* SOR at 2(MUR 4850) ("In our experience, conduit contribution schemes tend to involve the [then maximum] limit. Apparently, as the familiar adage goes, anything worth doing (including illegal matters) is worth doing well.")

³¹ Respondents deny that \$31,000 is a fair estimate of the contributors' annual salaries, but they do not provide any salary information. See KKU Resp. at 3.

³² Factual & Legal Analysis at 2 (Rhodes Design and Development), MUR 5305 (emphasis added). A review of the Commission's contribution database reveals that five of the administrative employees (Eastridge, Harding, Harres, Schutzenhofer, and Wierciak) appear to have made other contributions on the same date and in the same amounts as attorneys at KKU. For example, Eastridge, Harres, Schutzenhofer, and Wierciak each contributed \$2,700 to Hillary Clinton's presidential campaign on February 18, 2016, the same day the Clinton campaign reported receiving identical contributions from Keefe, Jr., Keefe, III, and Unsell, and only 13 days after the contributions identified in the Complaint.

³³ Factual & Legal Analysis at 17, MUR 4818 (Roberts for Congress, *et al.*).

1 minute contributions. Similarly, six KCU administrative employees all made maximum
2 contributions on the same date as a partner, further indicia of a possible conduit contribution
3 scheme. Further, the Commission's records reveal that four of the six named conduits also made
4 maximum contributions to Hillary Clinton's presidential campaign just 13 days before the
5 contributions identified in the Complaint.³⁴ While this information does not conclusively show
6 that these subordinate employees could not have possibly afforded to the make the contributions
7 with their own money, it does raise legitimate questions as to the true source of the funds.

8 *Finally*, neither the firm nor its named partners directly rebut the allegation that they were
9 the true sources of the employees' contributions.³⁵ The Commission has found that an
10 investigation was warranted where similarly situated Respondents did not deny the allegations.³⁶
11 The lack of an express denial, along with the circumstances described above, further supports
12 finding reason to believe and investigating these allegations.³⁷

13 Rather than deny the allegations, Respondents argue that the Complaint fails to
14 adequately assert specific facts regarding the alleged reimbursement scheme. They rely on the

³⁴ See note 32.

³⁵ See KCU Resp. 1-4. Further, though the Response asserts that Judge Baricevic has not improperly meddled in case assignments, it does not deny that the attorneys of the firm sought to curry favor with the candidate's father. While Complainant's allegation as to KCU's possible motivation in this matter is admittedly speculative, it is un rebutted.

³⁶ See First GCR at 6-8, MUR 5366 (Edwards, *et al.*) (recommending a reason to believe finding, which the Commission approved, as to respondent law firm O'Donnell & Shaeffer, noting that other firms named in the complaint replied to the allegations with express denials, and concluding, "Because the [alleged straw donors] and O'Donnell & Shaeffer have not substantively responded to the complaint's specific allegations, material unanswered questions remain. Specifically, further investigation is needed to determine whether the firm actually reimbursed contributions by its employees to the Edwards Committee.").

³⁷ See Statement of Policy Regarding Commission Action in Matters at the Initial Stage in the Enforcement Process, 72 Fed. Reg. 51 (March 16, 2007) ("E&J") at 12545 ("A 'reason to believe' finding followed by an investigation would be appropriate where a complaint credibly alleges that a significant violation may have occurred, but further investigation is required to determine whether a violation in fact occurred and, if so, its exact scope.").

1 SOR in MUR 4960 (Clinton), in which four Commissioners stated that “mere speculation . . .
2 will not be accepted as true.”³⁸ The MUR 4960 Complaint, however, made unsubstantiated
3 allegations that, among other things, “old friends” financed Bill and Hillary Clinton’s move to
4 New York.³⁹ But the MUR 7102 complaint is not speculative; it identifies the allegedly illegal
5 contributions by amount, date, and contributor; the means of the alleged reimbursements; and the
6 source of the information underlying the allegations.⁴⁰

7 Accordingly, we recommend that the Commission find reason to believe that KCU and
8 its named partners, Thomas Q. Keefe Jr., Thomas Q. Keefe III, and Samantha Unsell, made
9 contributions in the names of others in violation of 52 U.S.C. § 30122, that KCU made corporate
10 contributions in violation of 52 U.S.C. § 30118(a), and its named partners consented to those
11 contributions in violation of 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(e), or, alternatively, the
12 named partners made excessive contributions in violation of 52 U.S.C. § 30116(a).⁴¹ Finally, we
13 recommend that the Commission take no action at this time as to the purported conduits,
14 Eastridge, Harding, Harres, Meuren, Schutzenhofer, and Wierciak.⁴²

³⁸ SOR at 1-2, MUR 4960.

³⁹ In addition, the MUR 4960 complaint based its allegations on the failure of Clinton’s attorney to respond to a letter from the complainant sent before filing the complaint, and on news sources that, in fact, rebutted the complaint’s allegations.

⁴⁰ Compl. at 2-3.

⁴¹ We recommend findings against KCU and its named partners at this stage because we do not know whether the funds the firm’s employees used to make the allegedly illegal contributions came from the firm or its named partners. During the investigation, we intend to determine the source of the contributions and make appropriate further recommendations. *See Factual & Legal Analysis (Rhodes Design and Development) at 4, MUR 5305* (where employees were reimbursed either with corporate funds or personal funds of the corporation’s principal, Commission found reason to believe as to both corporation and individual).

⁴² The Commission generally does not pursue subordinate employee conduits in reimbursed contribution schemes unless there is some information that the conduits themselves were actively involved in the scheme, coerced or encouraged other to participate in the scheme, or were public officials. *See Factual and Legal Analysis at 9, MUR 6281 (Glenn Marshall)*. Based on the results of the proposed investigation, we will make further recommendations.

1 **B. There is Reason to Believe That KKU Facilitated Corporate Contributions to the**
2 **Committee**

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4 The Complaint also alleges that KKU impermissibly facilitated corporate contributions to
5 the Committee by using firm resources such as telephone systems and conference rooms.
6 Corporations, including officers, directors, or other representatives acting as agents of
7 corporations, are prohibited from using corporate resources to facilitate the making of
8 contributions to federal political committees other than through the corporation's separate
9 segregated fund.⁴³ Examples of facilitation include directing subordinates to plan, organize, or
10 carry out a fundraising project as part of their work responsibilities; using corporate resources
11 and providing materials for the purpose of transmitting or delivering contributions, such as
12 stamps, envelopes or other similar items; or using meeting rooms that are not customarily
13 available to clubs, or civic or community groups.⁴⁴ The existence of a firm-wide reimbursement
14 scheme would support a reasonable inference that corporate resources were used in executing
15 that scheme, *e.g.*, by using staff and meeting rooms to coordinate contributions to Baricevic
16 among KKU employees. Thus, the same facts that support a reason to believe finding that the
17 firm and its named partners made contributions in the names of others, in combination with
18 Respondents' failure to rebut the allegations directly, likewise support a reason to believe finding
19 regarding the corporate facilitation claim.

20 **C. The Commission Should Take No Action at This Time as to Baricevic and the**
21 **Committee**

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23 The Complaint alleges that Baricevic and the Committee violated the Act by knowingly
24 accepting contributions in the names of others. The complaint did not provide, and we are aware

⁴³ 11 C.F.R. § 114.2(f).

⁴⁴ *Id.*

1 of, specific facts regarding the Committee's knowledge of the source of the contributions, and
2 Baricevic denied the allegation. In light of the proposed investigation into whether the
3 contributions were made in the names of others, we make no recommendation at this time as to
4 the Committee's knowledge.

5 **IV. PROPOSED INVESTIGATION**

6 We intend to seek further information concerning the source of the contributions and the
7 organizational structure of the firm. Specifically, we will seek records from the firm regarding
8 bonus payments and any other payments to employees outside of the course of regular salary
9 disbursements. We will also seek bank statements from the alleged conduit contributors
10 covering the time period in which contributions to Friends of CJ for Congress were made.
11 Finally, we intend to informally interview the named partners of the firm and the alleged conduit
12 contributors regarding the circumstances under which the contributions were made and the
13 involvement of each named partner. Because there is information suggesting that employee
14 contributions to other federal candidates may have been reimbursed in the same way, we will
15 also seek information as to those.⁴⁵ We will attempt to conduct our investigation through
16 voluntary means but recommend that the Commission authorize the use of compulsory process
17 as necessary.

18 **V. RECOMMENDATIONS**

- 19 1. Find reason to believe that Keefe, Keefe, and Unsell, P.C. violated 52 U.S.C. §§
20 30122, 30118(a) and 11 C.F.R. §§ 110.4(b)(1)(i), 114.2(b); 114.2(f);
21
- 22 2. Find reason to believe that Thomas Q. Keefe Jr., Thomas Q. Keefe III, and
23 Samantha Unsell violated 52 U.S.C. §§ 30116(a)(1), 30118(a), 30122 and 11
24 C.F.R. §§ 110.1(b)(1)(iii), 110.4(b)(1)(i), 114.2(e);
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⁴⁵ See note 32.

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- 3. Take no action at this time as to Debra M. Eastridge, Jan Harding, Jill A. Harres, Ashley E. Meuren, Madonna Schutzenhofer, and Lisa J. Wierciak;
- 4. Take no action at this time as to Charles John "C.J." Baricevic, Friends of CJ for Congress, and Ann M. Barnum in her official capacity as treasurer;
- 5. Approve the attached Factual and Legal Analysis;
- 6. Approve the use of compulsory process as necessary; and
- 7. Approve the appropriate letters.

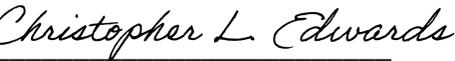
Lisa J. Stevenson
Acting General Counsel

Kathleen M. Guith
Associate General Counsel for Enforcement

Date: 8.23.18


Stephen Gura
Deputy Associate General Counsel


Mark Shonkwiler
Assistant General Counsel


Christopher L. Edwards
Attorney

Attachments:

Factual and Legal Analysis for Keefe, Keefe, and Unsell, P.C.,
Thomas Q. Keefe Jr., Thomas Q. Keefe III, and Samantha Unsell