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FEDERAL ELECTION COMMISSION

JULY 17, 2020 3:15 PM

OFFICE OF GENERAL COUNSEL

Garry R. Kirkland

Littleton, CO 80120

MUR 7763

July 17, 2020

Office of General Counsel
Federal Election
Commission
1050 First Street, NE
Washington, DC 20463

Re: Official FEC Campaign Finance Complaint

Charles Wesley Stockham, AKA Casper Stockham
Candidate for United States House of Representatives
Colorado Congressional District 7

Dear Sir or Madam,

I am writing you this letter today for the specific purpose of filing an official campaign finance complaint against the individual referenced above, Charles Wesley Stockham, aka Casper Stockham. The specific complaints I am alleging that Mr. Stockham has committed deal with his campaign finance expenditures and the fraudulent manner in which he has misappropriated funds, paid prohibited expenses from his campaign account, and hidden withdrawals converted to his own personal use in a manner that hides those withdrawals from the Internal Revenue Service, thereby committing income tax evasion. It has also been a common practice that he purchases groceries at Wal-Mart, and enters the expense as campaign supplies into his campaign finance report to the FEC. In an effort to organize these allegations, I will summarize them in order as efficiently as possible, but first I would like to provide you with a brief summary of Mr. Stockham's history of pursuing a congressional seat.

Mr. Stockham has been running for a congressional seat in the State of Colorado for the past five years, dating back to the 2016 election cycle when he ran as a Republican in Colorado Congressional District 1, and then again in the 2018 election cycle when he ran in Colorado Congressional District 1 for a second time. Last July 2019, Mr Stockham announced that he was running for Congress for a third time, but this time running in Colorado's Congressional District 6. On or about March 15, 2020 Mr. Stockham made a jump as a candidate from Colorado Congressional District 6 to run in the Colorado Congressional 7th District. It was actually in early February of 2020 that numerous individuals started talking about Mr. Stockham's campaign finance reports. As such, myself and numerous other individuals began to analyze his expenditures and total up numbers, and came to the realization that this cannot possibly

be legal. Having this information in my hand, I took the data to an investigative reporter by the name of Ernest Luning who is employed by a news organization named Colorado Politics. Mr. Luning wrote the attached story (**Exhibit 1**). In lieu of mine and Mr. Luning's research and published story, I am submitting this complaint to you based upon the following specific points:

- 1) Over the course of approximately six years and now four Colorado Congressional campaigns, not one of the FEC campaign finance reports ever filed by Mr. Stockham's campaign has ever listed a line item for "Salary." He has routinely maintained that he is entitled to a salary and that he in fact does take one. He also maintains that the campaign has not been able to pay him as much as he would like, but that he does draw a salary. In February 2020 he stood in front of a Tea Party organization and then sent out a campaign email stating his rights to a salary to his constituents. However, Mr. Stockham has NEVER filed so much as one campaign finance report over the past six years with a line item for salary. The obvious conclusions are that there is no transparency, but he is also committing Federal Income Tax Evasion, Colorado State Income Tax Evasion, and failure to pay FICA taxes.
- 2) Mr. Stockham makes his living by working for UBER as an UBER driver while he is seeking a congressional seat. While employed in this occupation, Mr. Stockham has committed mis-appropriation of campaign funds for the specific purpose of funding a business entity that is a sole & separate business that has absolutely nothing to do with the operations of a political campaign. Examples of these expenditures to operate his UBER enterprise would be
 - A) Expenditure on Aug. 9, 2019 in the amount of \$810.73 for auto repairs
 - B) Between Oct. 13 & Dec. 30, 2019, Mr. Stockham expensed a total of \$970.95 for tollway fees. It should be noted that Mr. Stockham's residence was located exactly one mile from the E-470 Tollway Exchange, and it was impossible to enter that thoroughfare in either direction without passing thru a toll booth. It is also the pathway to the most lucrative UBER routes to the Denver International Airport.
 - C) Mr. Stockham's residence was located exactly two blocks from the Super Wal-Mart & Sam's Club stores, and automobile gasoline is sold there. Spread out all thru Mr. Stockham's FEC expense filings are many, many items that have been expensed to his FEC expense report for Wal-Mart purchases. Mr. Stockham lists all of these purchases as "supplies" and "campaign equipment." These purchases are many in number, and are same day and consecutive day purchases. I am certain that Mr. Stockham has used these gas pumps to fill his UBER automobile constantly and has also made many purchases for groceries as well
- 3) Mr. Stockham owns a personal corporation named UBG Online LLC.

During the reporting periods extending from July 15 to Dec. 31, 2019, Mr. Stockham paid his own personal corporation \$6,250.00. Over all the FEC reporting periods and Congressional races that Mr. Stockham has been a candidate, his total dollars expensed to UBG Online LLC exceed 24% of his total campaign receipts (donations). This represents an absolute method used to withdraw money for himself while avoiding proper federal & state income tax withholding and a method of committing tax fraud.

- 4) On Oct. 12 and again on Dec. 3, 2019, Mr. Stockham reported expenditures to Comcast. These expenses constitute utility expenses for his home internet and cable television. Mr. Stockham runs his campaign from his home, and there is no office location. FEC rules prohibit home utilities being paid from a political campaign account.
- 5) On Dec. 8, 2019 Mr. Stockham lists an expense as "Office Moving Expenses" payable to Kaleem Howze. Mr. Stockham has always ran his campaign from his home/apartment, and never moved during that period. It is very suspect as to why he would have listed moving expenses.
- 6) Mr. Stockham lists a campaign expense on Jan. 2, 2020 to Amazon for Campaign Marketing Materials. Again, this expense is highly suspect.
- *7) As I understand, Mr. Stockham was not even eligible to begin taking a salary from his campaign for the current campaign cycle until April 18th, 2020. This was the date of the Colorado Congressional District 7 Assembly, where he ran unopposed and received the Republican nomination. This is the date when he became the official candidate for District 7. As we interpret the FEC rules, any funds that Mr. Stockham has converted to his own personal use prior to the date of April 18, 2020, were taken in violation of the rules and are owed back to the campaign. On Feb. 15th, 2020 Mr. Stockham blasted out an email to his constituents stating that he was entitled to as a salary. It is obvious from the verbiage that he was, and had been taking a salary for some period of time of \$1500.00 per month. Again, this does not appear to be legal under the rules and Mr. Stockham has never reported a line item expenditure for salary or withheld tax deductions. I am attaching a copy of Mr. Stockham's email to constituents from Feb. 15, 2020 as **Exhibit 2**.

In addition to the complaints listed above, I would like to also inform you that I have in my possession a background investigation report that was performed by a professional investigation team. This report, performed on March 13, 2020, indicates that Mr. Stockham was served three separate eviction notices in 2019 to vacate his apartment, the latest of those three dates was Nov. 27, 2019. This report also indicates that Mr. Stockham has had three bankruptcies, the most recent in 2013, and also has two judgements for unpaid Colorado State Income Taxes. Those judgements were filed in 2011 and 2015 and were still listed as unpaid as of March 12, 2020. Mr. Stockham has participated in all four of these Congressional campaigns with those Colorado State Income Taxes unpaid. While I understand that the issues in this background

investigation report are separate and apart from FEC authority, I submit that this report paints a damning picture. Mr. Stockham has certainly learned how to play the system of running for Congress for the sole purpose of generating income for himself while scamming political donors. It is also a certainty that Mr. Stockham moved to the Congressional District 7 race in mid March because he would have no primary opponent and he could guarantee himself an opportunity to keep his fund raising scam operating for six more months until November 2020. I have chosen not to provide you a copy of the Background Investigation Report due to the fact that I will lose any control over the report becoming public, and I do not want that responsibility.

In the profession of Forensic Accounting, investigators subscribe to a concept known as the "Fraud Triangle." The corners of the triangle are listed as Opportunity, Pressure, and Rationalization. The Background Investigation Report in my possession indicates that Mr. Stockham has all three of these factors that he is dealing with in his life.

I believe it is clear that Mr. Charles W. "Casper" Stockham has committed many violations of fraud and abuse of the Federal Election Campaign Finance Laws, and has done so on an ongoing basis over the past six years. I want to "Thank You" for receiving and considering the allegations in this letter of complaint, and I pray that you will take swift action. It matters.

Respectfully,



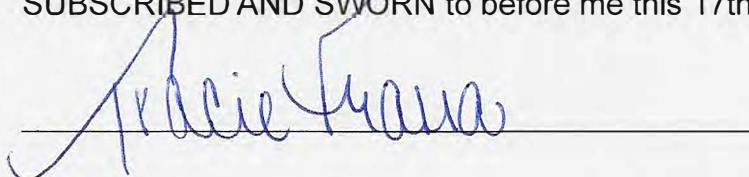
Garry R. Kirkland

Littleton, CO 80120

Cell



The complainant affirmed the complaint under penalty of perjury.
SUBSCRIBED AND SWORN to before me this 17th day of July 2020



Notary Public



My Commission Expires:

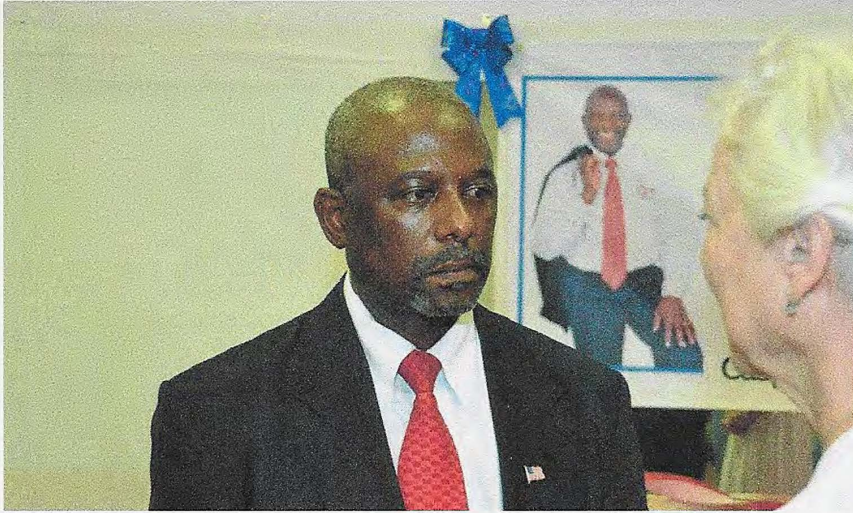
11.17.2023

https://www.coloradopolitics.com/news/perennial-gop-candidate-casper-stockham-sent-contributions-to-his-own-company-records-show/article_e0d09ebc-b010-11ea-87aa-5b29eeb20b9c.html

EDITOR'S PICK

Perennial GOP candidate Casper Stockham sent contributions to his own company, records show

Ernest Luning, Colorado Politics
Jun 17, 2020



Republican congressional candidate Casper Stockham speaks with a supporter at a campaign launch party Aug. 3, 2019, in Aurora. After two unsuccessful runs in Colorado's 1st Congressional District, Stockham ran for eight months in the 6th CD and then switched in late March 2020 to the 7th CD.

(Ernest Luning/Colorado Politics)

Casper Stockham, a Republican candidate in three different Colorado congressional districts over the last six years, has paid nearly a quarter of the money he's raised since 2015 to a company he owns, campaign finance documents show.

In the last year, in addition to paying \$8,350 from his campaign to UBG Online LLC, a Colorado company Stockham owns, the ride-share driver and motivational consultant has spent \$1,900 from campaign funds at Walmart, nearly \$1,300 for E-470 tolls, just over \$1,000 for car repairs, \$872 with Amazon and \$339 with Comcast — a spending pattern that drew the attention of Garry Kirkland, a financial planner and longtime Arapahoe County GOP activist.

Stockham, an Air Force veteran and Aurora resident, ran in 2016 and 2018 against entrenched incumbent U.S. Rep. Diana DeGette, a Denver Democrat, in the heavily Democratic 1st Congressional District. He lost to DeGette by 40 percentage points the first time and 50 percentage points in his second try.

Exhibit 1

This cycle, Stockham was one of several Republicans running in the battleground 6th Congressional District held by Democratic U.S. Rep. Jason Crow, but in March [he switched to challenge](#) U.S. Rep. Ed Perlmutter, an Arvada Democrat, in the more Democratic-leaning 7th Congressional District.



QUICK HITS

[Republican Casper Stockham jumping to take on Perlmutter, clears path for Crow challenger Steve House](#)

Ernest Luning, Colorado Politics

According to his campaign finance reports, Stockham, the decided underdog in each of the races he's run, has raised \$28,048 for his 2020 campaign since launching last June, and spent \$31,264 through March 31, the most recent reporting deadline, leaving a deficit of \$3,216. He raised \$61,218 and spent \$60,692 in 2016, his first race against DeGette. In 2018, he raised \$35,230 and spent \$35,566.

In an interview with Colorado Politics and in recent emails to supporters, Stockham freely acknowledged he's been paying himself from his campaign account, though it wasn't until Kirkland and other Republicans started raising questions that Stockham made the disclosure.

"The campaign can pay me up to \$4,500 (a month), which is what I would normally make if I wasn't campaigning, if I was working full-time," Stockham told Colorado Politics.

"The campaign has never been able to pay me anything close to that. It's been like \$1,500 or whatever. So there's really no issue, other than they don't like the way my campaign has been taking off."

QUICK HITS

[Casper Stockham makes it official: He's running for Congress again](#)

Joey Bunch, Colorado Politics

Kirkland told Colorado Politics he was alerted to concerns about Stockham's campaign spending earlier this year at a longstanding meeting of GOP activists. After examining reports filed with the Federal Election Commission, Kirkland said he was alarmed that Stockham appeared to be violating a cardinal rule of campaign finance that prohibits spending donors' money on personal expenses without disclosing in FEC reports that it's a salary.

A financial adviser for more than three decades who manages upwards of \$40 million for several hundred clients — "I've been dealing with financial statements all my life," he said — Kirkland said he first scrutinized the campaign's regular payments to the outfit called UBG Online.

A quick trip to the Colorado Secretary of State's website revealed that the payments to UBG — through March, totaling \$27,911 across three campaign cycles — went to a company owned and operated by Stockham, something the candidate's donors wouldn't realize without some sleuthing, Kirkland said.

In addition to state business records linking Stockham to the company, Stockham's campaign and UBG Online share an address that turns out to be a strip-mall pack-and-ship store that rents mailboxes in the 6800 block of South Dayton Street in Greenwood Village.

NEWS

Casper Stockham takes on long odds (again) in Denver's 1st Congressional District

Joey Bunch

"You begin to put the pieces of the puzzle together and you realize he is paying money from his campaign to a company he owns," Kirkland said. "The net result is there is zero transparency in this campaign what he is paying himself."

Federal Election Commission rules allow candidates to pay themselves a salary while they're running for Congress or the presidency, though they're required to limit the compensation to the lesser of what they made before running or what they would make if elected — \$174,000 annually for members of Congress, or \$14,500 a month. Candidates also have to explicitly pay themselves a salary, with appropriate withholdings, and disclosure in FEC reports.

When they adopted the rule in 2002, FEC commissioners said it was to make it easier for people who aren't wealthy to run for federal office.

NEWS

Darryl Glenn is paying himself a salary from congressional campaign funds

Ernest Luning

While the practice is rare, two Colorado congressional candidates paid themselves salaries last cycle — Democrat Mark Williams, who ran against Joe Neguse, the eventual winner in the 2nd Congressional District, and Republican Darryl Glenn, who mounted an unsuccessful primary challenge to U.S. Rep. Doug Lamborn in the 5th Congressional District.

In a rule a former FEC staffer told Colorado Politics was designed to discourage candidates from turning their campaigns into a career, candidates can't compensate themselves each cycle until after the filing deadline for their office has passed. In Colorado, for a federal candidate like Stockham going through the caucus and assembly process — rather than petitioning onto the ballot — that was April 18 this year, the day of the state assembly, according to the Secretary of State's Office.

The rules strictly forbid covering living or household expenses — food that isn't used for a campaign event, clothing or utilities, including cable and internet — even for candidates who run their campaigns out of their homes, a former FEC attorney told Colorado Politics.

NEWS**Democratic congressional candidate pays himself salary from campaign fund**

Ernest Luning

"I agree he's entitled to a salary," Kirkland said. "He's not taking a salary. There is no line item that defines a salary, and there are no federal or state or FICA tax withholdings."

Added Kirkland: "It's on a small scale. He hasn't cost anyone their life's savings. But what he's doing is, he has learned over three election cycles how to milk the system."

"At this level of candidacy, it's not uncommon to see people who are operating a campaign for reasons other than actually seeking the office," Adav Noti, senior director and chief of staff at the Campaign Legal Center, a nonprofit devoted to what it terms "strong enforcement" of campaign finance laws, told Colorado Politics.

"The rules do allow a campaign to pay its candidate a salary, but the amounts are pretty strictly regulated, and the idea there is that being a serious congressional candidate is a full-time job, so people wouldn't be dissuaded from running by having to take a leave of absence from their current job so they can replace that income," Noti said after giving Stockham's FEC filings a cursory review.

NEWS**ELECTION 2020 | Republicans see light turnout for Saturday caucuses**

By Joey Bunch, Marianne Goodland and Ernest Luning, Colorado Politics

"None of these expenditures are listed as salary payment to the candidate, so if that is what he's doing, that is not the legal way to disclose those payments."

Stockham said he rebuffed Kirkland's accusations when confronted by Kirkland this spring.

"He accused me of having a shell company," Stockham told Colorado Politics. "I'm like, 'Dude, it's \$20,000, what are you talking about?'"

Stockham blasted his critics — including Kirkland — in a Feb. 15 fundraising email, sent when he was still running the 6th CD primary.

"My opponent's friends (anonymously of course) claimed that I am using campaign money for personal use," Stockham wrote. "This is blatantly false and very subjective BUT the people of CD6 will have to make the final decision. They have even launched a smear campaign calling my supporters. What I can tell you is I do run my entire campaign from my home and I have literally put everything I have on the line to win this race."

QUICK HITS

Steve House wins GOP nod to take on US Rep. Jason Crow

Ernest Luning, Colorado Politics

"I told him when I met with him face to face, these are groceries, these are living expenses, this is money from a political campaign fund to pay expenses that are a sole and separate business enterprise that has nothing to do with his campaign," Kirkland said. "And he didn't deny it. The words out of his mouth were, 'I can take a salary.' But there's no salary being reported, there's no taxes being taken out of it."

Kirkland, who said he's always liked Stockham but hasn't contributed any money to his campaigns, said the topic of the candidate's campaign finances came up at a February meeting of the Arapahoe County Tea Party but the conservatives in attendance didn't appear to want to hear anything about it.

"Casper took questions. I asked, 'Do you think that the people in this room who have donated to your campaign deserve to know that 60% of the dollars that have been donated to your campaign have gone to your personal living expenses?' He immediately starts deflecting. It astounded me that none of those people there seemed to care that he is using their money to run an Uber business off of, paying for his groceries and his cable bill. I was astounded at how they put their head in the sand. It was like, 'We're not interested. We don't want to hear it.'"

Following the discussion, Stockham won a straw poll of Tea Party members who lived in the 6th CD by a landslide, with 26 votes to six votes received by eventual nominee Steve House, a former chairman of the state Republican Party.

NEWS

Colorado Republicans nominate Gardner for 2nd term, pick Corporon, Ortégón for RNC

Ernest Luning, Colorado Politics

"This is not a minor issue that's going to be swept away," Kirkland said. "Most people, if they want to look at this, they don't know how to look, they don't know where to look. You have to really get schooled up on this stuff to understand what's going on — my experience as a financial advisor, as a commercial loan officer, and having the good sense to reach out to attorneys and accountants who understand this stuff."

Stockham itemizes contributions from 22 individual donors to his 2020 campaign — including those who have given at least \$200 total since last June when the campaign launched. All but one of those donors lists a Colorado address, and 14 of the 22 list their

occupation as "retired."

Greg Lopez, a 2018 GOP candidate for governor, gave Stockham \$1,000 in November, and Republican Roger Edwards, who mounted a 2018 primary challenge against then-U.S. Rep. Mike Coffman, gave Stockham \$750 last summer in two donations.

Stockham also received \$5,000 from Elbert Guillory's America, an Alexandria, Virginia-based political action committee, split over three donations last year, though the funds are classified as individual contributions rather than as contributions from a political committee.

NEWS

COVER STORY | Strife of the party: Infighting, controversies drag down 'marquee' El Paso GOP

Ernest Luning, Colorado Politics

Kirkland, who won election in April as a delegate to the Republican National Convention, said it bothers him that conservative Republicans haven't been more upset about what he uncovered.

"Transparency is one of the pillars of the Tea Party," he said. "They've always screamed for transparency, and I tell you, Casper's campaign finance reports are the most non-transparent financial documents I've ever picked up."

He added: "We get affiliated with these political candidates. We give them our money, they slap our backs, they kiss our babies, and we start thinking these people are awesome, and we get to believing they can't do anything wrong. It's ridiculous."

Stockham told Colorado Politics it was the persistent skepticism about his campaign spending that got under his collar.

"All of it is ridiculous, but it was something they could use to shine a disparaging light on my campaign," he said. "But it was funny, because my little \$20,000 campaign was kicking their butt until all this coronavirus hit. They were worried, and they should have been worried, because I was doing pretty well in CD6."

MORE INFORMATION

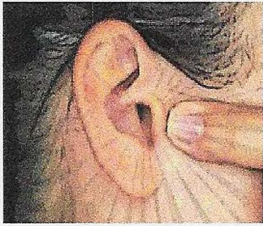
Former GOP congressional candidate Casper Stockham takes stock of gentrification

National Republican group upgrades Crow challenger Steve House to 'contender' status

Ernest Luning, Colorado Politics

From the Web

Ads by Revcontent



Silence Tinnitus by Doing This Once Daily

HealthScore



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Petlab Itch Relief Chews



Not Driving Much? Colorado Launches New Policy for Cars Used Under 25 Miles/day

CoTrckr



Here's How to Know 72 Hours in Advance Which Stocks Are Ready to Pop

VantagePoint



Chiropractors Baffled: "30 Second" Stretch Relieves Years Of Back Pain (Watch)


WeeklyPenny



Did You Know Your Dog's Gums Are Filled with Bacteria? Here's How to Fight It

Petlab's New Dental Wash

Exhibit 2

From: Casper For Colorado staff@casperforcolorado.com 
Subject: 🌟 The Good, Bad, and Ugly of politics! 🌟 - It's A New Day!
Date: February 15, 2020 at 7:10 PM
To: [REDACTED]

CC



6-7 pm MST **ONLINE** Every Sunday Evening
TOWN HALL MEETING

Dial-in number: (701) 801-1211
Access code: 195-454-164 PIN
Online meeting ID: asaonlinebiz.media

Ask Questions – Share Comments – Join The Team
Text your questions to 720 257-9461

The Good, Bad, and Ugly of politics! - It's A New Day!

Fellow Patriot,

The **GOOD** news is we are over the target and winning based upon internal and a recent straw poll!

The **BAD** news is we are over the target and taking fire from BIG money!

The **UGLY** news is this is politics and it's how the game is played!

I will have a LOT more to share about the Good, BAD, and UGLY on the call so please join us every Sunday evening, on a series of Online Town Hall meetings, as we talk about the issues regrading our campaign and how we win!

These LIVE CALLS are meant to help all of our supporters connect with the campaign in a more meaningful and personal way!

JOIN US LIVE every Sunday evening at 6 pm MST for our campaign Online Town Hall meeting! Ask Questions – Share Comments – Join The Team. Text your questions to 720 257-9461. It's a New Day in

CD6! <https://www.facebook.com/events/537551400190183/>

PLEASE make sure you go to your local Caucus and Assembly to support the candidate you feel has the best chance to go up against J Crow, toe to toe and WIN! Your CD6 choice this cycle is between an experienced politician or an experienced patriot statesman!

[Please help me fight the swamp and meet our fundraising goal this month!](#)
[We won't get there without you!](#)

From Casper's Desk

On a more personal note.

For the past few months, as I run my race against the Republican and the Democrat establishments, it has been an uphill battle on the fundraising side for sure. My opponents have plenty of campaign funds to run their races and hire staff, but they do not have the will nor the excitement of the people behind them.

My campaign has raised money but not without it taking a personal toll on myself and my family. I was recently asked, then why am I running? My answer is simple. I am running because, money or not I am the only candidate who can beat Jason Crow toe to toe.

Recently there was a CD6 Straw Poll conducted and I won 24 to 6! I have the people behind me and that is a problem for my opponent and his friends.

Unlike my opponents I must continue to work at night and campaign during the day. Normally this would not be a problem but going up against BIG money, in a congressional race, is a full-time job.

Collectively we spent over 43 million in the CD6 race last cycle and lost BIG LEAGUE.

My opponents friends [anonymously of course] claimed that I am using campaign money for personal use. This is blatantly false and very subjective BUT the people of CD6 will have to make the final decision. They have even launched a smear campaign calling my supporters. What I can tell you is I do run my entire campaign from my home and I have literally put everything I have on the line to win this race.

FEC rules state the candidate can receive a salary, from the campaign committee, as long as that compensation does not exceed the lesser of the minimum annual salary of the office or income of the individual. In my case that is **\$4,500 a month**. Technically that should be the end of the conversation but they will keep pressing.

My campaign has not been able to pay that amount in fact it has been on average a little over **\$1500 a month**. BIG money wants me out of the race and will do whatever it takes to make that happen.

To save money I have been doing the work of at least 5 people in my campaign. I work on the Website, Marketing, Newsletter, Social Media, Literature Design, and Event Planning along with the day to day candidate work.

With more money I would of course farm more of that work out to others and free up more time to be even more effective with my campaign. BUT even with that said I believe my opponent is worried because my little, underfunded campaign, is still more effective than their 1/2 a million dollar well-funded one.

To win this race it will take full time effort and a candidate who is willing to out work their opponent at every level. That candidate is me and I look forward to representing We The People in our fight to take back CD6!

FEC - Candidate salary rules

The candidate may receive a salary from his or her campaign committee only under the following conditions:

under the following conditions:

The salary must be paid by the principal campaign committee;

The salary must not exceed the lesser of the minimum annual salary for the federal office sought or what the candidate received as earned income in the previous year; Individuals who elect to receive a salary from their campaign committees must provide income tax records and additional proof of earnings from relevant years upon request from the Commission;

Please help me fight the swamp and meet our fundraising goal this month!
We won't get there without you!

Thank you and God bless.

Casper Stockham

Choose Amount*

\$5	\$17.76	\$20	\$25	\$50
\$100	\$177.60	\$200	\$500	\$750
\$1,776	\$2,000	\$2,500	\$2,800	\$5,400
Other				