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June 27, 2018

Jeff S. Jordan Assistant General Counsel Complaints Examination & Legal Administration Response: MUR 7388: Dunbar for Congress,

et al.

Dear Mr. Jordan,

As you know, this firm represents Dunbar for Congress (by its treasurer) and Cynthia Dunbar in her individual capacity (collectively, "Respondent") with respect to the above-noted matter under review ("MUR"). The MUR, denominated 7388, addresses a complaint filed by Georgia Alvis-Long, and this letter constitutes this Respondent's Response. The complaint should be dismissed by the Commission without further action for the following reasons:

Introduction and Background

The present complaint makes two claims. Paragraphs 7-20 outline a claim that Sayre Enterprises, Inc. made an in-kind contribution to the Virginia Sixth District Republican Committee (the "Committee") by providing "use of its corporate facilities," Complaint at ¶ 12. In paragraph 17, the complaint alleges that space was also provided "to Dunbar's campaign for planning purposes," and "appears to constitute an illegal in-kind contribution of office space to a candidate for federal office []."

But Sayre Enterprises, Inc. did not provide any office space to Dunbar for Congress. Dunbar for Congress maintained its office at the candidate's home. No violation of the corporate or federal contractor contribution prohibitions could have occurred because the space at issue is

¹This claim will be addressed by the specific respondent to which the allegations apply.

owned and operated by Stonebridge Properties, LLC, not Sayre Enterprises, Inc. Even if Mrs. Dunbar had attended 6th District Committee meetings incidentally meeting at this venue, that still would not constitute a prohibited use, because the Stonebridge Center meeting rooms are customarily available for free or a steep discount to clubs, civic, and community groups and are offered to any candidate or political committee on the same terms and thus fall under the "meeting room" exemption of 11 C.F.R. 114.13.

Paragraphs 21-29 allege that Sayre Enterprises, Inc. made a "doubly source-prohibited corporate contribution" to Dunbar for Congress by virtue of "pa[yment] in excess of \$5000 by Sayre Enterprises in 2017 for 'research and development," Complaint at ¶ 21 ("compensation contribution"). On June 14, 2018, Respondent provided a response to a complaint addressed as MUR 7373 ("Johnson Complaint"). The Johnson Complaint alleged that the same payment by Sayre Enterprises, Inc. was a contribution to Dunbar for Congress that violated the federal corporate contribution prohibition, federal contribution amount limitations, and triggered filing requirements that were not timely made. But, as was demonstrated in response to the Johnson Complaint, the payments were in fact compensation from bona fide employment genuinely independent of the candidacy, compensation that was exclusively made in consideration for services provided and that did not exceed the amount paid to any other similarly qualified person for the same work. See 11 C.F.R. 113.1(g)(6)(iii); FEC Advisory Opinion 2013-03 (Bilbray-Kohn). Accordingly, the funds were not contributions and did not violate federal source limitations as the present complaint alleges. Complaint at ¶¶ 26, 29.

Argument

As did the Johnson complaint, the present one comments on Mrs. Dunbar's personal finances, Complaint ¶¶ 28, and raises (and incorrectly answers) the irrelevant question of when she decided to run for federal office. *Id.* ¶¶ 24-25. That question is irrelevant because regardless of when Cynthia Dunbar "privately determined" to run for federal office,³ the Sayre Enterprises

²The present complaint maintains that Sayre Enterprises, Inc. made a contribution to Respondent that violates the federal corporate contribution prohibition, 11 CFR 114.2(b), and the federal contractor prohibition, 11 CFR 115.

³When a person has "privately determined" to run for federal office is a factor in determining when "testing the waters" has become campaigning subject to the registration and reporting requirements. The "private determination" language is from Advisory Opinion 2015-09, where the Commission advised that "[a]n individual who has [already] raised or spent more than \$5000 on "testing-the-waters" activities would [then] become a candidate when he or she makes a private determination that he or she will run for federal office." Id. at 5 (emphasis added). The "testing the waters" provision allows a would-be candidate to raise and spend money exploring the possibility of becoming a candidate. In that context, candidacy is triggered by the

payments were not contributions and therefore: the payments were not a contribution and therefore (1) neither prohibited by 11 C.F.R. 114.2(b)(1), Complaint at \P 26, 29; nor (2) prohibited by 11 C.F.R. 115.2, id.

I. The Payments from Sayre Enterprises Were Not Contributions.

The Commission has well-developed rules for distinguishing bona fide compensation from contributions:

Payments of "compensation" to a candidate "shall be considered contributions" from the payor to the candidate unless:

- (A) The compensation results from bona fide employment that is genuinely independent of the candidacy;
- (B) The compensation is exclusively in consideration of services provided by the employee as part of this employment; and
- (C) The compensation does not exceed the amount of compensation which would be paid to any other similarly qualified person for the same work over the same period of time.

FEC Advisory Opinion 2013-03 (Bilbray-Kohn) (citing 11 C.F.R. 113.1(g)(6)(iii); Advisory Opinion 2011-27 (New Mexico Voices for Children) (applying section 113.1(g)(6)(iii) to determine whether compensation paid to candidate would be contribution); Advisory Opinion 2006-13 (Spivack) (same); Advisory Opinion 2004-17 (Klein) (same); Advisory Opinion 2004-08 (American Sugar Cane League) (same). Sayre Enterprises' payments to Educational Ventures satisfy each of the three regulatory factors and were compensation and not contributions.

personal determination—to make it turn on raising and spending money would defeat the purpose of the "testing the waters" provision. But where no "testing of the waters" is at issue, "[a]n individual becomes a candidate for Federal office when that individual, or a person acting on the candidate's behalf and with his or her consent, 'has received contributions aggregating in excess of \$5,000 or made expenditures aggregating in excess of \$5,000.' 11 CFR 100.3(a)(1) and (2); see 2 U.S.C. 431(2)(A) and (B)." AO 2006-22 (Wallace) at 4. Moreover, even if Mrs. Dunbar had "privately decided" to run for federal office on May 10th, 2017—an allegation that Respondent states is factually incorrect—it is irrelevant to the claim that is made: a violation of the federal contribution source restrictions can only occur, of course, by making and receiving contributions. The pertinent question is whether Mrs. Dunbar received a contribution from Sayre Enterprises, Inc.

A. The Compensation at Issue Here Resulted from Mrs. Dunbar's Bona Fide Employment in Her Capacity as the Principal of Educational Ventures, LLC, and That Compensation Is "Genuinely Independent" of Mrs. Dunbar's Candidacy.

During the summer and fall of 2017, Scott Sayre, Director and Chief Executive Officer of Sayre Enterprises, consulted a financial advisor about establishing a consulting business for developing and running businesses, utilizing and teaching his expertise running and growing Sayre Enterprises, a small business that has been able to fulfil government contracts and acquire trademarks and other intellectual property. An accountant and a tax attorney later seconded the financial advisor's recommendation for the consulting business and advised a survey of Sayre Enterprises's trademarks to catalog its research and development efforts.

On September 15, 2017, Sayre Enterprises retained Educational Ventures, LLC, a firm owned by Cynthia Dunbar, to develop a plan to market business consulting services focusing on online seminars, publishing, and online courses on running a business and acquiring and maintaining intellectual property rights. Educational Ventures, LLC is a company founded by Mrs. Dunbar in 2015 as an educational curriculum company with specific emphasis and experience with in-house publishing and online e-learning. See Declaration of Cynthia Dunbar⁵

⁴Information about Sayre Enterprises, Inc. and Mr. Sayre—including but not limited to its consultation with third party business advisors, arrangements with and payments made by Sayre Enterprises, Inc. to Educational Ventures, and the company later formed by Mr. Sayre in reliance on the work performed by Educational Ventures—was supplied in Dunbar for Congress's response (including certain exhibits thereto) to the Johnson Complaint (MUR 7373) and was verified by Mr. Sayre. The present complaint springs from the same operative facts as MUR 7373 and the present complaint repeats virtually the same claim regarding payments to Educational Ventures. Therefore, the Exhibits to that Response and Mr. Sayre's verification filed with MUR 7373 is included with this response as a matter of convenience for the Commission. The verification is presented as attesting to all of and only the same information that was provided in response to MUR 7373 that is provided again here.

⁵Information about Educational Ventures, LLC and Mrs. Dunbar—including but not limited to Mrs. Dunbar's qualifications, Educational Ventures' arrangements with Sayre Enterprises, payments, worked performed—was supplied in Dunbar for Congress's response (including certain exhibits thereto), to the Johnson Complaint (MUR 7373) and was verified by Mrs. Dunbar. The present complaint springs from the same operative facts as MUR 7373 and the present complaint repeats virtually the same claim regarding payments to Educational Ventures. Therefore, the Exhibits to that Response and Mrs. Dunbar's verification filed with MUR 7373 is included with this response as a matter of convenience for the Commission. The verification is presented as attesting to all of and only the same information that was provided in response to

(June 14, 2018) (and Exhibit 1 thereto); Exhibit 1, a true and correct copy of the independent contractor agreement and description of initial services to be performed.

Both the need for the work and the scope of the work for Sayre Enterprises that was provided by Educational Ventures was identified by disinterested third parties. Neither the work nor payment for the work was dependent or in any way related to Mrs. Dunbar's candidacy. No thing in the arrangement depended on or was even related to Mrs. Dunbar's candidacy. No work was specified, no payments were made and no bills were submitted based on her candidacy. See Exhibit 4 (Educational Ventures, LLC invoices). Bona fide employment that is "genuinely independent" of candidacy is established where an employer's needs are met by a consultant with established qualifications and duties and payment is unrelated to and unchanged by candidacy, even where the consultant was previously an employee. See AO 2013-03 (Bilbray-Kohn) at 5 (finding bona fide employment unrelated to candidacy when an employee acts as a consultant). The payments to Educational Ventures, LLC were a result of bona fide employment that was genuinely independent of candidacy.

B. The Compensation Was Exclusively in Consideration of Mrs. Dunbar's Services as a Consultant to Sayre Enterprises.

The second regulatory factor is also met here. The compensation was exclusively in consideration of services provided by Educational Ventures as part of its contract with Sayre Enterprises. 11 C.F.R. 113.1(g)(6)(iii)(B). The scope of work and schedule for payments to the retainer were clearly set out and funds were billed from the retainer as work progressed. See Exhibit 3, (tracking progress); Exhibit 4 (invoices). The work on the "consulting model" proceeded on schedule, beginning the week of September 15-22, see Exhibit 3 (electronic billing record), and the first week's work included researching the status of Sayre Enterprises' trademarks. See Exhibit 3 (showing six hours spent researching Sayre Enterprises' trademarks). Mrs. Dunbar accurately tracked her work and billed from the retainer commensurately. As contracted, Educational Ventures compiled the research, recommendations, and projections for Mr. Sayre's unique business consulting services into a manual for Sayre's use. A true and correct copy of the manual's table of contents and introduction are attached as Exhibit 2.6 And Mr. Sayre did, in fact, establish Sayre Consulting, a Virginia LLC, in March of 2018. See Exhibit 5.

Mrs. Dunbar was compensated for clearly delineated work for which she was eminently qualified to perform. She was not compensated for any activities as a candidate or on behalf of

MUR 7373 that is provided again here.

⁶The manual is custom work product that remains the property of Sayre Enterprises. To preserve its value and avoid burdening the Commission with voluminous records, the entire 131 page manual is not provided.

any other organization. Her entire compensation was in consideration of the services she provided to Sayre Enterprises. See AO 2013-03 (Bilbray-Kohn) at 5.

C. The Compensation Did Not Exceed the Amount That Would Be Paid to Any Other Similarly Qualified Person for the Same Work over the Same Period of Time.

Educational Ventures' compensation did not exceed the amount that would be paid to any other similarly qualified person for the same work over the same period of time. 11 C.F.R. 113.1(g)(6)(iii)(C). First, on its face, \$75 per hour for the work specified in the contract is reasonable. And in similar circumstances, the Commission has accepted at face value an employer's opinion that the compensation paid a former employee as a consultant was "no more than [the employer] is paying any other . . . consultant with her level of knowledge and experience. AO 2013-03 (Bilbray-Kohn) at 5. The Commission should similarly assume that Sayre Enterprises, a sophisticated for-profit corporation with access to financial, legal, and accounting experts, considered the hourly and total costs for Educational Ventures' work to be within the prevailing market for similar work. And indeed, Educational Ventures' pricing was at the lowest end of the prevailing market range for the work that was performed. In researching projected costs for Sayre's consulting and online education venture, Educational Ventures found that costs for business analysis for start-ups and e-learning initiatives—the very work Educational Ventures was itself providing—range from \$75-\$200 per hour. See Exhibit 6 (chart); Harold Jarche, So You Want to Be an E-Learning Consultant . . . Learn Magazine (November 2007) (available at https://elearnmag.acm.org/archive.cfm?aid=1331975).7 Sayre Enterprises paid Educational Ventures no more than it would have paid any other consultant with the same level of knowledge and experience for the work that was performed.

The fees paid to Mrs. Dunbar resulted from her bona fide employment that was genuinely independent of her candidacy; the fees were exclusively in consideration of the services provided by Mrs. Dunbar as part of her bona fide employment, and they were no higher than compensation that would be provided to similarly qualified consultants for the same work. Accordingly, the fees meet the requirements of 11 C.F.R. 113.1(g)(6)(iii), and Sayre Enterprises' payments to Educational Ventures, even if Mrs. Dunbar was a candidate at the time, were not contributions under FECA and the Commission's regulations. Consequently, no violations have ensued, and Ms. Alvis-Long's second complaint should be dismissed without further action.

⁷The figures are from 2007 and are higher when adjusted for inflation See Christy Tucker, Instructional Design Hourly Rates and Salary, Experiencing E-Learning (Sept. 9, 2013) (noting this and suggesting adjustments) (available at https://christytucker.wordpress.com/2013/09/09/instructional-design-hourly-rates-and-salary/.

II. Sayre Enterprises, Inc. Made No In-Kind Contribution to Dunbar for Congress.

Ms. Alvis-Long avers that Sayre Enterprises, Inc. provided "space to Dunbar's campaign for planning purposes, and not her seven competitors," which to her "appears to constitute an illegal in-kind contribution of office space to a [federal] candidate" Complaint at ¶ 18.8 No violation has occurred here. Sayre Enterprises, Inc. is not the owner or manager of the building or facilities at issue, no office space was provided to Dunbar for Congress for planning or any other purpose, and even if an isolated or incidental use occurred, under 11 C.F.R. 114.13, use of meeting rooms at the Stonebridge Center is not a prohibited in-kind contribution.

A. Sayre Enterprises, Inc. Did Not Provide Office Space for Dunbar for Congress.

In a single sentence and offering no evidence, the complaint summarily asserts that Sayre Enterprises, Inc. provided office space to "Dunbar's campaign for planning purposes." But Mrs. Dunbar was not offered and did not use any space in the Stonebridge Center as an office for her campaign. She ran her campaign from her home and met for campaign purposes in restaurants and private homes.

B. The Stonebridge Center is Not Owned or Operated by Sayre Enterprises, Inc.

The corporate offices of Sayre Enterprises, Inc. are located at Stonebridge Center. See Declaration of Mary Sayre (June 25, 2018). The Stonebridge Center is owned and operated by Stonebridge Properties, LLC, a Virginia limited liability company. The space and facilities at issue in the complaint are not owned or operated by a corporation generally or by Sayre Enterprises, Inc. specifically. No violation of the corporate or federal contractor contribution prohibitions and have occurred.

⁸Of course, this misstates the regulation at issue—whether or not space is provided to competitors is not relevant to whether a prohibited in-kind contribution has been made.

⁹Stonebridge Properties, LLC is not treated as a corporation for purposes of federal contributions. Sayre Decl. ¶¶ 4, 5; 11 C.F.R. 110.1(g).

¹⁰11 C.F.R. 114.2(b) and 11 C.F.R. 115.2, respectively.

C. Meeting Rooms at the Stonebridge Center Qualify for 11 C.F.R. 114.13's Exception.

A converted high school, the Stonebridge Center is an event venue that hosts weddings, receptions, business conferences, corporate events and concerts. Sayre Decl. 7. The Stonebridge Center has space suitable for office space for long-term occupancy. Id. In addition to Sayre Enterprises, Inc., the Stonebridge Center has other long-term lessees. Id. Neither Mrs. Dunbar nor her campaign have or had office space at the Stonebridge Center. The Stonebridge Center also has meeting rooms, but even if Mrs. Dunbar attended Committee meetings or incidentally met at this venue, that still would not constitute a prohibited use, because space at the Stonebridge Center falls under 11 C.F.R. 114.13's "meeting room" exception.

The Stonebridge Center has and does customarily make meeting rooms available to clubs, civic, and community groups for free or a steeply discounted rate and would make those meeting rooms available for a political committee or a candidate on request on the same terms given to other groups using the meeting rooms. Sayre Decl. ¶ 8. So notwithstanding any restriction that would apply to use of Stonebridge Center meeting rooms, they do not apply here. There was no "illegal in-kind contribution of office space to a candidate for federal office."

Conclusion

The fees paid to Mrs. Dunbar resulted from her bona fide employment that was genuinely independent of her candidacy; the fees were exclusively in consideration of the services provided by Mrs. Dunbar as part of her bona fide employment, and they were no higher than compensation that would be provided to similarly qualified consultants for the same work. Accordingly, the fees meet the requirements of 11 C.F.R. 113.1(g)(6)(iii), and Sayre Enterprises' payments to Educational Ventures were not contributions under the FECA and the Commission's regulations.

Neither Sayre Enterprises, Inc. nor the Stonebridge Center provided any office space to Dunbar for Congress as an in-kind contribution. Moreover, no violation of the corporate or federal contractor contribution prohibitions could have occurred because the space at issue is

¹¹See https://stonebridgecenterva.com/.

¹²In addition to the "meeting room" exemption, the reasoning of 11 C.F.R. 114.9's exemption for "occasional, isolated, or incidental use" of facilities would apply here as well—that is, where the incidental use incurs no expenses above normal operating costs, no inkind contribution has occurred at all. *See* 11 CFR 114.9(a)(2)(i); *see also generally* AO 2012-16 (King) and *id.* at 5 (citing FEDERAL ELECTION COMMISSION, EXPLANATION AND JUSTIFICATION FOR AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971, H.R. DOC. No. 95-44, at 115 (1977)).

owned and operated by Stonebridge Properties, LLC, not Sayre Enterprises, Inc. And even if Mrs. Dunbar had attended Committee meetings or incidentally met at this venue, that still would not constitute a prohibited use, because the Stonebridge Center meeting rooms fall under 11 C.F.R. 114.13's exemption for rooms that are customarily available for free or a steep discount to clubs, civic, and community groups and are offered to any candidate or political committee on the same terms.

Because no violations have occurred, Ms. Alvis-Long's complaint should be dismissed without further action.

Sincerely,

THE BOPP LAW FIRM, PC

James Bopp, Jr. Jeffrey P. Gallant

by the

MUR738800052

Verification

- I, Cynthia Dunbar, declare as follows:
- I am a Respondent to MUR 7388 in my capacity as a former candidate for the Republican nomination for United States Representative from Virginia's Sixth Congressional District.
 - 2. I am over 18 years of age.
- 3. I have personal knowledge of the facts about Dunbar for Congress, its contracts, business, transactions, and intents, including those set out in the Response of Respondent Dunbar for Congress, et al. to MUR 7388 and if called upon to testify I would competently testify as to the matters stated therein.
- 4. I verify under penalty of perjury under the laws of the United States of America that the factual statements in the Response of Respondent Dunbar for Congress, et al. to MUR 7388 concerning Cynthia Dunbar, Dunbar for Congress, its activities, and its intentions are true and correct. 28 U.S.C. 1746.

Executed on June 27, 2018	<u> </u>	
	/s/ Cynthia Dunbar	
	Cynthia Dunbar	

Consulting Area	Type of Work	Potential Clients	Considerations	Fee Range (5/hour)
Business Analytical	Business Advice	Start-ups; Internal o- learning initiatives	Start-ups looking at the learning field may need advice on the size of the market and how best to develop their products or services. Getting known in this field takes some time. You may want to try your hand at some probono work, or take shares in the company, to develop your skills and get known.	75-200
Business Analytical	Needs Analysis (Performance or Instructional)	End users of training & education; E-learning custom content developers; Associations	Not only will clients be looking for e-learning expertise but they also may want experience in their specific field. These are usually short term engagements. Another difficulty in finding Analysis work is that e-learning development shops will engage internal resources first, even if they are not as qualified or experienced as an external consultant.	75-150
Pedagogical	Design	Education & training providers; E-learn- ing custom content developers; in-House development teams	As with Analysis work, many organizations have these skills in house and may not be looking for outside help unless they are desperate. Try to develop a relationship with several development organizations or clients.	56-100
Pedagogical	Development	E-learning custom content developers; Training departments	These are usually longer term engagements and may require work on site. Develop skills with several tools or languages to be more attractive as a freelancer.	30-60
Pedagogical	Implementation	Education & training providers; Training departments	This type of work can be course instruction, moderation or support. Clients are often looking for subject matter expertise as well. Multilingual skills can be an awart, especially for global organizations.	25-50
Pedagogical	Evaluation	Education & training providers, As- sociations, Governing bodies, Funders	Evaluation is often an overlooked activity so these projects may be few and for between. Often this is a one-shot deal as the evaluator curvet get involved in other aspects of the project in order to maintain objectivity.	50-150
Technological	Application & Platform Selection	Education & training providers, End users of training & education	Giving advice on what technology to use requires in depth knowledge of various systems. If you have these skills you may want to consider partnering with others in the business is order to offer a full suite of services. These are usually short term projects. Note that being technology resultal is the difference between a window and a consultant.	75-200

Note: the content contained within this manual covers only the business analytical and technological consulting. The cost/hour for this type of work ranges from \$75.00 - \$200.00. You will still need to engage others to assist with the pedagogical aspects of design, development, and implementation. You will not need to engage an

Declaration of Mary Sayre

- I, Mary Sayre, declare as follows:
- 1. I am over 18 years of age.
- 2. I have personal knowledge of the facts about the Stonebridge Center, its business, operations, tenants, policies, and agreements and if called upon to testify I would competently testify as to the matters stated herein.
- I am offering this declaration in support of various responses to Federal Election
 Commission Matters Under Review.
- 4. Stonebridge Properties, LLC does not have publicly traded shares and files as a partnership under Internal Revenue Service rules.
- 5. No member of Stonebridge Properties, LLC is a corporation.
- Stonebridge Properties, LLC owns and operates the Stonebridge Center, 45 Natural Bridge
 Station, Virginia. I manage all of the operations of the Stonebridge Center.
- 7. The Stonebridge Center is an event venue that hosts weddings, receptions, business conferences, corporate events and concerts. The Stonebridge Center also has meeting rooms and it has space suitable for office space for long-term occupancy. The corporate offices of Sayre Enterprises, Inc. are located at Stonebridge Center. The Stonebridge Center also has other long-term lessees of space.
- 8. The Stonebridge Center has and does customarily make meeting rooms available to clubs, civic, and community groups for free or a steeply discounted rate. The Stonebridge Center would make those meeting rooms available for a political committee or candidate on request on the same terms given to other groups using the meeting rooms.

I verify under penalty of perjury under the laws of the United States of America that the factual statements herein concerning the Stonebridge Center, its activities, and its intentions are true and correct. 28 U.S.C. 1746.

Executed on 25 Gare 2018.

Mary Sayre Sayre

MUR738800056

Verification

- I, Scott Sayre, declare as follows:
- I am also a Respondent to MUR 7373
- 2. I am over 18 years of age.
- 3. I am the Director and Chief Executive Officer of Sayre Enterprises, Inc., a Virginia corporation in business since 1987 that designs, manufactures, personalizes and sells several lines of products, including clothing, insignia, and accessories and provides embroidery, needlework; screen printing, and dye sublimation printing for personalizing and customization. I have personal knowledge of the facts about myself, Sayre Enterprises, Inc., its contracts, business, transactions, and intents, including those set out in the Response of Respondent Dunbar for Congress, et al., and if called upon to testify I would competently testify as to the matters stated herein.
- 4. I verify under penalty of perjury under the laws of the United States of America that the factual statements in the Response of Respondent Dunbar for Congress, et al. concerning me and Sayre Enterprises, its activities, and its intentions are true and correct. 28 U.S.C. 1746.

Executed on June 13,2018.

R. Sall Sayre

MUR738800057

Sayre Consulting Mod	del			THE PERSON NAMED IN	
MY TASKS	START DATE	DUE DATE	% COMPLETE	NOTES	Hours
In-House Publishing	9/15/17	9/22/17	15%	research	12
Trademark Review	9/15/17	9/22/17	22%	research	6
E-learning Model	9/22/17	9/29/17	46%	research	20
n-House Publishing	9/29/17	10/6/17	68%	customization & compilation	18
E-learning Model	10/6/17	10/20/17	100%	customization & compilation	26
Consulting Manual Completion	9/15/17	10/20/17		Total Hours	82

[Sept. 15, 2017]

Invoice No. SA0917

To

Sayre Enterprises, Inc. 45 Natural Bridge School Natural Bridge Station, VA 24579

Instructions

Delivered Online

Educational Ventures, LLC

P.O. Box 2211

Forest, VA 24551

434.218.6070

Quantity	Description	Hourly Price	Total
80 hrs	Research & Development (New Ventures Manual)	\$75.00	\$6,000.00
20hrs	Anticipated Online Updates or Assistance*	\$75.00	\$1,500.00
1	Retainer Payment	\$2,500.00	\$2,500.00
	*Note: Initial drafting of New Ventures Manual		
	for anticipated new business of consulting		
	utilizing in-house publishing processes and		
	developing e-learning courses anticipates 80 hrs.		
	[Additional \$1,500 to be held as a retainer to cover		
	updates or online course assistance as needed.]*		
	Subtotal		\$7,500.00
	Payments		\$2,500.00
	Total Due		\$5,000.00

Invoice No. SA1017

To

Sayre Enterprises, Inc. 45 Natural Bridge School Natural Bridge Station, VA 24579

Instructions

Delivered Online

Educational Ventures, LLC

P.O. Box 2211

Forest, VA 24551

434.218.6070

Quantity	Description	Hourly Price	Total
82 hrs	Research & Development (New Ventures Manual)	\$75.00	\$6,150.00
18 hrs	Anticipated Online Updates or Assistance*	\$75.00	\$1,350.00
2	Retainer Payments	\$2,500.00	\$5,000.00
	*Note: Initial drafting of New Ventures Manual		
	for anticipated new business of consulting		
	utilizing in-house publishing processes and		
	developing e-learning courses anticipates 82 hrs.		
	[Additional \$1,350 to be held as a retainer to cover		
	updates or online course assistance as needed.]		
	Subtotal		\$7,500.00
	Payments		\$5,000.00
	Total Due		\$2,500.00

MUR738800060

To

Sayre Enterprises, Inc. 45 Natural Bridge School Natural Bridge Station, VA 24579

Instructions

Delivered Online

Educational Ventures, LLC

P.O. Box 2211 Forest, VA 24551

434.218.6070

Quantity	Description	Hourly Price	Total
82 hrs	Research & Development (New Ventures Manual)	\$75.00	\$6,150.00
18 hrs	Anticipated Online Updates or Assistance*	\$75.00	\$1,350.00
3	Retainer Payments	\$2,500.00	\$7,500.00
	*Note: Initial drafting of New Ventures Manual		
	for anticipated new business of consulting		
	utilizing in-house publishing processes and		
	developing e-learning courses expended 82 hrs.		
	[Additional \$1,350 to be held as a retainer to cover		
	updates or online course assistance as needed.]		
	Subtotal		\$6,150.00
	Payments		\$7,500.00
	Total Credit		\$1,350.00



STATE CORPORATION COMMISSION

Richmond, March 19, 2018

This is to certify that the certificate of organization of

Sayre Consulting, LLC

was this day issued and admitted to record in this office and that the said limited liability company is authorized to transact its business subject to all Virginia laws applicable to the company and its business. Effective date: March 19, 2018



State Corporation Commission Attest:

Joel H. Rek Clerk of the Commission

Verification

- I, Cynthia Dunbar, declare as follows:
- I am a Respondent to MUR 7373 in my capacity as a candidate for the Republican nomination for United States Representative from Virginia's Sixth Congressional District.
- I am over 18 years of age.
- 3. I am also the owner and principal of Educational Ventures, LLC, a Virginia limited liability company, formed in November 2015 as an educational curriculum and publishing company to provide services to established and would-be vendors of especially, but not limited to, online and e-learning programs. I served at Liberty University as an Assistant Professor of Law, Advisor to the Provost and Vice President of Curriculum and Instruction of Global Educational Ventures, see Exhibit 1 hereto, and I was an elected member of the Texas State Board of Education from 2007 through 2010.
- 4. I have personal knowledge of the facts about Educational Ventures, LLC, its contracts, business, transactions, and intents, including those set out in the Response of Respondent Dunbar for Congress, et al. and if called upon to testify I would competently testify as to the matters stated therein.
- I verify under penalty of perjury under the laws of the United States of America that the factual statements in the Response of Respondent Dunbar for Congress, et al. concerning Educational Ventures, LLC, its activities, and its intentions are true and correct. 28 U.S.C. 1746.

Executed on June 13, 2019

Cynthia Dunbar, CEO

Educational Ventures, LLC

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Independent Contractor Agreement

This Agreement is made between Sayre Enterprises, Inc. ("Client") with a principal place of business at Stonebridge Center, 45 Natural Bridge School Rd., Natural Bridge, VA 24579 and Educational Ventures, LLC. ("Contractor") with a principal place of business at 1001 Wildbriar Place, Forest, VA 24551.

1. Services to Be Performed

Contractor agrees to perform the services described in Exhibit A, which is attached to this Agreement.

2. Payment

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor Two Thousand Five Hundred Dollars (\$2,500.00) as a monthly retainer. Contractor shall be paid in advance on the fifteenth of each month.

3. Independent Contractor Status

Contractor is an independent contractor, accordingly Contractor is not, nor shall be deemed. Client's employee. In its capacity as an independent contractor, Contractor agrees and represents, and Client agrees, as follows:

- A. Contractor has the right to perform services for others during the term of this Agreement.
- B. Contractor has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed. Contractor shall select routes taken, and starting and quitting times, days of work.
- C. Contractor has the right to hire assistants or to use employees to provide the services required by this Agreement.
- D. Neither Contractor nor Contractor's employees or contract personnel shall be required by Client to devote full time to the performance of the services required by this Agreement.

4. Business Licenses, Permits, and Certificates

Client represents and warrants that the work Client will request Contractor perform will be general assistance that will neither require nor constitute the practice of law and will not require Contractor to be liceased in the state of Virginia.

5. State and Federal Taxes

Since Contractor is not an Employee, Client will not:

- A. Withhold FICA (Social Security and Medicare taxes) from Contractor's payments or make FICA payments on Contractor's behalf
- B. Make state or federal unemployment compensation contributions on Contractor's behalf, or
 - C. Withhold state or federal income tax from Contractor's payments.

6. Fringe Benefits

Contractor understands that as an Independent Contractor it is not eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of Client.

7. Unemployment Compensation

Client shall make no state or federal unemployment compensation payments on behalf of Contractor or Contractor's employees or contract personnel. Contractor will not be entitled to these benefits in connection with work performed under this Agreement.

8. Workers' Compensation

Client shall not obtain workers' compensation insurance on behalf of Contractor or Contractor's employees. If Contractor hires employees to perform any work under this Agreement, Contractor will cover them with workers' compensation insurance to the extent required by law.

9. Insurance

Client shall not provide insurance coverage of any kind for Contractor's employees or contract personnel.

10. Expenses

Client shall be responsible for any fees incurred with either the IRS or the United States Patent and Trademark Office, including but not limited to those costs incurred to conduct the requisite search, travel to the Public Search Facility located in Alexandria, VA, training for use of the facility, and/or costs from the IRS concerning the application process of obtaining 501(c)(3) status. All such fees or expenses incurred shall either be advanced or reimbursed to Contractor by Client.

11. Term of Agreement

This agreement will become effective September 15th, 2017 upon signature by both parties and will terminate on the earlier of either the date Contractor completes the services required by this Agreement, or the date a party terminates the Agreement as provided below.

12. Terminating the Agreement

Either party may terminate this Agreement at any time by giving written notice to the other party of the intent to terminate.

13. Exclusive Agreement

This is the entire Agreement between Contractor and Client.

14. Modifying the Agreement

This Agreement may be modified only by a writing signed by both parties.

15. Confidentiality

Contractor acknowledges that it will be necessary for Client to disclose certain confidential and proprietary information to Contractor in order for Contractor to perform duties under this Agreement. Contractor acknowledges that disclosure to a third party or misuse of this proprietary or confidential information could potentially harm Client. Accordingly, Contractor will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of Client without Client's prior written permission except to the extent necessary to perform services on Client's behalf.

16. Proprietary Information.

The product of all work performed under this Agreement ("Work Product"), including without limitation all notes, reports, documentation, drawings, computer programs, inventions, creations, works, devices, models, work-in-progress and deliverables will be the sole property of the Client, and Contractor hereby assigns to the Client all right, title and interest therein, including but not limited to all audiovisual, literary, moral rights and other copyrights, patent rights, trade secret rights and other proprietary rights therein. Contractor retains no right to use the Work Product and agrees not to challenge the validity of the Client's ownership in the Work Product.

17. Assignments and Delegation

Contractor may not assign or subcontract any rights or delegate any of its duties under this Agreement without Client's prior written approval.

18. Applicable Law

Virginia law will govern this Agreement.

Client/Owner: Printed Name Signature Signature Signature Date Contractor: Printed Name Signature Signature Taxpayer ID Number

Attachment: Exhibit A: Description of Initial Services to be Performed

EXHIBIT A

Description of Initial Services to be Performed

Intellectual Property

Shall research various methods for conveying the practical non-legal information Sayre Enterprises, Inc. has garnered from past experiences on acquiring IP rights and maintaining accurate records of status and due dates, in an effort to assist other businesses interested in entering into this business practice.

Business Development

Shall research various methods for developing seminars or course material through both in-house publishing processes and online course instruction to ascertain the most cost-effective means of entering into new business ventures, including the prospect of tapping into the new markets of e-learning, by ascertaining the most profitable audiences and subject matter.

Exhibit 1 to Declaration of Cynthia Dunbar

LIBERTY UNIVERSITY Online Academy

To Whom It May Concern:

I strongly recommend Cynthia Dunbar for virtually any position within the field of higher education, both as a Professor and in an Administrative capacity. I have had the pleasure of working with Cynthia Dunbar since September of 2013 when she was brought on as Advisor to the Provost. I was then working in the Office of the Provost and worked with her on numerous educational initiatives.

Since October 2014 I have worked with her as her immediate supervisor in her capacity as Vice President of Curriculum and Instruction of Global Educational Ventures for Liberty University. In this position I have been able to witness first-hand the vision, industry and competency she possesses. Cynthia Dunbar has virtually single-handedly envisioned, developed and managed the day-to-day affairs of the print and online curriculum projects of Global Educational Ventures.

Additionally, I have since been promoted to Vice Provost, and in this position have had occasion to meet with those who were connected with her in her capacity as a Law Professor. I have heard stellar reports of her efficacy and passion as a Professor. Both her teaching and her commitment to their success inspired the students in the Law School.

I am sure you will find, as have I, that Cynthia Dunbar is a rare person in that she is able to excel in almost any professional capacity. You will find her to be not only a visionary, but a disciplined worker, team player, skilled teacher, gifted public speaker and academic scholar. I can assure you that she will be a valuable asset to any employer, especially an Institution of Higher Education.

Should you have any questions, please feel free to contact me.

Sincerely,

Jay Spencer, D.Min.

nenen

Vice Provost of Liberty University Online Academy

MUR738800068

Exhibit 2 to Response of Cynthia Dunbar for Congress MUR 7373



NEW VENTURES MANUAL

Educational Ventures, LLC
Customized Manual
© October 2017

In-House Publishing and Online Course Development

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Introduction

In an effort to assist with your goal of branching out into consulting, this manual will provide you with relevant research on the most appropriate audiences you could consult by utilizing print mediums as well as online course offerings into niche markets. None of the content within this manual is professional legal or accounting advice. The content contains a compilation of things your company is likely to encounter when establishing a streamlined publishing company and developing online learning content and courses. The following research was conducted to enable you to efficiently tap into the publishing and e-learning industry to facilitate your new consulting ventures. Your goal of expanding your business processes to include consulting will have a much broader reach through the added prospect of consulting through online training courses. The overview of research that was conducted has been customized to adapt the generally applicable process of development to your specific needs. Since this manual can be uploaded electronically, and since there are constant changes in platforms, interactivity, and expansion of viable markets, it is anticipated that the content may be periodically updated on an as needed basis.

Additionally, to facilitate your desire to expand into business consulting, including the potential of doing workshops, presentations, publishing your own instructional manuals, doing online training for employees, as well as being a resource for other companies, the structuring of a skeletal staff for in-house publishing and online content development will be necessary. There are a minimum of in-house employee positions you will want to consider and/or the utilization of freelance workers or outside professional firms. We strongly suggest that starting out you opt to engage satellite contractors to do the bulk of the work as 1099-misc, rather than increasing your number of employees, until such time as you grow this area of your business to where full-time employees are needed. You will find the level of expertise is equally as high with independent contractors since many copy editors are accustomed to doing this type of work off site within the industry.

As your company's goals and objectives closely align to, but do not match, those of educational ventures, some of the needs we encountered with in-house publishing and online course instruction development may not exactly align with those of your anticipated company. For example, it is not likely that you will need to expend a great deal of time on development of syllabi or assessment banks. However, from project development, to editorial staff, vendor selection of printing companies and platforms, copyright and licensing acquisition, etc. are all areas you will need to cover through new hires.

With the dissemination of online training materials the easiest way to expand into new markets is to think in terms of identifying the low hanging fruit or those most interested in acquiring access to your content and business consulting materials. In short, one of the first questions you need to concretely answer is what pool of students/clients will most likely be drawn to enroll in your course instruction? The following research will help you answer this question and provide direction for the development of content for your pilot program. And while seminars are still a viable option, utilizing the business model for e-learning and online course instruction will enable your market reach to go far expand beyond that of live courses. Online educational training is at present a very hot commodity and with good reason. It tends to be more affordable than live training, print costs are drastically reduced, there are no geographic limitations, and clients can take the course 24/7.

Those who are able to find an interesting market niche and price their content competitively, will find that the normal limits on their market are gone. That is why this is an area that is hugely on the rise, and where there are not limits based on some type of professional or academic accreditation, there are likewise no geographic limitations. Your non-legal, real-life experience in government contracts and cost-effective small business trademark acquisition is a clear niche, since there are limited companies with expertise in this area. Very few small, privately-owned companies expend the money necessary to acquire numerous trademarks because such IP rights are cost-prohibitive to obtain and grant nothing more than the ability to sue, which most new

business owners can't afford to do anyway. The practical experience that you have gleaned, including finding affordable representation, if packaged properly can easily be used for consulting to technical and entrepreneurial audiences, and utilizing a pilot course with minimal target marketing through social media, could open up entirely new markets.

You could personally function as the subject matter expert for all of your content. This will drastically reduce the cost of course development, as subject matter experts can be one of the more costly aspects. Additionally, as we discussed, practical experiences and gleaned expertise, such as the electronic housing of your mark registrations for easy search and flagging of deadlines, that can be offered as downloadable tools, help the students/clients to feel they walked away with something tangible of value.

In addition to employees and independent contractors there are other expenses you will encounter in terms of subscriptions you should consider, including such things as Basecamp and Adobe InDesign, which will allow you to do much more of the work in-house for a much smaller amount even if those you are allowing to access these subscriptions are independent contractors and not employees. Even though, as subject matter expert, you will be the resource for the content, you will need to engage those to implement the development of videos, assessments, discussion boards, graphics and images. Additionally, you will need discipline to follow the design blueprint; every time you reassess the process the course development costs will increase. Finally, utilizing the initial pilot course will help you identify the most cost efficient markets for highest return on investment.

We also researched ways to identify new markets, and utilized our prior experiences to help other similarly situated companies navigate the intricacies of government contracts, and self-publish including the acquisition of ISBN numbers, licenses, and copyrights. Much of this work can be done in-house and depending on the amount of work you intend to do in this area, you will be able to assess and customize your employee staff and freelance workers.

This entire document is written and customized to assist with your anticipated business expansion into consulting, specifically through print mediums and online course instruction. It is work product that was customized for your new consulting venture. The underlying proprietary information not contained within this manual is retained by Educational Ventures and is not to be disseminated or used for any other company without a separate licensing agreement. However, any of the processes contained within this document are free to not only be utilized by you but also taught in any of the workshops and/or courses you may develop for other companies utilizing your own subject matter.