

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

4
5 **MUR 7507**

6
7 DATE COMPLAINT FILED: October 2, 2018
8 DATE OF SUPPLEMENT TO THE
9 COMPLAINT: October 16, 2016
10 DATE OF NOTIFICATIONS: October 5, 2018
11 October 23, 2018
12 DATE OF LAST RESPONSE: December 14, 2018
13 DATE ACTIVATED: July 17, 2019
14

15 EXPIRATION OF SOL:
16 Earliest: February 1, 2023
17 Latest: June 4, 2023
18 ELECTION CYCLE: 2018
19

20 **COMPLAINANT:**

21 Foundation for Accountability and Civic Trust
22 ("FACT")

23 **RESPONDENTS:**

24 Aftab Pureval
25 Aftab for Ohio and Evan Nolan in his official
26 capacity as treasurer
27 Friends of Aftab Pureval
28 Drenko Pureval

29 **RELEVANT STATUTES
30 AND REGULATIONS:**

31 52 U.S.C. § 30104(b)
32 52 U.S.C. § 30116(a)
33 53 U.S.C. § 30125(e)
34 11 C.F.R. § 106.4
35 11 C.F.R. § 110.3(d)
36 11 C.F.R. § 300.60
37 11 C.F.R. § 300.61

38 **INTERNAL REPORTS
39 CHECKED:**

40 Disclosure Reports

41 **AGENCIES CHECKED:**

None

1 **I. INTRODUCTION**

2 The Complaint alleges that Aftab Pureval may have spent up to \$22,464.58 in non-
3 federal funds from his Ohio local political committee, Friends of Aftab Pureval, (“County Clerk
4 Committee”) to pay for various polling and campaign expenses properly attributable to his 2018
5 federal congressional campaign committee, Aftab for Ohio and Evan Nolan in his official
6 capacity as treasurer (“Federal Committee”).¹ Further, the Complaint alleges that Pureval’s
7 mother, Drenko Pureval, who already had made the maximum contribution to the Federal
8 Committee, provided the County Clerk Committee with \$30,000 immediately before it made the
9 disbursements that allegedly assisted the Federal Committee.

10 Respondents claim that most of the County Clerk Committee payments listed in the
11 Complaint were made to satisfy its own obligations, and that only a small amount (\$4,737.16)
12 was paid to the Federal Committee vendor through an error. In her response, Drenko Pureval
13 states that the Complaint fails to allege she had advance knowledge as to how the County Clerk
14 Committee would use her funds.

15 We recommend that the Commission find reason to believe that: Pureval and the County
16 Clerk Committee violated 52 U.S.C. § 30125(e)(1)(A), a provision of Federal Election Campaign
17 Act of 1971, as amended (the “Act”), by receiving non-federal funds in connection with an
18 election for Federal office; Pureval, the County Clerk Committee and the Federal Committee
19 violated 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) when the County Clerk
20 Committee transferred non-federal funds to the Federal Committee; and the Federal Committee
21 violated 52 U.S.C. § 30116(f) and 30104(b) by accepting excessive contributions and by failing
22 to report this activity. We further recommend that the Commission find reason to believe that

¹ FACT Compl. at 2, 6 (Oct. 2, 2018).

1 Drenko Pureval violated 52 U.S.C. § 30116(a) by making excessive contributions to the Federal
2 Committee via her non-federal donations to the County Clerk Committee. Finally, we
3 recommend that the Commission enter into pre-probable conciliation with all Respondents and
4 approve the two attached proposed conciliation agreements with: 1) Aftab Pureval, Friends of
5 Aftab Pureval and Aftab for Ohio and Evan Nolan in his official capacity as treasurer; and
6 2) Drenko Pureval.

7 **II. FACTUAL BACKGROUND**

8 Aftab Pureval was elected Hamilton County Clerk of Courts in 2016. The County Clerk
9 Committee is the political committee he formed for the Clerk election. It is an active non-federal
10 committee and could raise and spend funds for Pureval's potential re-election campaign in 2020.

11 On January 31, 2018, Aftab Pureval announced his candidacy for federal office in Ohio's
12 First Congressional District.² By February 1, 2018, the Federal Committee raised contributions
13 exceeding \$5,000, which included a maximum \$2,700 contribution from the candidate's mother,
14 Drenko Pureval.³

² An individual becomes a candidate when: (a) such individual receives contributions or makes expenditures in excess of \$5,000, or (b) such individual gives his or her consent to another person to receive contributions or make expenditures on behalf of such individual and if such person has received such contributions or has made such expenditures in excess of \$5,000. 52 U.S.C. § 30101(2).

³ Pureval reached candidacy status through three contributions made on January 31, 2018, and February 1, 2018, respectively. Aftab for Ohio 2018 April Quarterly Report at 176, 196 and 287 (Apr. 13, 2018). Once an individual meets the \$5,000 threshold, he or she has fifteen days to designate a principal campaign committee by filing a Statement of Candidacy. *Id.* § 30102(e)(1); 11 C.F.R. § 101.1(a). Thus, Pureval should have filed his Statement of Candidacy by February 16, 2018. Pureval did not file a Statement of Candidacy until April 17, 2018, 60 days late. However, we make no recommendation as to this apparent violation, given that we have dismissed prior matters in situations where the failure to timely file a Statement of Candidacy did not affect the timeliness of the Federal Committee's initial disclosure report. *See* MUR 6785 (Kwasman for Congress) (dismissing as a matter of prosecutorial discretion because the Statement of Candidacy was filed only a few days late and did not cause the committee to miss filing a scheduled disclosure report); MUR 6533 (Perry Haney) (dismissing as a matter of prosecutorial discretion because regardless of the dates of statements that may have triggered candidacy, the committee still timely filed its initial disclosure report).

1 Not only did Ms. Pureval contribute the maximum allowable amount to her son's federal
2 campaign on February 1, 2018, she also donated \$15,000 in non-federal funds to the County
3 Clerk Committee on the same date.⁴ At the time of this donation, the County Clerk Committee
4 held a cash-on-hand balance of \$7,628.94. Ms. Pureval subsequently made another \$15,000 non-
5 federal donation to the County Clerk Committee on April 11, 2018.⁵ The Complaint asserts that
6 after accepting the first donation, "Pureval spent it on polling for his congressional race, and any
7 claim this was for his 2020 [County Clerk] race simply defies common sense and is ridiculous."⁶
8 It also asserts that these donations were used to pay for other expenses directly tied to Pureval's
9 federal campaign.⁷ Ms. Pureval's response to the Complaint states that the Complaint does "not
10 allege that [she] had any advance knowledge, or reason to know, how her contributions would be
11 used after she made them."⁸ With respect to the funds received by the County Clerk Committee,
12 Pureval, the County Clerk Committee, and the Federal Committee assert that "neither the

⁴ Ms. Pureval has made numerous contributions to other federal committees. A review of the FEC contributor database reveals that she has made 15 contributions totaling \$30,580 from June 30, 2017 to October 10, 2018. Specifically, she has contributed to: (1) House Majority PAC (one contribution in the amount of \$15,000); (2) Ohio Grassroots Victory Fund (two contributions totaling \$7,500); (3) Friends of Sherrod Brown (three contributions totaling \$5,325); (4) Ohio Democratic Party (one contribution in the amount of \$2,175); (5) ActBlue (six contributions totaling \$280); and (6) Theresa Gasper for Congress (two contributions totaling \$300).

⁵ The County Clerk Committee's total receipts during this period was \$31,320. Friends of Aftab Pureval, 2018 Semiannual Ohio Campaign Finance Report for Hamilton County Clerk of Courts ("County Clerk Committee Semiannual Report") at 2 (Jul. 31, 2018). During 2017, before Pureval announced his federal candidacy, the County Clerk Committee received contributions totaling \$39,858. County Clerk Committee 2017 Semiannual Report at 1 (July 31, 2017); County Clerk Committee 2017 Annual Report at 1-6 (Jan. 31, 2018). Prior to 2018, Drenko Pureval had donated \$68,200 (\$31,000 in 2015, \$25,200 in 2016, and \$12,000 in 2017) to the County Clerk Committee. County Clerk Committee 2015 Annual Report at 1 (Jan. 28, 2016); County Clerk Committee 2016 Pre-Primary Report at 1 (Mar. 4, 2016); County Clerk Committee 2016 Pre-General Report at 2, 8 (Oct. 27, 2016); County Clerk Committee 2016 Post-General Report at 2, 8 (Dec. 16, 2016); County Clerk Committee 2017 Semiannual Report at 1 (July 31, 2017); and County Clerk Committee 2017 Annual Report at 4, 6 (Jan. 31, 2018).

⁶ Compl. at 7.

⁷ *Id.* at 2, 7, and 8.

⁸ Response of Drenko Pureval ("Drenko Pureval Resp.") at 2 (Dec. 7, 2018).

1 Complaint nor the Supplemental Complaint alleges any fact to indicate that the receipts were in
2 connection with a federal election, or otherwise impermissible.”⁹

3 From January 2, 2018, through June 4, 2018, the County Clerk Committee made
4 disbursements totaling \$28,380.78.¹⁰ The Complaint alleges that a significant portion of the
5 County Clerk Committee disbursements should have been paid by the Federal Committee with
6 federal funds. Specifically, the Complaint points to payments made to five vendors that
7 collectively totaled \$22,464.58 that it believes paid for Federal Committee obligations.¹¹ The
8 Complaint argues that with Pureval’s re-election for County Clerk more than 2 years away, it
9 strains credulity for the County Clerk Committee to be making significant disbursements during
10 this time frame.¹² And most of these expenses, including those made for polling and consulting,
11 were oriented to the more immediate federal electoral activity than a distant non-federal election
12 in 2020.

13 The largest expense identified by the Complaint was a March 17, 2018 disbursement of
14 \$16,427.79 to GBA Strategies for “consulting.”¹³ With respect to this expense, a Supplement to
15 the Complaint attaches a copy of the poll analysis, dated January 19, 2018, and entitled “Polling
16 in OH-1 shows opportunity for Aftab Pureval.”¹⁴ The Supplement asserts that the questions in

⁹ Response of Aftab Pureval, County Clerk Committee and Federal Committee (“Pureval Resp.”) at 3 (Dec. 8, 2018).

¹⁰ The Federal Committee disclosed only one disbursement made before Pureval reached candidacy status—a \$980 payment to the County Clerk Committee for “Digital Assets” on February 1, 2018. Aftab for Ohio 2018 April Quarterly Report at 308.

¹¹ Compl. at 4-5.

¹² *Id.* at 6-7.

¹³ While the County Committee discloses on its 2018 Semiannual Report that this disbursement was made on April 4, 2018, in the amount of \$16,400.79, the Complaint cites to a press account and attaches a photocopy of the check indicating that the County Clerk Committee actually made the payment to the GBA Strategies on March 17, 2018, in the amount of \$16,427.29. Compl. at 4; Supplement to the Compl. (“Supplement”), Ex. E (Oct. 16, 2018).

¹⁴ Supplement, Exhibit.

1 the poll focus exclusively on Pureval's viability of running for federal office.¹⁵ The poll
2 mentions Pureval's status as Clerk, according to the Supplement, but does not ask any questions
3 about the 2020 Clerk's race.¹⁶

4 The Complaint also maintains that "Pureval's actions also demonstrate an intent to
5 violate federal campaign finance laws."¹⁷ Specifically, it asserts that when the County Clerk
6 Committee initially filed its report,

7 ...the memo lines on all four checks written during the reporting
8 period were redacted. It was later revealed that three of the
9 checks had nothing written in the memo line, but the check
10 written to GBA Strategies stated "poll balance." Thus, it
11 appears the redaction of all the checks was made for the purpose
12 of hiding the expenditure to GBA Strategies for polling.
13 Additionally, the Pureval campaign's explanation for the polling
14 expenditure has changed from claiming all county campaign
15 expenditures were not for the federal campaign, to the \$16,427
16 check was "used to pay for polling related to both" campaigns, to
17 the poll was for both campaigns and both campaigns paid for it.¹⁸
18

19 Additionally, the Complaint points to expenses paid by the Clerk Committee to entities
20 that appear to be Federal Committee vendors. For instance, the Complaint states that the County
21 Clerk Committee paid \$578.63 to Valentine Strategies, which served as a consultant to the
22 Federal Committee and received 18 payments from the Federal Committee during the 2018
23 election cycle totaling \$89,341.¹⁹ The County Clerk Committee's prior disclosure reports do
24 not reflect any other payments to Valentine Strategies. The Complaint also questions two
25 payments to Brianna Ledsome totaling \$721 because her LinkedIn page states that she worked

15 *Id.*

16 *Id.*

17 Compl. at 4.

18 *Id.* at 4.

19 Pureval Resp. at 4; Aftab for Ohio 2018 July Quarterly Report at 611 (July 13, 2018).

1 for "Aftab Pureval for OH-1" but the Federal Committee reports no disbursements to her for her
2 services.²⁰

3 In their response, the Pureval Respondents acknowledge that \$4,737.16 in County Clerk
4 Committee payments to two different vendors (NGP VAN – eight payments totaling \$4,376.66
5 and Mark Byron – one payment totaling \$360.50) should have been paid by the Federal
6 Committee. The Pureval Response asserts, however, that these payments were made in error
7 because NGP VAN "had been debiting the wrong committee's bank account, at which point
8 Respondents directed NGP VAN to cease debiting that account and the federal principal
9 campaign committee paid NGP VAN for the relevant expenses."²¹ The attached exhibit includes
10 a photocopy of a check that the Federal Committee made to NGP VAN in the amount of \$7,075
11 on December 4, 2018, indicating that a subset of this amount reflects a reimbursement of the
12 \$4,396.66 County Clerk Committee payment to this entity.²² Further, the Pureval Response
13 states that "Mr. Pureval's nonfederal committee has requested (and is currently awaiting) a
14 refund from NGP VAN."²³ The Federal Committee disclosed making four payments to this
15 entity during the 2018 election cycle totaling \$10,115, with the first disbursement in the amount
16 of \$285 on July 6, 2018.²⁴

²⁰ Compl. at 5. See <https://www.linkedin.com/in/brianna-ledsome-717123134/>.

²¹ Pureval Resp. at 5. The County Clerk Committee has paid this vendor for non-federal services before it paid the expenses at issue in this matter. See County Clerk Committee 2017 Annual Report.

²² Pureval Resp., Ex. A.

²³ Pureval Resp. at 5.

²⁴ Aftab for Ohio 2018 October Quarterly Report at 1,940 (Oct. 15, 2018).

1 Respondents also concede that the County Clerk Committee made a “mistake” when it
2 paid Mark Byron in the amount of \$360.50 for media services on February 5, 2018.²⁵ The
3 Pureval Response notes that the Federal Committee subsequently paid for these services on
4 September 30, 2018, “after receiving information indicating that the disbursement may have
5 been made from the improper account.”²⁶ The Federal Committee’s 2018 October Quarterly
6 Report reflects a payment to “Byron Photography” on the same date in the amount of \$375 that
7 appears to correspond to this payment.²⁷ Likewise, Respondents note that Pureval’s “nonfederal
8 committee has requested (and is currently awaiting) a refund from Mr. Byron.”²⁸

9 With respect to the County Clerk Committee’s alleged improper payment for a Federal
10 Committee poll, Respondents maintain that its disbursement to GBA Strategies for “consulting”
11 represented the County Clerk Committee’s allocated portion of a polling expenses benefiting
12 both committees.²⁹ Respondents assert that the poll was “[i]nitiating before Mr. Pureval became
13 a candidate, the poll did not simply help [Pureval] decide whether to seek federal office” but
14 “provided him with information about the voters’ understanding of his performance as Clerk of
15 Courts that will be useful to him while seeking re-election to that office.”³⁰ Respondents also
16 maintain that the fact that the check identified GBA Strategies—a vendor that touts on its
17 website that it “offers broad expertise in survey research and strategic consulting”—“belies any
18 supposed intent to deceive.”³¹ Finally, the Pureval Respondents argue that the allegations as to

²⁵ Pureval Resp. at 5.

²⁶ *Id.*

²⁷ Aftab for Ohio 2018 October Quarterly Report at 1,949.

²⁸ Pureval Resp. at 5.

²⁹ Compl. at 3.

³⁰ Pureval Resp. at 4.

³¹ *Id.*

1 County Clerk Committee disbursements to two other vendors (Brianna Ledsome and Valentine
 2 Strategies) fall into the category of “purely speculative” because the Complaint provides “no
 3 evidence indicating that the payments by the non-federal committee were for services provided
 4 to Respondents.”³²

5 **III. LEGAL ANALYSIS**

6 A. There is Reason to Believe that Pureval, the County Clerk Committee and the Federal 7 Committee Violated the Act by Using Non-Federal Funds for Federal Expenses

8
 9 For the 2018 election cycle, no person was permitted to make contributions to a candidate
 10 for federal office or his authorized political committee which in the aggregate exceeded \$2,700
 11 for each election.³³ Candidates and political committees are prohibited from knowingly
 12 accepting excessive contributions.³⁴ The Act prohibits federal candidates, their agents, and
 13 entities that are established, financed, maintained, or controlled (“EFMC’d”) by federal
 14 candidates³⁵ from soliciting, receiving, directing, transferring, or spending funds “in connection”
 15 with any federal or non-federal election unless the funds are from sources consistent with state
 16 law and are in amounts and from sources permitted by the Act.³⁶

17 Further, the Commission’s regulations explicitly prohibit “[t]ransfers of funds or assets
 18 from a candidate’s campaign committee or account for a nonfederal election to his or her

³² Pureval Resp. at 5.

³³ See 52 U.S.C. § 30116(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

³⁴ See 52 U.S.C. § 30116(f).

³⁵ The Commission has concluded that a federal candidate’s state committee is an entity EFMC’d by the federal candidate. Advisory Op. 2007-26 (Schock) at 4; Advisory Op. 2006-38 (Casey State Committee) at 4.

³⁶ 52 U.S.C. § 30125(e)(1)(A)-(B); 11 C.F.R. §§ 300.61-62; *see also* 52 U.S.C. §§ 30116(a), 30118(a) (setting out contribution limitation and corporate contribution prohibition, respectively).

1 principal campaign committee or other authorized committee for a federal election.”³⁷ The
2 Commission has explained that this prohibition on all transfers from a dual candidate’s state or
3 local committee to the candidate’s federal committee is intended to prevent a federal
4 committee’s indirect use of soft money.³⁸

5 Under the Act, reports filed with the Commission must accurately disclose, *inter alia*, the
6 total amount of all receipts and disbursements as well as total amounts in contributions and
7 expenditures made to meet the candidate’s or committee’s operating expenses.³⁹ Committee
8 treasurers are personally responsible for ensuring the timely and complete filing of committee
9 reports and the accuracy of the information contained therein.⁴⁰

10 The available information shows that Respondents violated the Act’s ban on the use of
11 non-federal funds in two ways. First, the County Clerk Committee made impermissible transfers
12 of non-federal funds to the Federal Committee. Once Pureval became a federal candidate on
13 February 1, 2018, the County Clerk Committee was allowed to spend soft money on Pureval’s

³⁷ 11 C.F.R. § 110.3(d); Transfers of Funds from State to Federal Campaigns, 57 Fed. Reg. 36,344, 36,345 (Aug. 12, 1992) (Explanation and Justification). *See e.g.*, MUR 7076 (Richard Tisei) (Tisei’s federal committee received prohibited transfer of funds when his state committee paid for polling, fundraising data analysis and staff work designed to help Tisei decide whether to run for office); MUR 6267 (Paton for Senate) (Paton’s federal committee received prohibited transfer of funds when Paton’s state senate committee paid for polling and a survey benefitting Paton’s federal campaign); MUR 6257 (Callahan) (Callahan’s federal committee received prohibited transfer of funds when Callahan’s mayoral campaign paid for research used to determine the feasibility of Callahan running for Congress); MUR 5646 (Cohen for New Hampshire) (Cohen’s federal committee received prohibited transfer of funds when Cohen’s state committee paid for start-up expenses related to his U.S. Senate campaign); MUR 5480 (Liane Levetan) (Levetan’s federal committee received prohibited transfer of funds when Levetan’s state senate committee paid for half of the federal campaign’s polling cost); and MUR 5426 (Dale Schultz for Congress) (Schultz’s federal committee received prohibited transfer of funds when the Schultz state committee paid for expenses that the candidate incurred in connection with his federal election).

³⁸ *See* Transfers of Funds from State to Federal Campaigns, 58 Fed. Reg. 3,474, 3,474-3,475 (Jan. 8, 1993) (explaining, also, that Commission was adopting total prohibition in this circumstance because of practical difficulty in linking or otherwise accounting for federally permissible funds available for transfer); *see also* MUR 5406 (Hynes for Senate) (finding RTB that dual candidate’s federal and state committees violated section 110.3(d) for direct contribution from state to federal committee and requiring disgorgement of contribution amount to U.S. Treasury).

³⁹ 52 U.S.C. § 30104(b)(2), (4).

⁴⁰ 52 U.S.C. § 30104(a)(1). *See also* 11 C.F.R. § 104.14(d).

1 own county election but was required, as an entity EFMC'd by a federal candidate, to use only
2 federally permissible funds for disbursements made in connection with any federal election.

3 Pureval and his County and Federal Committees acknowledge that the County Clerk
4 Committee used non-federal funds to pay for expenses relating to NGP VAN (\$4,396.66) and
5 Mark Byron (\$360) that should have been paid for by the Federal Committee. Their attempt to
6 minimize the extent of these violations, by describing the County Clerk Committee's payment to
7 Byron as a "mistake," and by describing the payment to NGP VAN as a situation in which the
8 vendor merely debited the wrong account, does not overcome the fact that non-federal funds
9 were used to make these payments. And with respect to the payments to NGP VAN, the County
10 Clerk Committee made eight of these improper payments over a six month period, yet there was
11 no effort by either the County or Federal Committee to rectify this problem until December
12 2018, several months after the last payment was made on June 4, 2018.

13 The County Clerk Committee also appears to have impermissibly funded a poll on behalf
14 of the Federal Committee. Contrary to Respondent's classification of the \$16,427.79 payment to
15 GBA Strategies as the non-federal portion of a poll survey, the available information indicates
16 otherwise. The poll survey focuses exclusively on Pureval's viability in the first congressional
17 district, and how he compares to the incumbent in federal office. There is no mention of a
18 potential run for re-election of his county office. The "Key Findings" detailed in the first two
19 pages of the poll survey includes statements in bold noting that "[t]he Republican Brand Under
20 Trump Is Weak," "Pureval Can Build On A Strong Foundation" (highlighting that Pureval's
21 average favorability is higher than Chabot), "The Race Begins Very Competitive," "There Are
22 Strong Preliminary contrasts On Taxes, Healthcare & Women," and "Chabot's Support Is Soft &

1 Persuadable.”⁴¹ And the Federal Committee’s payments to GBA Strategies do not appear to be
2 related to this particular poll. Indeed, the first payment that the Federal Committee made to
3 GBA Strategies was nearly three months after the County Clerk Committee’s March 2018
4 payment to the vendor, on June 8, 2018, in the amount of \$25,000. If this payment represented
5 the portion of the disbursement relating to the federal portion of the poll, it is unclear why it was
6 disbursed appreciably later than the County Clerk Committee payment. In any event, due to its
7 overwhelmingly federal nature, we do not think that any allocation was appropriate.

8 We also conclude that the expenses to Valentine Strategies and Ledsome should have
9 been paid by the Federal Committee. The County Clerk Committee’s payment was made just
10 one day before the Federal Committee’s \$289.22 payment to the same entity and both
11 disbursements were described similarly on the respective reports: “supplies reimbursement” with
12 respect to the County Clerk Committee; and “Reimburse Expenses, Detail Below if Itemized” on
13 the Federal Committee disclosure report. Given that this vendor appears to have done significant
14 work for the Federal Committee, and had not received any other payments from the County
15 Clerk Committee, there is a basis to infer that this payment was for the benefit of the Federal
16 Committee. Although Valentine Strategies could have also performed legitimate work for the
17 non-federal committee, Respondents did not explain what work the company did for the non-
18 federal committee.

19 Likewise, Respondents did not explain the Ledsome expenses. Ledsome’s own LinkedIn
20 page states that she worked directly for Pureval’s federal campaign, when she started working in
21 January 2018 for “Aftab Pureval for OH-1” and in April 2018 for “Aftab for Ohio.” But a
22 review of the Commission’s disclosure database does not reflect that the Federal Committee paid

⁴¹ Supplement, Exhibit.

1 her for any services, while the County Clerk Committee did pay Ledsome in February and April
2 2018 in amounts totaling \$721. Based on the position descriptions and payment history, there is
3 a reasonable inference that these County Clerk Committee payments reflect another
4 impermissible use of non-federal funds to pay for Federal Committee expenses.

5 The second way in which the Respondents violated the Act's ban on the use of non-
6 federal funds is that Pureval and his County Clerk Committee accepted contributions in
7 connection with a federal election after he became a federal candidate that do not comply with
8 federal limits. In Ohio, county or local candidates are not limited in the amount of contributions
9 they may receive, other than those received in cash, unless there is a municipal or county charter
10 that provides otherwise.⁴² On January 31, 2018, the County Clerk Committee had \$7,628.94 in
11 its campaign account. Critically, at this time the County Clerk Committee was apparently aware
12 that a substantial disbursement was on the horizon, as it had retained GBA Strategies to conduct
13 the poll and analysis at some point before January 19, 2018, the date that the vendor had
14 circulated the results of its poll survey. As such, the County Clerk Committee was not only
15 aware of the cost of GBA Strategies' services, \$16,427.79, but that the contracted amount would
16 exceed the funds available in the County Clerk account (\$7,628.94) as of January 31, 2018. In
17 essence, the poll served the purpose of testing the feasibility of a possible run for federal office,
18 as it focused exclusively on Pureval's federal campaign. But the Federal Committee did not yet
19 file its Statement of Organization, and had not made any disbursements whatsoever at the time
20 that the County Clerk Committee and the vendor had entered into an agreement for the poll.
21 Consequently, the County Clerk Committee needed Drenko Pureval's \$15,000 non-federal

⁴² See Ohio R.C. § 3517.102. See also Ohio Secretary of State, *Ohio Campaign Finance Handbook*, Chapter 2: Candidates at 11, available at <https://www.sos.state.oh.us/globalassets/candidates/cfguide/chapters/chapter2.pdf> (last visited Nov. 13, 2019).

1 donation to cover various pending expenses in connection with a federal election, including a
2 GBA Strategies charge of \$16,427.79 for polling expenses.

3 Based on the foregoing, the County Clerk Committee's vendor payments totaling
4 \$22,464.58 constituted impermissible transfers that violate 52 U.S.C. § 30125(e)(1)(A) and
5 11 C.F.R. § 110.3(d). And Pureval and the County Clerk Committee further violated this
6 provision of the Act by receiving impermissible funds in connection with a federal election.
7 Accordingly, we recommend that the Commission find reason to believe that Aftab Pureval,
8 Aftab for Ohio and Evan Nolan in his official capacity as treasurer, and Friends of Aftab Pureval
9 violated 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) in connection with prohibited
10 transfers from the County Clerk Committee to the Federal Committee. We further recommend
11 that the Commission find reason to believe that Aftab Pureval and Friends of Aftab Pureval
12 violated 52 U.S.C. § 30125(e)(1)(A) by receiving non-federal funds in connection with an
13 election for Federal office. We also recommend that the Commission find reason to believe that
14 Aftab for Ohio and Evan Nolan in his official capacity as treasurer violated 52 U.S.C.
15 §§ 30116(f) and 30104(b) by accepting excessive contributions and failing to disclose the in-kind
16 receipts at issue.

17 B. There is Reason to Believe that Drenko Pureval Made an Excessive Contribution

18 As noted above, the available information indicates that the County Clerk Committee
19 used Drenko Pureval's \$15,000 non-federal donation to cover various pending expenses,
20 including GBA Strategies charge of \$16,427.79 for polling expenses. And Ms. Pureval's second
21 contribution, again in the amount of \$15,000 on April 11, 2018, was likewise necessary to pay
22 for more expenses that should have been paid by the Federal Committee. At the time of this
23 second contribution, the County Clerk Committee had even less money in its account—

1 \$1,193.09—which would not have been sufficient to cover subsequent disbursements to NGP
2 VAN (\$1,550) and Valentine Strategies (\$578.63). Given that the remaining NGP VAN
3 payments reflected undisputed federal expenses that should have been paid by the Federal
4 Committee, it is possible that this particular contribution was likewise received for the purpose
5 of paying for federal activity, which would result in the further use of non-federal funds.
6 Without Ms. Pureval's infusion of funds, the County Clerk Committee would not have been able
7 to pay the vendors of the alleged federal expenses, which collectively totaled \$22,464.58.
8 Indeed, the County Clerk Committee's 2018 Semiannual Report, which was filed on July 31,
9 2018, shows that after Ms. Pureval made her first \$15,000 contribution on February 1, 2019, the
10 County Clerk Committee received only three contributions, totaling \$270, other than Ms.
11 Pureval's second \$15,000 contribution.⁴³

12 Ms. Pureval's Response to the Complaint does not deny that she made these contributions
13 with the expectation that they would be used in connection for a federal election. Indeed, Ms.
14 Pureval made the first \$15,000 contribution on the same day that she contributed the maximum
15 allowable amount to the Federal Committee. And she apparently made this contribution
16 knowing that her son's election activities were focused exclusively on a federal campaign, and
17 that her son's County Clerk office was not up for re-election until 2020, more than two and a half
18 years later. Ms. Pureval's Response offers no explanation for why she made \$30,000 in
19 contributions to the County Clerk Committee under these circumstances.

20 Given that Drenko Pureval had already contributed the maximum allowable limit, her
21 contributions to the County Clerk Committee to pay for federal campaign expenses constituted

⁴³ Compl., Ex. A.

1 an excessive contribution (by \$22,464.58). Therefore, we recommend that the Commission find
2 reason to believe that Drenko Pureval violated 52 U.S.C. § 30116(a).⁴⁴

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⁴⁴ See Factual & Legal Analysis at 2, MUR 7007 (James Best) (finding reason to believe that a contributor's contribution exceeded the applicable contribution limit by \$34,600).

MUR 7507 (Aftab for Ohio, *et al.*)
First General Counsel's Report
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1 **V. RECOMMENDATIONS**

- 2 1. Find reason to believe Aftab Pureval violated 52 U.S.C. § 30125(e)(1)(A) by
3 receiving non-federal funds in connection with an election for federal office;
- 4 2. Find reason to believe Aftab Pureval violated 52 U.S.C. § 30125(e)(1)(A) and
5 11 C.F.R. § 110.3(d) in connection with the transfer of non-federal funds from
6 Friends of Aftab Pureval to Aftab for Ohio;
- 7 3. Find reason to believe that Friends of Aftab Pureval violated 52 U.S.C.
8 § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) by receiving non-federal funds in
9 connection with an election for federal office;
- 10 4. Find reason to believe Friends of Aftab Pureval violated 52 U.S.C. § 30125(e)(1)(A)
11 and 11 C.F.R. § 110.3(d) in connection with the transfer of non-federal funds from
12 Friends of Aftab Pureval to Aftab for Ohio;
- 13 5. Find reason to believe that Aftab for Ohio and Evan Nolan in his official capacity as
14 treasurer violated 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) in connection
15 with the transfer of non-federal funds from Friends of Aftab Pureval to Aftab for
16 Ohio;
- 17 6. Find reason to believe that Aftab for Ohio and Evan Nolan in his official capacity as
18 treasurer violated 52 U.S.C. §§ 30116(f) and 30104(b) by accepting excessive
19 contributions and failing to disclose the in-kind receipts;
- 20 7. Find reason to believe that Drenko Pureval violated 52 U.S.C. § 30116(a) by making
21 excessive contributions to Aftab for Ohio;
- 22 8. Approve the attached Factual and Legal Analyses;
- 23 9. Authorize pre-probable cause conciliation with Aftab Pureval, Aftab for Ohio and
24 Evan Nolan in his official capacity as treasurer, Friends of Aftab Pureval and Drenko
25 Pureval;
- 26 10. Approve the attached Conciliation Agreements; and
- 27

1 11. Approve the appropriate letters.

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1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4 RESPONDENTS: Aftab Pureval MUR 7507
5 Aftab for Ohio and Evan Nolan
6 in his official capacity as treasurer
7 Friends of Aftab Pureval
8

9 **I. INTRODUCTION**

10
11 This matter was generated by a Complaint filed with the Federal Election Commission
12 (the “Commission”) by the Foundation for Accountability and Civic Trust (“FACT”).
13 *See* 52 U.S.C. § 30109(a)(1). The Complaint alleges that Aftab Pureval may have spent up to
14 \$22,464.58 in non-federal funds from his Ohio local political committee, Friends of Aftab
15 Pureval, (“County Clerk Committee”) to pay for various polling and campaign expenses properly
16 attributable to his 2018 federal congressional campaign committee, Aftab for Ohio and Evan
17 Nolan in his official capacity as treasurer (“Federal Committee”).¹ Further, the Complaint
18 alleges that Pureval’s mother, Drenko Pureval, who already had made the maximum contribution
19 to the Federal Committee, provided the County Clerk Committee with \$30,000 immediately
20 before it made the disbursements that allegedly assisted the Federal Committee.

21 Respondents claim that most of the County Clerk Committee payments listed in the
22 Complaint were made to satisfy its own obligations, and that only a small amount (\$4,737.16)
23 was paid to the Federal Committee vendor through an error.

24 As set forth below, the Commission finds reason to believe that: Pureval and the County
25 Clerk Committee violated 52 U.S.C. § 30125(e)(1)(A), a provision of Federal Election Campaign
26 Act of 1971, as amended (the “Act”), by receiving non-federal funds in connection with an

¹ FACT Compl. at 2, 6 (Oct. 2, 2018).

1 election for Federal office; Pureval, the County Clerk Committee and the Federal Committee
2 violated 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) when the County Clerk
3 Committee transferred non-federal funds to the Federal Committee; and the Federal Committee
4 violated 52 U.S.C. § 30116(f) and 30104(b) by accepting excessive contributions and by failing
5 to report this activity.

6 **II. FACTUAL AND LEGAL ANALYSIS**

7 **A. Factual Background**

8 Aftab Pureval was elected Hamilton County Clerk of Courts in 2016. The County Clerk
9 Committee is the political committee he formed for the Clerk election. It is an active non-federal
10 committee and could raise and spend funds for Pureval's potential re-election campaign in 2020.

11 On January 31, 2018, Aftab Pureval announced his candidacy for federal office in Ohio's
12 First Congressional District.² By February 1, 2018, the Federal Committee raised contributions
13 exceeding \$5,000, which included a maximum \$5,400 contribution (\$2,700 for the primary and
14 \$2,700 for the general election) from the candidate's mother, Drenko Pureval.³

² An individual becomes a candidate when: (a) such individual receives contributions or makes expenditures in excess of \$5,000, or (b) such individual gives his or her consent to another person to receive contributions or make expenditures on behalf of such individual and if such person has received such contributions or has made such expenditures in excess of \$5,000. 52 U.S.C. § 30101(2).

³ Pureval reached candidacy status through three contributions made on January 31, 2018, and February 1, 2018, respectively. Aftab for Ohio 2018 April Quarterly Report at 176, 196 and 287 (Apr. 13, 2018). Once an individual meets the \$5,000 threshold, he or she has fifteen days to designate a principal campaign committee by filing a Statement of Candidacy. *Id.* § 30102(e)(1); 11 C.F.R. § 101.1(a). Thus, Pureval should have filed his Statement of Candidacy by February 16, 2018. Pureval did not file a Statement of Candidacy until April 17, 2018, 60 days late. However, the Commission makes no finding as to this apparent violation, given that the Commission has dismissed prior matters in situations where the failure to timely file a Statement of Candidacy did not affect the timeliness of the Federal Committee's initial disclosure report. *See* MUR 6785 (Kwasman for Congress) (dismissing as a matter of prosecutorial discretion because the Statement of Candidacy was filed only a few days late and did not cause the committee to miss filing a scheduled disclosure report); MUR 6533 (Perry Haney) (dismissing as a matter of prosecutorial discretion because regardless of the dates of statements that may have triggered candidacy, the committee still timely filed its initial disclosure report).

1 On February 1, 2018, Ms. Pureval contributed the maximum allowable amount (\$5,400)
2 to her son’s Federal campaign and, on the same date, \$15,000 in non-federal funds to the County
3 Clerk Committee.⁴ At the time of this donation, the County Clerk Committee held a cash-on-
4 hand balance of \$7,628.94. Ms. Pureval subsequently made another \$15,000 non-federal
5 donation to the County Clerk Committee on April 11, 2018.⁵ The Complaint asserts that after
6 accepting the first donation, “Pureval spent it on polling for his congressional race, and any
7 claim this was for his 2020 [County Clerk] race simply defies common sense and is ridiculous.”⁶
8 It also asserts that these donations were used to pay for other expenses directly tied to Pureval’s
9 federal campaign.⁷ With respect to the funds received by the County Clerk Committee, Pureval,
10 the County Clerk Committee, and the Federal Committee assert that “neither the Complaint nor
11 the Supplemental Complaint alleges any fact to indicate that the receipts were in connection with
12 a federal election, or otherwise impermissible.”⁸

⁴ Ms. Pureval has made numerous contributions to other federal committees. A review of the FEC contributor database reveals that she has made 15 contributions totaling \$30,580 from June 30, 2017 to October 10, 2018. Specifically, she has contributed to: (1) House Majority PAC (one contribution in the amount of \$15,000); (2) Ohio Grassroots Victory Fund (two contributions totaling \$7,500); (3) Friends of Sherrod Brown (three contributions totaling \$5,325); (4) Ohio Democratic Party (one contribution in the amount of \$2,175); (5) ActBlue (six contributions totaling \$280); and (6) Theresa Gasper for Congress (two contributions totaling \$300).

⁵ The County Clerk Committee’s total receipts during this period was \$31,320. Friends of Aftab Pureval, 2018 Semiannual Ohio Campaign Finance Report for Hamilton County Clerk of Courts (“County Clerk Committee Semiannual Report”) at 2 (Jul. 31, 2018). During 2017, before Pureval announced his federal candidacy, the County Clerk Committee received contributions totaling \$39,858. County Clerk Committee 2017 Semiannual Report at 1 (July 31, 2017); County Clerk Committee 2017 Annual Report at 1-6 (Jan. 31, 2018). Prior to 2018, Drenko Pureval had donated \$68,200 (\$31,000 in 2015, \$25,200 in 2016, and \$12,000 in 2017) to the County Clerk Committee. County Clerk Committee 2015 Annual Report at 1 (Jan. 28, 2016); County Clerk Committee 2016 Pre-Primary Report at 1 (Mar. 4, 2016); County Clerk Committee 2016 Pre-General Report at 2, 8 (Oct. 27, 2016); County Clerk Committee 2016 Post-General Report at 2, 8 (Dec. 16, 2016); County Clerk Committee 2017 Semiannual Report at 1 (July 31, 2017); and County Clerk Committee 2017 Annual Report at 4, 6 (Jan. 31, 2018).

⁶ Compl. at 7.

⁷ *Id.* at 2, 7, and 8.

⁸ Response of Aftab Pureval, County Clerk Committee and Federal Committee (“Pureval Resp.”) at 3 (Dec. 8, 2018).

1 From January 2, 2018, through June 4, 2018, the County Clerk Committee made
2 disbursements totaling \$28,380.78.⁹ The Complaint alleges that a significant portion of the
3 County Clerk Committee disbursements should have been paid by the Federal Committee with
4 federal funds. Specifically, the Complaint points to payments made to five vendors that
5 collectively totaled \$22,464.58 that it believes paid for Federal Committee obligations.¹⁰ The
6 Complaint argues that with Pureval’s re-election for County Clerk more than 2 years away, it
7 strains credulity for the County Clerk Committee to be making significant disbursements during
8 this time frame.¹¹ And most of these expenses, including those made for polling and consulting,
9 were oriented to the more immediate federal electoral activity than a distant non-federal election
10 in 2020.

11 The largest expense identified by the Complaint was a March 17, 2018 disbursement of
12 \$16,427.79 to GBA Strategies for “consulting.”¹² With respect to this expense, a Supplement to
13 the Complaint attaches a copy of the poll analysis, dated January 19, 2018, and entitled “Polling
14 in OH-1 shows opportunity for Aftab Pureval.”¹³ The Supplement asserts that the questions in
15 the poll focus exclusively on Pureval’s viability of running for federal office.¹⁴ The poll

⁹ The Federal Committee disclosed only one disbursement made before Pureval reached candidacy status—a \$980 payment to the County Clerk Committee for “Digital Assets” on February 1, 2018. Aftab for Ohio 2018 April Quarterly Report at 308.

¹⁰ Compl. at 4-5.

¹¹ *Id.* at 6-7.

¹² While the County Committee discloses on its 2018 Semiannual Report that this disbursement was made on April 4, 2018, in the amount of \$16,400.79, the Complaint cites to a press account and attaches a photocopy of the check indicating that the County Clerk Committee actually made the payment to the GBA Strategies on March 17, 2018, in the amount of \$16,427.29. Compl. at 4; Supplement to the Compl. (“Supplement”), Ex. E (Oct. 16, 2018).

¹³ Supplement, Exhibit.

¹⁴ *Id.*

1 mentions Pureval’s status as Clerk, according to the Supplement, but does not ask any questions
2 about the 2020 Clerk’s race.¹⁵

3 The Complaint also maintains that “Pureval’s actions also demonstrate an intent to
4 violate federal campaign finance laws.”¹⁶ Specifically, it asserts that when the County Clerk
5 Committee initially filed its report

6 ...the memo lines on all four checks written during the reporting
7 period were redacted. It was later revealed that three of the
8 checks had nothing written in the memo line, but the check
9 written to GBA Strategies stated “poll balance.” Thus, it
10 appears the redaction of all the checks was made for the purpose
11 of hiding the expenditure to GBA Strategies for polling.
12 Additionally, the Pureval campaign’s explanation for the polling
13 expenditure has changed from claiming all county campaign
14 expenditures were not for the federal campaign, to the \$16,427
15 check was “used to pay for polling related to both” campaigns, to
16 the poll was for both campaigns and both campaigns paid for it.¹⁷
17

18 Additionally, the Complaint points to expenses paid by the County Clerk Committee to
19 entities that appear to be Federal Committee vendors. For instance, the Complaint states that the
20 County Clerk Committee paid \$578.63 to Valentine Strategies, which served as a consultant to
21 the Federal Committee and received 18 payments from the Federal Committee during the 2018
22 election cycle totaling \$89,341.13”¹⁸ The County Clerk Committee’s prior disclosure reports do
23 not reflect any other payments to Valentine Strategies. The Complaint also questions two
24 payments to Brianna Ledsome totaling \$721 because her LinkedIn page states that she worked

¹⁵ *Id.*

¹⁶ Compl. at 4.

¹⁷ *Id.* at 4.

¹⁸ Pureval Resp. at 4; Aftab for Ohio 2018 July Quarterly Report at 611 (July 13, 2018).

1 for “Aftab Pureval for OH-1” but the Federal Committee reports no disbursements to her for her
2 services.¹⁹

3 In their response, Respondents acknowledge that \$4,737.16 in County Clerk Committee
4 payments to two different vendors (NGP VAN – eight payments totaling \$4376.66 and Mark
5 Byron – one payment totaling \$360.50) should have been paid by the Federal Committee. The
6 Pureval Response asserts, however, that these payments were made in error because NGP VAN
7 “had been debiting the wrong committee’s bank account, at which point Respondents directed
8 NGP VAN to cease debiting that account and the federal principal campaign committee paid
9 NGP VAN for the relevant expenses.”²⁰ The attached exhibit includes a photocopy of a check
10 that the Federal Committee made to NGP VAN in the amount of \$7,075 on December 4, 2018,
11 indicating that a subset of this amount reflects a reimbursement of the \$4,396.66 County Clerk
12 Committee payment to this entity.²¹ And the Pureval Response states that “Mr. Pureval’s
13 nonfederal committee has requested (and is currently awaiting) a refund from NGP VAN.”²²
14 The Federal Committee disclosed making four payments to this entity during the 2018 election
15 cycle totaling \$10,115, with the first disbursement in the amount of \$285 on July 6, 2018.²³

¹⁹ Compl. at 5. See <https://www.linkedin.com/in/brianna-ledsome-717123134/>.

²⁰ Pureval Resp. at 5. The County Clerk Committee has paid this vendor for non-federal services before it paid the expenses at issue in this matter. See County Clerk Committee 2017 Annual Report.

²¹ Pureval Resp., Ex. A.

²² Pureval Resp. at 5.

²³ Aftab for Ohio 2018 October Quarterly Report at 1,940 (Oct. 15, 2018).

1 Respondents also concede that the County Clerk Committee erred when it paid Mark
2 Byron in the amount of \$360.50 for media services on February 5, 2018.²⁴ The Pureval
3 Response notes that the Federal Committee subsequently paid for these services on
4 September 30, 2018, “after receiving information indicating that the disbursement may have
5 been made from the improper account.”²⁵ The Federal Committee’s 2018 October Quarterly
6 Report reflects a payment to “Byron Photography” on the same date in the amount of \$375 that
7 appears to correspond to this payment.²⁶ Likewise, it notes that Pureval’s “nonfederal committee
8 has requested (and is currently awaiting) a refund from Mr. Byron.”²⁷

9 With respect to the County Clerk Committee’s alleged improper payment for a Federal
10 Committee poll, Respondents maintain that its disbursement to GBA Strategies for “consulting”
11 represented the County Clerk Committee’s allocated portion of a polling expenses benefiting
12 both committees.²⁸ Respondents assert that the poll was “[i]nitiating before Mr. Pureval became
13 a candidate, the poll did not simply help [Pureval] decide whether to seek federal office” but
14 “provided him with information about the voters’ understanding of his performance as Clerk of
15 Courts that will be useful to him while seeking re-election to that office.”²⁹ Respondents also
16 maintain that the fact that the check identified GBA Strategies—a vendor that touts on its
17 website that it “offers broad expertise in survey research and strategic consulting”—“belies any

²⁴ Pureval Resp. at 5.

²⁵ *Id.*

²⁶ Aftab for Ohio 2018 October Quarterly Report at 1,949.

²⁷ Pureval Resp. at 5.

²⁸ Compl. at 3

²⁹ Pureval Resp. at 4.

1 supposed intent to deceive.”³⁰ Finally, the Pureval Respondents argue that the allegations as to
2 County Clerk Committee disbursements to two other vendors (Brianna Ledsome and Valentine
3 Strategies) fall into the category of “purely speculative” because the Complaint provides “no
4 evidence indicating that the payments by the non-federal committee were for services provided
5 to Respondents.”³¹

6 **B. Legal Analysis**

7 For the 2018 election cycle, no person was permitted to make contributions to a candidate
8 for federal office or his authorized political committee which in the aggregate exceeded \$2,700
9 for each election.³² Candidates and political committees are prohibited from knowingly
10 accepting excessive contributions.³³ The Act prohibits federal candidates, their agents, and
11 entities that are established, financed, maintained, or controlled (“EFMC’d”) by federal
12 candidates³⁴ from soliciting, receiving, directing, transferring, or spending funds “in connection”
13 with any federal or non-federal election unless the funds are from sources consistent with state
14 law and are in amounts and from sources permitted by the Act.³⁵

15 Further, the Commission’s regulations explicitly prohibit “[t]ransfers of funds or assets
16 from a candidate’s campaign committee or account for a nonfederal election to his or her

³⁰ *Id.*

³¹ Pureval Resp. at 5.

³² *See* 52 U.S.C. § 30116(a)(1)(A); 11 C.F.R. § 110.1(b)(1).

³³ *See* 52 U.S.C. § 30116(f).

³⁴ The Commission has concluded that a federal candidate’s state committee is an entity EFMC’d by the federal candidate. Advisory Op. 2007-26 (Schock) at 4; Advisory Op. 2006-38 (Casey State Committee) at 4.

³⁵ 52 U.S.C. § 30125(e)(1)(A)-(B); 11 C.F.R. §§ 300.61-62; *see also* 52 U.S.C. §§ 30116(a), 30118(a) (setting out contribution limitation and corporate contribution prohibition, respectively).

1 principal campaign committee or other authorized committee for a federal election.”³⁶ The
2 Commission has explained that this prohibition on all transfers from a dual candidate’s state or
3 local committee to the candidate’s federal committee is intended to prevent a federal
4 committee’s indirect use of soft money.³⁷

5 Under the Act, reports filed with the Commission must accurately disclose, *inter alia*, the
6 total amount of all receipts and disbursements as well as total amounts in contributions and
7 expenditures made to meet the candidate’s or committee’s operating expenses.³⁸ Committee
8 treasurers are personally responsible for ensuring the timely and complete filing of committee
9 reports and the accuracy of the information contained therein.³⁹

10 The available information shows that Respondents violated the Act’s ban on the use of
11 non-federal funds in two ways. First, the County Clerk Committee made impermissible transfers
12 of non-federal funds to the Federal Committee. Once Pureval became a federal candidate on

³⁶ 11 C.F.R. § 110.3(d); Transfers of funds from State to Federal Campaigns, 57 Fed. Reg. 36,344, 36345 (Aug. 12, 1992) (Explanation and Justification). *See e.g.*, MUR 7076 (Richard Tisei) (Tisei’s federal committee received prohibited transfer of funds when his state committee paid for polling, fundraising data analysis and staff work designed to help Tisei decide whether to run for office); MUR 6267 (Paton for Senate) (Paton’s federal committee received prohibited transfer of funds when Paton’s state senate committee paid for polling and a survey benefitting Paton’s federal campaign); MUR 6257 (Callahan) (Callahan’s federal committee received prohibited transfer of funds when Callahan’s mayoral campaign paid for research used to determine the feasibility of Callahan running for Congress); MUR 5646 (Cohen for New Hampshire) (Cohen’s federal committee received prohibited transfer of funds when Cohen’s state committee paid for start-up expenses related to his U.S. Senate campaign); MUR 5480 (Liane Levetan) (Levetan’s federal committee received prohibited transfer of funds when Levetan’s state senate committee paid for half of the federal campaign’s polling cost); and MUR 5426 (Dale Schultz for Congress) (Schultz’s federal committee received prohibited transfer of funds when the Schultz state committee paid for expenses that the candidate incurred in connection with his federal election).

³⁷ *See* Transfers of Funds from State to Federal Campaigns, 58 Fed. Reg. 3474, 3474-3475 (Jan. 8, 1993) (explaining, also, that Commission was adopting total prohibition in this circumstance because of practical difficulty in linking or otherwise accounting for federally permissible funds available for transfer); *see also* MUR 5406 (Hynes for Senate) (finding RTB that dual candidate’s federal and state committees violated section 110.3(d) for direct contribution from state to federal committee and requiring disgorgement of contribution amount to U.S. Treasury).

³⁸ 52 U.S.C. § 30104(b)(2), (4).

³⁹ 52 U.S.C. § 30104(a)(1). *See also* 11 C.F.R. § 104.14(d).

1 February 1, 2018, the County Clerk Committee was allowed to spend soft money on Pureval's
2 own county election but was required, as an entity EFMC'd by a federal candidate, to use only
3 federally permissible funds for disbursements made in connection with any federal election.

4 Pureval and his County and Federal Committees acknowledge that the County Clerk
5 Committee used non-federal funds to pay for expenses relating to NGP VAN (\$4,396.66) and
6 Mark Byron (\$360) that should have been paid for by the Federal Committee. Their response
7 describes the County Clerk Committee's payment to Byron as a "mistake" and describes the
8 payment to NGP VAN as a situation in which the vendor merely debited the wrong account.
9 These explanations do not negate the fact that non-federal funds were used to make these
10 payments. And with respect to the payments to NGP VAN, the County Clerk Committee made
11 eight of these improper payments over a six month period, yet neither the County nor Federal
12 Committee took steps to rectify this problem until December 2018, several months after the last
13 payment was made on June 4, 2018.

14 The County Clerk Committee also appears to have impermissibly funded a poll on behalf
15 of the Federal Committee. Contrary to Respondent's classification of the \$16,427.79 payment to
16 GBA Strategies as the non-federal portion of a poll survey, the available information indicates
17 otherwise. The poll survey focuses exclusively on Pureval's viability in the first congressional
18 district, and how he compares to the incumbent in federal office. There is no mention of a
19 potential run for re-election of his county office. The "Key Findings" detailed in the first two
20 pages of the poll survey includes statements in bold noting that "[t]he Republican Brand Under
21 Trump Is Weak," "Pureval Can Build On A Strong Foundation" (highlighting that Pureval's
22 average favorability is higher than Chabot), "The Race Begins Very Competitive," "There Are
23 Strong Preliminary contrasts On Taxes, Healthcare & Women," and "Chabot's Support Is Soft &

1 Persuadable.”⁴⁰ And the Federal Committee’s payments to GBA Strategies do not appear to be
2 related to this particular poll. Indeed, the first payment that the Federal Committee made to
3 GBA Strategies was nearly three months after the County Clerk Committee’s March 2018
4 payment to the vendor, on June 8, 2018, in the amount of \$25,000. If this payment represented
5 the portion of the disbursement relating to the federal portion of the poll, it is unclear why it was
6 disbursed appreciably later than the County Clerk Committee payment. In any event, due to its
7 overwhelmingly federal nature, no allocation was appropriate.

8 The Commission also concludes that the expenses to Valentine Strategies and Ledsome
9 should have been paid by the Federal Committee. The County Clerk Committee’s payment was
10 made just one day before the Federal Committee’s \$289.22 payment to the same entity and both
11 disbursements were described similarly on the respective reports: “supplies reimbursement” with
12 respect to the County Clerk Committee; and “Reimburse Expenses, Detail Below if Itemized” on
13 the Federal Committee disclosure report. Given that this vendor appears to have done significant
14 work for the Federal Committee, and had not received any other payments from the County
15 Clerk Committee, there is a basis to infer that this payment was for the benefit of the Federal
16 Committee. Although Valentine Strategies could have also performed legitimate work for the
17 non-federal committee, Respondents did not explain what work the company did for the non-
18 federal committee.

19 Likewise, Respondents did not explain the Ledsome expenses. Ledsome’s own LinkedIn
20 page states that she worked directly for Pureval’s federal campaign, when she started working in
21 January 2018 for “Aftab Pureval for OH-1” and in April 2018 for “Aftab for Ohio.” But a
22 review of the Commission’s disclosure database does not reflect that the Federal Committee paid

⁴⁰ Supplement, Exhibit.

1 her for any services, while the County Clerk Committee did pay Ledsome in February and April
2 2018 in amounts totaling \$721. Based on the position descriptions and payment history, there is
3 a reasonable inference that these County Clerk Committee payments reflect another
4 impermissible use of non-federal funds to pay for Federal Committee expenses.

5 The second way in which the Respondents violated the Act's ban on the use of non-
6 federal funds is that Pureval and his County Clerk Committee accepted contributions in
7 connection with a federal election after he became a federal candidate that do not comply with
8 federal limits. In Ohio, county or local candidates are not limited in the amount of contributions
9 they may receive, other than those received in cash, unless there is a municipal or county charter
10 that provides otherwise.⁴¹ On January 31, 2018, the County Clerk Committee had \$7,628.94 in
11 its campaign account. Critically, at this time the County Clerk Committee was apparently aware
12 that a substantial disbursement was on the horizon, as it had retained GBA Strategies to conduct
13 the poll and analysis at some point before January 19, 2018, the date that the vendor had
14 circulated the results of its poll survey. As such, the County Clerk Committee was not only
15 aware of the cost of GBA Strategies' services, \$16,427.79, but that the contracted amount would
16 exceed the funds available in the County Clerk account (\$7,628.94) as of January 31, 2018. In
17 essence, the poll served the purpose of testing the feasibility of a possible run for federal office,
18 as it focused exclusively on Pureval's federal campaign. But the Federal Committee did not yet
19 file its Statement of Organization, and had not made any disbursements whatsoever at the time
20 that the County Clerk Committee and the vendor had entered into an agreement for the poll.

⁴¹ See Ohio R.C. § 3517.102. See also Ohio Secretary of State, *Ohio Campaign Finance Handbook*, Chapter 2: Candidates at 11, available at <https://www.sos.state.oh.us/globalassets/candidates/cfguide/chapters/chapter2.pdf> (last visited Nov. 13, 2019).

1 Consequently, the County Clerk Committee needed additional funds if it was to cover
2 various pending expenses, including a GBA Strategies charge of \$16,427.79 for polling
3 expenses. Ms. Pureval made a \$15,000 donation to the County Clerk Committee on February 1,
4 the same day that she contributed the maximum allowable amount to the Federal Committee.

5 Ms. Pureval's second donation, again in the amount of \$15,000, on April 11, 2018, was
6 used by the County Clerk Committee to pay for more expenses that should have been paid by the
7 Federal Committee. At the time of this second donation, the County Clerk Committee had even
8 less money in its account—\$1,193.09—which would not have been sufficient to cover
9 subsequent disbursements to NGP VAN (\$1,550) and Valentine Strategies (\$578.63). Given that
10 the remaining NGP VAN payments reflected undisputed federal expenses that should have been
11 paid by the Federal Committee, it is possible that this particular donation was likewise received
12 for the purpose of paying for federal activity, which would result in the further use of non-federal
13 funds. Without Ms. Pureval's infusion of funds, the County Clerk Committee would not have
14 been able to pay the vendors of the alleged federal expenses, which collectively totaled
15 \$22,464.58. Indeed, the County Clerk Committee's 2018 Semiannual Report, which was filed
16 on July 31, 2018, shows that after Ms. Pureval made her first \$15,000 contribution on February
17 1, 2019, the County Clerk Committee received only five contributions: four contributions
18 totaling \$270 and Ms. Pureval's second \$15,000 contribution.⁴²

19 Based on the foregoing, the County Clerk Committee's vendor payments totaling
20 \$22,464.58 constituted impermissible transfers that violate 52 U.S.C. § 30125(e)(1)(A) and
21 11 C.F.R. § 110.3(d). And Pureval and the County Clerk Committee further violated this
22 provision of the Act by receiving impermissible funds in connection with a federal election.

⁴² Compl., Ex. A.

1 Accordingly, the Commission finds reason to believe that Aftab Pureval, Aftab for Ohio and
2 Evan Nolan in his official capacity as treasurer, and Friends of Aftab Pureval violated 52 U.S.C.
3 § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) in connection with prohibited transfers from the
4 County Clerk Committee to the Federal Committee. The Commission further finds reason to
5 believe that Aftab Pureval and Friends of Aftab Pureval violated 52 U.S.C. § 30125(e)(1)(A) by
6 receiving non-federal funds in connection with an election for Federal office. The Commission
7 also finds reason to believe that Aftab for Ohio and Evan Nolan in his official capacity as
8 treasurer violated 52 U.S.C. §§ 30116(f) and 30104(b) by accepting excessive contributions and
9 failing to disclose the in-kind receipts at issue.

ELW Edits, 2021-06-07, 5:30pm
SMB Edits, 6/8/21, 8:45 a.m.

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5
6 **RESPONDENT:** Drenko Pureval **MUR:** 7507

7
8 **I. INTRODUCTION**

9 This matter was generated by a Complaint filed with the Federal Election Commission
10 (the “Commission”) by the Foundation for Accountability and Civic Trust (“FACT”).
11 *See* 52 U.S.C. § 30109(a)(1). The Complaint alleges that Aftab Pureval may have spent up to
12 \$22,464.58 in non-federal funds from his Ohio local political committee, Friends of Aftab
13 Pureval, (“County Clerk Committee”) to pay for various polling and campaign expenses properly
14 attributable to his 2018 federal congressional campaign committee, Aftab for Ohio and Evan
15 Nolan in his official capacity as treasurer (“Federal Committee”).¹ Further, the Complaint
16 alleges that Pureval’s mother, Drenko Pureval, who already had made the maximum contribution
17 to the Federal Committee, provided the County Clerk Committee with \$30,000 immediately
18 before it made the disbursements that allegedly assisted the Federal Committee. As set forth
19 below, the Commission finds reason to believe that Drenko Pureval may have violated 52 U.S.C.
20 § 30116(a), a provision of the Federal Election Campaign Act of 1971, as amended (the “Act”),
21 by making excessive contributions.

22 **II. FACTUAL BACKGROUND**

23 Aftab Pureval was elected Hamilton County Clerk of Courts in 2016. The County Clerk
24 Committee is the political committee he formed for the Clerk election. It is an active non-federal
25 committee and could raise and spend funds for Pureval’s potential re-election campaign in 2020.

¹ FACT Compl. at 2, 6 (Oct. 2, 2018).

1 On January 31, 2018, Aftab Pureval announced his candidacy for federal office in Ohio's
2 First Congressional District.² By February 1, 2018, the Federal Committee raised contributions
3 exceeding \$5,000, which included a maximum \$5,400 contribution (\$2,700 for the primary and
4 \$2,700 for the general election) from the candidate's mother, Drenko Pureval.³

5 On February 1, 2018, Ms. Pureval contributed the maximum allowable amount (\$5,400)
6 to her son's Federal campaign and, on the same date, \$15,000 in non-federal funds to the County
7 Clerk Committee.⁴ At the time of this donation, the County Clerk Committee held a cash-on-
8 hand balance of \$7,628.94. Ms. Pureval subsequently made another \$15,000 non-federal
9 donation to the County Clerk Committee on April 11, 2018.⁵ The Complaint asserts that after
10 accepting the first donation, "Pureval spent it on polling for his congressional race, and any

² An individual becomes a candidate when: (a) such individual receives contributions or makes expenditures in excess of \$5,000, or (b) such individual gives his or her consent to another person to receive contributions or make expenditures on behalf of such individual and if such person has received such contributions or has made such expenditures in excess of \$5,000. 52 U.S.C. § 30101(2).

³ Pureval reached candidacy status through three contributions made on January 31, 2018, and February 1, 2018, respectively. Aftab for Ohio 2018 April Quarterly Report at 176, 196 and 287 (Apr. 13, 2018).

⁴ Ms. Pureval has made numerous contributions to other federal committees. A review of the FEC contributor database reveals that she has made 15 contributions totaling \$30,580 from June 30, 2017 to October 10, 2018. Specifically, she has contributed to: (1) House Majority PAC (one contribution in the amount of \$15,000); (2) Ohio Grassroots Victory Fund (two contributions totaling \$7,500); (3) Friends of Sherrod Brown (three contributions totaling \$5,325); (4) Ohio Democratic Party (one contribution in the amount of \$2,175); (5) ActBlue (six contributions totaling \$280); and (6) Theresa Gasper for Congress (two contributions totaling \$300).

⁵ The County Clerk Committee's total receipts during this period was \$31,320. Friends of Aftab Pureval, 2018 Semiannual Ohio Campaign Finance Report for Hamilton County Clerk of Courts ("County Clerk Committee Semiannual Report") at 2 (Jul. 31, 2018). During 2017, before Pureval announced his federal candidacy, the County Clerk Committee received contributions totaling \$39,858. County Clerk Committee 2017 Semiannual Report at 1 (July 31, 2017); County Clerk Committee 2017 Annual Report at 1-6 (Jan. 31, 2018). Prior to 2018, Drenko Pureval had donated \$68,200 (\$31,000 in 2015, \$25,200 in 2016, and \$12,000 in 2017) to the County Clerk Committee. County Clerk Committee 2015 Annual Report at 1 (Jan. 28, 2016); County Clerk Committee 2016 Pre-Primary Report at 1 (Mar. 4, 2016); County Clerk Committee 2016 Pre-General Report at 2, 8 (Oct. 27, 2016); County Clerk Committee 2016 Post-General Report at 2, 8 (Dec. 16, 2016); County Clerk Committee 2017 Semiannual Report at 1 (July 31, 2017); and County Clerk Committee 2017 Annual Report at 4, 6 (Jan. 31, 2018).

1 claim this was for his 2020 [County Clerk] race simply defies common sense and is ridiculous.”⁶
2 It also asserts that these donations were used to pay for other expenses directly tied to Pureval’s
3 federal campaign.⁷ Ms. Pureval’s response to the Complaint states that the Complaint does “not
4 allege that [she] had any advance knowledge, or reason to know, how her contributions would be
5 used after she made them.”⁸

6 From January 2, 2018, through June 4, 2018, the County Clerk Committee made
7 disbursements totaling \$28,380.78.⁹ The Complaint alleges that a significant portion of the
8 County Clerk Committee disbursements should have been paid by the Federal Committee with
9 federal funds. Specifically, the Complaint points to payments made to five vendors that
10 collectively totaled \$22,464.58 that it believes paid for Federal Committee obligations.¹⁰ The
11 Complaint argues that with Pureval’s re-election for County Clerk more than 2 years away, it
12 strains credulity for the County Clerk Committee to be making significant disbursements during
13 this time frame.¹¹ And most of these expenses, including those made for polling and consulting,
14 were oriented to the more immediate federal electoral activity than a distant non-federal election
15 in 2020.

⁶ Compl. at 7.

⁷ *Id.* at 2, 7, and 8.

⁸ Response of Drenko Pureval (“Drenko Pureval Resp.”) at 2 (Dec. 7, 2018).

⁹ The Federal Committee disclosed only one disbursement made before Pureval reached candidacy status—a \$980 payment to the County Clerk Committee for “Digital Assets” on February 1, 2018. Aftab for Ohio 2018 April Quarterly Report at 308.

¹⁰ Compl. at 4-5.

¹¹ *Id.* at 6-7.

1 The largest expense identified by the Complaint was a March 17, 2018 disbursement of
2 \$16,427.79 to GBA Strategies for “consulting.”¹² With respect to this expense, a Supplement to
3 the Complaint attaches a copy of the poll analysis, dated January 19, 2018, and entitled “Polling
4 in OH-1 shows opportunity for Aftab Pureval.”¹³ The Supplement asserts that the questions in
5 the poll focus exclusively on Pureval’s viability of running for federal office.¹⁴ The poll
6 mentions Pureval’s status as Clerk, according to the Supplement, but does not ask any questions
7 about the 2020 Clerk’s race.¹⁵

8 Additionally, the Complaint points to expenses paid by the County Clerk Committee to
9 entities that appear to be Federal Committee vendors. For instance, the Complaint states that the
10 County Clerk Committee paid \$578.63 to Valentine Strategies, which served as a consultant to
11 the Federal Committee and received 18 payments from the Federal Committee during the 2018
12 election cycle totaling \$89,341.13”¹⁶ The County Clerk Committee’s prior disclosure reports do
13 not reflect any other payments to Valentine Strategies. The Complaint also questions two
14 payments to Brianna Ledsome totaling \$721 because her LinkedIn page states that she worked
15 for “Aftab Pureval for OH-1,” but the Federal Committee reports no disbursements to her for her
16 services.¹⁷

¹² While the County Committee discloses on its 2018 Semiannual Report that this disbursement was made on April 4, 2018, in the amount of \$16,400.79, the Complaint cites to a press account and attaches a photocopy of the check indicating that the County Clerk Committee actually made the payment to the GBA Strategies on March 17, 2018, in the amount of \$16,427.29. Compl. at 4; Supplement to the Compl. (“Supplement”), Ex. E (Oct. 16, 2018).

¹³ Supplement, Exhibit.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ Pureval Resp. at 4; Aftab for Ohio 2018 July Quarterly Report at 611 (July 13, 2018).

¹⁷ Compl. at 5. See <https://www.linkedin.com/in/brianna-ledsome-717123134/>.

1 **III. LEGAL ANALYSIS**

2 Under the Federal Election Campaign Act of 1971, as amended (the “Act”), an individual
3 may not make a contribution to a candidate or his authorized political committee with respect to
4 any election in excess of \$2,700 during the 2016 election.¹⁸

5 The available information indicates that the County Clerk Committee needed additional
6 funds if it was to cover various pending expenses in connection with a federal election, including
7 a GBA Strategies charge of \$16,427.79 for polling expenses. Ms. Pureval made a \$15,000
8 donation to the County Clerk Committee on February 1, the same day that she contributed the
9 maximum allowable amount to the Federal Committee.

10 Ms. Pureval’s second donation, again in the amount of \$15,000, on April 11, 2018, was
11 used by the County Clerk Committee to pay for more expenses that should have been paid by the
12 Federal Committee. At the time of this second donation, the County Clerk Committee had even
13 less money in its account—\$1,193.09—which would not have been sufficient to cover
14 subsequent disbursements to NGP VAN (\$1,550) and Valentine Strategies (\$578.63). Given that
15 the remaining NGP VAN payments reflected undisputed federal expenses that should have been
16 paid by the Federal Committee, it is possible that this particular donation was likewise raised for
17 the purpose of paying for federal activity, which would result in the further use of non-federal
18 funds. Without Ms. Pureval’s infusion of funds, the County Clerk Committee would not have
19 been able to pay the vendors of the alleged federal expenses, which collectively totaled
20 \$22,464.58. Indeed, the County Clerk Committee’s 2018 Semiannual Report, which was filed
21 on July 31, 2018, shows that after Ms. Pureval made her first \$15,000 contribution on February

¹⁸ See 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. § 110.1(b)(1).

1 1, 2019, the County Clerk Committee received only five contributions: four contributions
2 totaling \$270 and Ms. Pureval's second \$15,000 contribution.¹⁹

3 Ms. Pureval's Response to the Complaint does not explicitly deny that she made these
4 contributions with the expectation that they would be used in connection for a federal election.
5 Indeed, Ms. Pureval made the first \$15,000 contribution on the same day that she contributed the
6 maximum allowable amount to the Federal Committee. And she made this contribution when
7 her son's County Clerk office was not up for re-election until 2020, more than two and a half
8 years later. Ms. Pureval's Response offers no explanation for why she made \$30,000 in
9 contributions to the County Clerk Committee under these circumstances.

10 Drenko Pureval provided \$30,000 to her son's County Clerk Committee at a time when
11 she may have known that a substantial portion of the funds would be spent to benefit her son's
12 Federal Committee. If so, these donations constituted a contribution by Drenko Pureval to the
13 Federal Committee that exceeds the applicable \$5,400 limit.

14 Therefore, the Commission finds reason to believe that Drenko Pureval may have
15 violated 52 U.S.C. § 30116(a).²⁰

¹⁹ Compl., Ex. A.

²⁰ See Factual & Legal Analysis at 2, MUR 7007 (James Best) (finding reason to believe that a contributor's contribution exceeded the applicable contribution limit by \$34,600).