



FEDERAL ELECTION COMMISSION
Washington, DC 20463

August 18, 2023

FIRST CLASS MAIL

Chris Marston
Rebuilding America Now
PO Box 26141
Alexandria, VA 22313

RE: MUR 7729
Ryan Call
Hale Westfall

Dear Mr. Marston:

This is in reference to the complaint you filed with the Federal Election Commission on April 22, 2020. The Commission found that there was reason to believe Ryan Call knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3) and 30104(b), provisions of the Federal Election Campaign Act of 1971, as amended. On August 16, 2023, a conciliation agreement signed by Ryan Call was accepted by the Commission. In addition, the Commission found no reason to believe that Hale Westfall violated 52 U.S.C. §§ 30102(b)(3) and 30104(b). Accordingly, the Commission closed the file in this matter on August 16, 2023.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Enclosed for your information are a copy of the Conciliation Agreement with Ryan Call and a Factual and Legal Analysis for Hale Westfall, which formed a basis for the Commission's no reason to believe finding.

If you have any questions, please contact me at (202) 694-1588 or mallen@fec.gov.

Sincerely,

Mark Allen

Mark Allen
Assistant General Counsel

Enclosures
Conciliation Agreement
Factual and Legal Analysis

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
)
 Ryan Call) MUR 7729
)

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Rebuilding America Now and Chris Marston in his official capacity as treasurer (the “Committee”). The Federal Election Commission (the “Commission”) found reason to believe that Ryan Call (“Respondent”) knowingly and willfully violated 52 U.S.C. § 30102(b)(3) by commingling Committee funds with his personal funds and 52 U.S.C. § 30104(b) by failing to file accurate reports with the Commission.

NOW, THEREFORE, the Commission and Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondent enters voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:
 1. Rebuilding America Now is a political committee within the meaning of 52 U.S.C. § 30101(4).
 2. Ryan Call was the treasurer of Rebuilding America Now from June 12, 2016,

to June 4, 2019. During this period, Call was also employed as an attorney at Hale Westfall law firm, which provided compliance services to the Committee.

3. The Federal Election Campaign Act of 1971, as amended (the “Act”), provides that each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the provisions of 52 U.S.C. § 30104. *See* 52 U.S.C. § 30104(a) and 52 U.S.C. § 30104(b).

4. The Act and Commission regulations require that all funds of a political committee be “segregated from, and may not be commingled with, the personal funds of any individual.” 52 U.S.C. § 30102(b)(3); 11 C.F.R. § 102.15.

5. Call withdrew funds totaling \$278,169.45 between September 2, 2016, and January 25, 2019, from the Committee’s bank account that were unauthorized. The unauthorized funds, which were in the form of checks, cash withdrawals, debit charges and wire transfers, consisted of three checks made out to him for \$5,000 each; a bank originated debit for \$23,135; five automated teller machine withdrawals totaling \$1,700; a debit card charge by him in New Orleans for \$900.42; and 32 wire transfers totaling \$237,434.03 made out to him with the payee listed as “First Bank/Ryan Call,” “First Bank/Ryan Richard Call,” “Ryan Call,” or “Ryan R. Call.” The wire transfers were directed to Call’s personal bank account. Some unauthorized payments were made directly to Call and reported as being paid to him, and other unauthorized payments were made to him, but either reported as made to Call’s law firm, Hale Westfall, or were not reported at all on the Committee’s disclosure reports.

6. Call deposited a total of \$47,446.34 from his personal funds to the Committee’s bank account in 2018 and 2019 that were reimbursements for Committee payments previously made to him.

7. Call disclosed Committee payments to him as payments to Hale Westfall law firm or did not report the payments on the disclosure reports.

8. Call contends that while he did not disclose, or inaccurately disclosed, certain Committee payments, the majority of the payments he received from the Committee between September 2016 and January 2019 were disclosed. Further, Call contends that funds totaling \$47,446.34 that he deposited into the Committee's bank account were a return of expenses for Committee payments made to him. Call further contends that he paid funds of \$33,530 received by him to Hale Westfall to pay Hale Westfall invoices. Call also contends that some payments from the Committee to him were pursuant to a separate contract that he had as a consultant to the Committee to provide political and strategic consulting services, that other persons associated with the Committee were aware of this contract, and that payments for these services were consistent with similar monthly retainers and fees being paid to other political consultants and vendors to the Committee.

V. Respondent knowingly violated 52 U.S.C. § 30104(b) by failing to file accurate reports with the Commission. Respondent knowingly violated 52 U.S.C. § 30102(b)(3) by commingling personal funds and committee funds.

VI. Respondent will take the following actions:

1. Respondent will pay a civil penalty to the Commission in the amount of Twenty-One Thousand Eight Hundred and Five Dollars (\$21,805), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from committing violations of 52 U.S.C. §§ 30102(b)(3) and 30104(b).

3. Respondent, through the submission of financial documentation to the Commission, has indicated that although financial hardship prevents him from paying the full civil penalty to the Commission, he is able to pay a substantially reduced civil penalty of Twenty-One Thousand Eight Hundred and Five Dollars (\$21,805). The Commission regards this submission as a material representation. Due to Respondent's financial condition, the Commission agrees to depart from the civil penalty that it would normally seek for the violations at issue, and the Commission agrees that the reduced civil penalty of \$21,805 shall be due. If evidence is uncovered indicating that Respondent's financial condition is not as stated, a total civil penalty of Four Hundred and Seventeen Thousand Dollars (\$417,000), which represents the amount the Commission would ordinarily seek for the violations Respondent committed, shall be immediately due, pursuant to 52 U.S.C. § 30109(a)(5)(B).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

FOR THE COMMISSION:

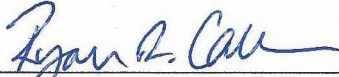
Lisa J. Stevenson
Acting General Counsel

BY: **Charles Kitcher**
Charles Kitcher
Associate General Counsel
for Enforcement

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Charles Kitcher
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Date

FOR THE RESPONDENT:


Ryan Call
Respondent

August 1, 2023
Date

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

Respondent: Hale Westfall

MUR 7729

I. INTRODUCTION

This matter arose from a Complaint filed by Rebuilding America Now and Chris Marston in his official capacity as treasurer (the “Committee”) alleging that Hale Westfall failed to account properly for contributions and expenditures and falsely reported the Committee’s receipts and disbursements.

Because the information available to the Commission indicates that Hale Westfall did not participate in the actions alleged in the Complaint, the Commission finds that there is no reason to believe that Hale Westfall violated 52 U.S.C. §§ 30102(b)(3) and 30104(b).

II. FACTUAL SUMMARY

A. Complaint

The Committee is an independent expenditure-only political committee that was established in 2016.¹ Ryan Call served as treasurer of the Committee from June 2016 to June 2019² and he also was employed as an attorney at Hale Westfall. Hale Westfall is a law firm based in Denver, Colorado, which provided legal and compliance services to the Committee; Ryan Call, the former treasurer of the Committee, was the primary attorney at the law firm working with the Committee.³

¹ See Statement of Organization (June 12, 2016).

² See *id.*; Amended Statement of Organization (June 4, 2019).

³ See Compl., Ex. 2 (Apr. 22, 2020).

The Committee filed the Complaint against Hale Westfall, where Call was employed during the time of the events at issue. The Committee alleges that it entered into an agreement with Hale Westfall in which the law firm was retained to serve as treasurer of the Committee, manage disbursements, handle banking responsibilities, conduct reconciliations and prepare disclosure reports to the Commission with Call serving as the primary attorney.⁴ The Complaint alleges that Hale Westfall failed to properly account for receipts and disbursements and maintain records of all transactions, and falsely reported the Committee's receipts and disbursements.⁵ The Complaint also claims that Hale Westfall failed to properly supervise Call and ensure compliance with the Act.⁶ As a result, the Complaint alleges, Call was able to misappropriate \$278,169.45 over nearly a three-year period.⁷

B. Response to Complaint

Hale Westfall denies the contention in the Complaint that it was the treasurer of the Committee on the basis that the engagement letter between the Committee and Hale Westfall indicates that Call was the treasurer of the Committee.⁸ Hale Westfall denies that it failed to properly account for the Committee's contributions and expenditures and denies that it engaged in false reporting of the Committee's receipts and disbursements.⁹ The firm claims that Committee is trying to hold it responsible when the Committee's internal controls were

⁴ Compl at 1-2 (Apr. 21, 2020). The engagement letter refers to Call, the signatory on the engagement letter on behalf of Hale Westfall, as the treasurer of the Committee. *Id.*, Ex. 2 at 1.

⁵ Compl. at 2-4.

⁶ *Id.* at 2.

⁷ *Id.*, Ex. 4.

⁸ Hale Westfall Resp. at 2 (May 13, 2020). *See* Compl., Ex. 2 at 1.

⁹ *Id.* at 4.

insufficient to uncover the embezzlement until two years later.¹⁰ Hale Westfall also asserts that the Commission should dismiss this matter as to Hale Westfall or find no reason to believe that it violated federal election law.¹¹

Hale Westfall further claims that when the Committee sent a memorandum to it on July 29, 2019, with questions about Call and seeking missing documentation about the Committee's finances, the firm took corrective action by requesting that Call provide responsive explanations and documentation to the Committee.¹² On September 9, 2019, Hale Westfall asserts, it submitted a detailed response to the Committee's July 29, 2019, memorandum, and engaged in best efforts to provide information and documentation that it possessed to the Committee.¹³ Hale Westfall further claims that it was unaware of the separate contract that Call had entered into with the Committee until a few days before the end of his employment at the firm.¹⁴ When Call told Hale Westfall that he had hired an attorney to represent him and could no longer answer any questions from Hale Westfall about the Committee, Hale Westfall terminated his employment on August 16, 2019.¹⁵ Finally, Hale Westfall claims that it has no responsibility for funds misappropriated by Call because such misappropriation is an intentional tort.¹⁶ Hale

¹⁰ *Id.* at 6.

¹¹ *Id.*

¹² *Id.* at 4, Attach. B.

¹³ *Id.* at 5, Attach. C.

¹⁴ *Id.* at 5.

¹⁵ *Id.*

¹⁶ *Id.*

Westfall asserts that any funds misappropriated by Call were neither misappropriated within the scope of his employment with Hale Westfall nor for the benefit of Hale Westfall.¹⁷

III. LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended (the “Act”), provides that each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the provisions of 52 U.S.C. § 30104.¹⁸

The Act also requires that a political committee’s funds shall be segregated from and may not be commingled with, the personal funds of any individual.¹⁹

Call, not Hale Westfall, was the Committee treasurer of record.²⁰ There was an engagement letter between the Committee and Hale Westfall designating Call as the primary attorney providing compliance-related services. Hale Westfall asserts that it was unaware of any embezzlement by Call, and the Commission has no information to the contrary. The law firm states that when the Committee informed it of the activities of Call, it cooperated with the Committee to gather available information and documentation about Call’s activities. Further, Hale Westfall asserts that it was unaware of Call’s separate contract with the Committee paying

¹⁷ *Id.* at 6.

¹⁸ 52 U.S.C. § 30104(a). *See also* 52 U.S.C. § 30104(b).

¹⁹ 52 U.S.C. § 30102(b)(3).

²⁰ *See* Rebuilding America Now Statement of Organization at 3 (June 12, 2016).

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him \$5,000 per month until he informed the firm about it near the end of his employment with the law firm.

Because Hale Westfall was not the treasurer of the Committee and the Act's commingling provision applies to the personal funds of individuals,²¹ Hale Westfall does not appear to have liability under the Act in this matter. Accordingly, the Commission finds that there is no reason to believe that Hale Westfall violated the 52 U.S.C. §§ 30102(b)(3) and 30104(b).

²¹ See 52 U.S.C. § 30102(b)(3).