

1 **FEDERAL ELECTION COMMISSION**

2
3 **FIRST GENERAL COUNSEL'S REPORT**

4
5 RAD REFERRAL: 18L-32
6 DATE REFERRED: October 11, 2018
7 DATE OF NOTIFICATION: October 15, 2018
8 RESPONSE RECEIVED: May 24, 2019
9 DATE ACTIVATED: June 7, 2019

10
11 ELECTION CYCLES: 2018
12 EXPIRATION OF SOL:
13 Earliest: February 9, 2023
14 Latest: February 22, 2023

15
16 **SOURCE:** Internally Generated

17
18 **RESPONDENTS:** Black Americans for a Better Future and
19 Chris Marston in his official capacity as treasurer
20 Mensah Real Estate Property, LLC
21 Stephen Cannon

22
23 **RELEVANT STATUTES**
24 **AND REGULATIONS:** 52 U.S.C. § 30102(b) and (c)
25 52 U.S.C. § 30104(a) and (b)

26
27 **INTERNAL REPORTS CHECKED:** Disclosure Reports
28 Reports Analysis Division Referral Materials

29
30 **AGENCIES CHECKED:** None

31
32 **I. INTRODUCTION**

33
34 The Reports Analysis Division (“RAD”) referred Black Americans for a Better Future
35 and Chris Marston in his official capacity as treasurer (the “Committee”) to the Office of General
36 Counsel (“OGC”) for potential violations of the Federal Election Campaign Act of 1971, as
37 amended (the “Act”), arising from unauthorized disbursements of Committee funds totaling
38 \$57,666.67 made to two recipients.

39 The Committee, in a memo filed with its 2018 April Quarterly Report, asserts that it was
40 the victim of a “wire transfer scheme” during the reporting period, but states that it recovered
41 \$32,666.67 from one of the recipients of the Committee’s funds. In an email sent to the
42 Commission in response to the notification of the referral, the Committee stated that it had

1 received a judgment for the remaining \$25,000. As discussed below, the available information
2 does not provide sufficient information to determine what took place, and the Committee did not
3 respond to invitations from RAD to supplement its response to its Request for Additional
4 Information (“RFAI”).

5 Based on available information, we recommend that the Commission open a Matter
6 Under Review (“MUR”) and find reason to believe that Mensah Real Estate Property, LLC, and
7 Stephen Cannon knowingly and willfully violated 52 U.S.C. § 30102(b)(3) by commingling
8 Committee funds with their own.¹ We further recommend that the Commission take no action at
9 this time as to whether the Committee violated 52 U.S.C. §§ 30102(c) and 30104(b) by failing to
10 keep complete records and file accurate reports. We also propose an investigation to determine
11 the nature and extent of the embezzlement scheme and the amount in violation.

12 **II. FACTUAL AND LEGAL ANALYSIS**

13 **A. Background**

14 The Committee is an independent expenditure-only political committee registered with
15 the Commission.² On April 12, 2018, the Committee filed its 2018 April Quarterly Report and
16 disclosed four disbursements—\$8,000 on February 9, 2018, \$18,667.67 on February 12, 2018,
17 \$6,000 on February 15, 2018, and \$25,000 on February 22, 2018—totaling \$57,666.67 made to
18 two recipients, Mensah Real Estate Property, LLC, and Stephen Cannon.³ The Committee
19 labeled each of the disbursements as a “fraudulent wire transfer.” The Committee also disclosed

¹ We do not examine a potential violation of 52 U.S.C. § 30114(a) and (b) because the Act’s personal use provisions do not apply to unauthorized committees.

² See Black Americans for a Better Future, FEC Form 1, *Statement of Organization* (amend. Sept. 16, 2014).

³ Referral at 1 (Oct. 11, 2018), Attach. 2; see also Black Americans for a Better Future, FEC Form 3X, *Report of Receipts and Disbursements* (Apr. 12, 2018). The first three disbursements were made to Mensah Real Estate Property, LLC, and the fourth \$25,000 disbursement was made to Stephen Cannon.

1 three separate receipts from Mensah Real Estate Property, LLC—\$6,000, \$8,000, and
2 \$18,666.67, all received March 27, 2018—totaling \$32,666.67.⁴ The Committee labeled each of
3 these receipts as “recovery of fraudulent wire transfer.”⁵ The Committee attached a memo to its
4 Report that stated:

5 The Committee was the victim of a wire fraud scheme during the reporting
6 period. Four wire transfers were made to two recipients during the period
7 . . . Funds from three of the transfers to one of the recipients were
8 recovered during the reporting period . . . The Committee continues to
9 work with law enforcement to recover the funds from the final fraudulent
10 transfer. The Committee has also adopted additional internal controls to
11 prevent similar fraudulent transactions in the future. All transactions have
12 been completely reported and the Committee's bank balance reconciles to
13 the closing cash on hand on this report.⁶

14
15 On July 12, 2018, RAD sent an RFAI to the Committee that requested clarification
16 regarding the apparent unauthorized disbursement of Committee funds.⁷ On August 16, 2018,
17 the Committee filed an amended 2018 April Quarterly Report.⁸ The amended Report did not
18 disclose any changes to the apparent unauthorized transactions, but included memo text that
19 stated, in part:

20 This amendment responds to a request for additional information dated
21 July 12, 2018. The Committee included memo text with its original report
22 providing a complete explanation for the first two items related to
23 fraudulent wire transfers and believes that clarifying information is
24 complete with regard to the fraud perpetrated on the Committee and its
25 work with law enforcement to recover the fraudulent funds and adopt
26 improved internal controls to combat future fraud.⁹

4 *Id.*

5 *Id.*

6 Referral at 2; Black Americans for a Better Future, 2018 April Quarterly Report.

7 Referral at 2; Black Americans for a Better Future, RFAI (July 12, 2018).

8 Black Americans for a Better Future, FEC Form 3X, *Report of Receipts and Disbursements* (amend. Aug. 16, 2018).

9 *Id.*; referral at 2.

1 On August 23, 2018, RAD contacted the Committee's treasurer to inform him that the
2 matter could be referred to OGC for further action and invited the Committee to submit further
3 information regarding the unauthorized use of Committee funds.¹⁰ The Committee's treasurer
4 indicated he had no further information to offer.¹¹ In response to the notification to the referral,
5 counsel for the Committee sent an email to the Commission stating that the Committee had
6 obtained a judgment from a Virginia Circuit Court against Mensah in a forfeiture action seeking
7 the return of the outstanding \$25,000, and that as soon as the Committee received the funds, it
8 would amend its disclosure reports to accurately reflect receipt of the funds.¹² The email
9 included a copy of an April 2, 2019, court order directing that \$25,000 be disbursed to the
10 Committee from a holding account.¹³ In a second email, the Committee's counsel indicated that
11 local prosecutors informed him that criminal charges related to the embezzlement will likely not
12 be filed because all investigative leads had been exhausted.¹⁴ To date, the Committee has not
13 amended its disclosure reports to reveal additional reimbursements for the funds.

14 **B. Legal Analysis**

15 The Act requires a committee, through its treasurer, to keep an accurate account of
16 receipts, disbursements, and cash-on-hand balances.¹⁵ To accomplish this, the Act imposes on
17 committees a series of recordkeeping and reporting requirements to be executed by the
18 committee's treasurer. The Act provides that committees must record the name and address of

¹⁰ Referral at 2; Attach. 3.

¹¹ *Id.*

¹² Email from Steve Roberts, counsel to Committee, to CELA Staff (May 24, 2019, 4:31 P.M. EDT).

¹³ *Id.*

¹⁴ Email from Steve Roberts, counsel to Committee, to CELA Staff (October 1, 2019, 4:48 P.M. EDT).

¹⁵ 52 U.S.C. §§ 30102(c), 30104(b); 11 C.F.R. §§ 104.3, 104.14(d).

1 every person to whom a disbursement is made, and the date, amount, and purpose of the
2 disbursement, and retain records (*e.g.*, receipt, cancelled check, invoice) related to each
3 disbursement in excess of \$200.¹⁶

4 The Act also requires that Committees file disclosure reports with the Commission.
5 Committee reports must disclose: (1) the amount of cash-on-hand at the start of the reporting
6 period; (2) the total amount of receipts; (3) the identity of any person who contributes more than
7 \$200 in the election cycle, and the date and amount of the contribution(s); (4) the total amount of
8 disbursements; (5) the identity of any person to whom the committee disburses over \$200 during
9 the election cycle, together with the date, amount, and purpose of the expenditure(s); and (6) the
10 amount of cash-on-hand at the close of the reporting period.¹⁷ The Act also states that a
11 committee's funds "shall be segregated from, and may not be commingled with, the personal
12 funds of any individual."¹⁸

13 **1. Mensah Real Estate Property, LLC, and Stephen Cannon Knowingly**
14 **and Willfully Violated the Act**
15

16 A violation of the Act is knowing and willful when the "acts were committed with full
17 knowledge of all the relevant facts and a recognition that the action is prohibited by law."¹⁹ This
18 does not require proving knowledge of the specific statute or regulation the respondent allegedly
19 violated.²⁰ Rather, it is sufficient to demonstrate that a respondent "acted voluntarily and was

¹⁶ 52 U.S.C. § 30102(c)(5); 11 C.F.R. § 102.9(b)(1)-(2).

¹⁷ 52 U.S.C. § 30104(b)(1)-(6); 11 C.F.R. § 104.3(a)-(b); *see also* Fed. Election Comm'n, Form 3X, *Report of Receipts and Disbursements for an Authorized Committee* (May 2016).

¹⁸ 52 U.S.C. § 30102(b)(3); 11 C.F.R. § 102.15.

¹⁹ 122 Cong. Rec. H3778 (daily ed. May 3, 1976).

²⁰ *See United States v. Danielczyk*, 917 F. Supp. 2d 573, 579 (E.D. Va. 2013) (citing *Bryan v. United States*, 524 U.S. 184, 195 & n.23 (1998) (holding that, to establish that a violation is willful, the government needs to show only that the defendant acted with knowledge that her conduct was unlawful, not knowledge of the specific statutory provision violated)).

1 aware that his conduct was unlawful.”²¹ This awareness may be shown through circumstantial
2 evidence, such as a “defendant’s elaborate scheme for disguising” his or her actions, or other
3 “facts and circumstances from which the jury reasonably could infer [the defendant] knew the
4 conduct was unauthorized and illegal.”²²

5 It appears that Mensah Real Estate Property, LLC, and Stephen Cannon commingled
6 Committee funds with their own. Neither Mensah Real Estate Property, LLC, nor Stephen
7 Cannon responded to the notification of this referral. Although the Committee states that it has
8 received reimbursements from Mensah Real Estate Property, LLC, it does not appear that the
9 Committee has received reimbursement from Stephen Cannon for the remaining \$25,000. We
10 recommend that the Commission find reason to believe that Mensah Real Estate Property, LLC,
11 and Stephen Cannon knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3) by
12 commingling Committee funds with their own.

13 **2. The Commission Should Take no Action at this Time Regarding Black**
14 **Americans for a Better Future.**
15

16 According to disclosure reports filed with the Commission, there were four fraudulent
17 transfers totaling \$57,666.67 made to two recipients. In the same reporting period, the
18 Committee also disclosed the recovery of \$32,666.67 from one of the recipients. Even so, there
19 is the issue of the remaining \$25,000, reportedly disbursed to Stephen Cannon. The copy of the
20 judgment the Committee submitted regarding the \$25,000 mentions Mensah, not Cannon.
21 Further, although the judgment indicates that the Committee was to receive \$25,000 of forfeited

²¹ *Id.*

²² *United States v. Hopkins*, 916 F.2d 207, 213-15 (5th Cir. 1990) (internal quotation marks omitted). As the *Hopkins* court noted, “It has long been recognized that ‘efforts at concealment [may] be reasonably explainable only in terms of motivation to evade’ lawful obligations.” *Id.* at 214 (quoting *Ingram v. United States*, 360 U.S. 672, 679 (1959)).

1 funds, the Committee has not disclosed receipt of those funds, and local prosecutors apparently
2 have no leads as to who is responsible for the conversion of those funds.

3 When determining the extent of a committee's liability related to the unauthorized use of
4 Committee funds, the Commission has examined whether the embezzlement resulted from the
5 committee's failure to implement adequate control procedures over committee finances.²³ In its
6 *Statement of Policy: Safe Harbor for Misreporting Due to Embezzlement*, the Commission stated
7 that it would not seek a monetary penalty for misreporting against a committee if the committee
8 had certain minimal internal controls in place at the time of the embezzlement and took certain
9 steps after discovering the embezzlement.²⁴

10 The controls identified in the policy statement are: (1) opening all bank accounts in the
11 name of the committee using its Employer Identification Number; (2) monthly bank statements
12 are reviewed for unauthorized transactions and reconciled by someone other than the individual
13 with check signing authority or who has responsibility for the committee's accounting; (3) dual-
14 signing authority for checks over \$1,000; (4) procedures for handling incoming receipts by
15 someone other than the individuals with accounting or banking authority; and (5) safeguards for
16 managing a petty cash account. After the discovery of embezzlement, the policy statement also
17 requires the committee to notify law enforcement and the Commission, and file amended
18 Commission reports to correct any inaccuracies. If the committee follows some, but not all of

²³ See, e.g., Factual & Legal Analysis at 7, MUR 7225 (Wu); Factual & Legal Analysis at 20, MUR 6922 (ACA International Political Action Committee); Factual & Legal Analysis at 4, MUR 5923 (American Dream PAC); Factual & Legal Analysis at 4, MUR 5920 (Women's Campaign Fund).

²⁴ Statement of Policy: Safe Harbor for Misreporting Due to Embezzlement, 72 Fed. Reg. 16,695, 16,695 (Apr. 5, 2007).

1 these practices, or has other comparable safeguards, the Commission will consider those
2 measures as mitigating factors when determining the committee's monetary liability.²⁵

3 In this matter we have little information regarding the fraudulent disbursements, and no
4 specific information regarding the Committee and its financial safeguards. While in other cases
5 the Commission has referred Committees from which funds have been embezzled to the
6 Alternative Dispute Resolution Office, we recommend that the Commission take no action at this
7 time as to the Respondents pending the investigation of Mensah Real Estate Property, LLC, and
8 Stephen Cannon.²⁶ Unlike those other cases, the Commission lacks material facts regarding the
9 Committee's internal controls, how the embezzlement occurred, and the means by which partial
10 reimbursements were made to the Committee. We believe the investigation may uncover this
11 missing information, at which time we will make the appropriate recommendations.²⁷
12 Accordingly, we recommend that the Commission take no action at this time as to whether the
13 Committee violated 52 U.S.C. §§ 30102(c) and 30104(b) by failing to keep complete records and
14 file accurate reports in connection with the unauthorized use of Committee funds.

15 **III. PROPOSED INVESTIGATION**

16 The investigation would seek information regarding how disbursements to Mensah Real
17 Estate Property, LLC, and to Stephen Cannon occurred, and the circumstances regarding
18 disbursements to the Committee. As it seems likely that Respondents will not cooperate with the
19 investigation, we recommend that the Commission approve the use of compulsory process.

²⁵ *Id.*; see also *Internal Controls and Political Committees*, FED. ELECTION COMM'N.

²⁶ See, e.g., Certification, RRs 15L-03, 15L-12 and 15L-16 (McConnell Senate Committee/Pate) (Oct. 30, 2015); Certification, RRs 12L-39, 12L-44, 12L-46 & 12L-71 (Richardson for Congress); Certification, MUR 6768 (Doherty); Notification, Pre-MUR 526 (Geoff Davis for Congress).

²⁷ See Certification, MUR 7226 (Pawlowski2016.com) (March 22, 2017) (Finding reason to believe against alleged embezzler; taking no action at that time as to Committee pending investigation and criminal trial)

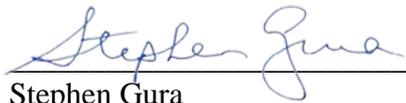
1 **IV. RECOMMENDATIONS**

- 2
- 3 1. Open a Matter Under Review;
- 4
- 5 2. Find reason to believe that Mensah Real Estate Property, LLC, and Stephen
- 6 Cannon knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3) by
- 7 commingling Committee funds with their own;
- 8
- 9 3. Take no action at this time as to allegations that Black Americans for a Better
- 10 Future and Chris Marston in his official capacity as treasurer violated 52 U.S.C.
- 11 §§ 30102(c) and 30104(b) by failing to keep complete records and file accurate
- 12 reports;
- 13
- 14 4. Approve the attached factual and legal analysis;
- 15
- 16 5. Approve the use of compulsory process; and
- 17
- 18 6. Approve the appropriate letters.
- 19

20 Lisa J. Stevenson
21 Acting General Counsel

22 Charles Kitcher
23 Acting Associate General Counsel
24 for Enforcement

25
26
27
28
29 10.3.19
30 Date


31 _____
32 Stephen Gura
33 Deputy Associate General Counsel
34 for Enforcement


35 _____
36 Mark Shonkwiler
37 Assistant General Counsel


38 _____
39 Wanda D. Brown
40 Attorney

41 Attachment:
42 Factual and Legal Analysis
43
44
45
46
47

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Mensah Real Estate Property, LLC **MUR**
Stephen Cannon

I. INTRODUCTION

This matter was generated based on information ascertained by the Federal Election Commission (the “Commission”) in the normal course of carrying out its supervisory responsibilities.¹ In a memo filed with its 2018 April Quarterly Report, Black Americans for a Better Future and Chris Marston in his official capacity as treasurer (the “Committee”) asserts that it was the victim of a “wire transfer scheme” with regard to unauthorized disbursements of Committee funds totaling \$57,666.67 made to Mensah Real Estate Property, LLC and Stephen Cannon.

The Reports Analysis Division (“RAD”) referred this matter to the Office of General Counsel (“OGC”) for potential violations of the Federal Election Campaign Act of 1971, as amended (the “Act”), and the above-named Respondents were notified of this referral. Based on available information, the Commission finds reason to believe that Mensah Real Estate Property, LLC, and Stephen Cannon knowingly and willfully violated 52 U.S.C. § 30102(b)(3) by commingling Committee funds with their own.

II. FACTUAL AND LEGAL ANALYSIS**A. Background**

The Committee is an independent expenditure-only political committee registered with the Commission.² On April 12, 2018, the Committee filed its 2018 April Quarterly Report and

¹ See 52 U.S.C. § 30109(a)(2).

² See Black Americans for a Better Future, FEC Form 1, *Statement of Organization* (amend. Sept. 16, 2014).

1 disclosed four disbursements—\$8,000 on February 9, 2018, \$18,667.67 on February 12, 2018,
2 \$6,000 on February 15, 2018, and \$25,000 on February 22, 2018—totaling \$57,666.67 made to
3 two recipients, Mensah Real Estate Property, LLC, and Stephen Cannon.³ The Committee
4 labeled each of the disbursements as a “fraudulent wire transfer.” The Committee also disclosed
5 three separate receipts from Mensah Real Estate Property, LLC—\$6,000, \$8,000, and
6 \$18,666.67, all received March 27, 2018—totaling \$32,666.67.⁴ The Committee labeled each of
7 these receipts as “recovery of fraudulent wire transfer.”⁵ The Committee attached a memo to its
8 Report that stated:

9 The Committee was the victim of a wire fraud scheme during the reporting
10 period. Four wire transfers were made to two recipients during the period
11 . . . Funds from three of the transfers to one of the recipients were
12 recovered during the reporting period . . . The Committee continues to
13 work with law enforcement to recover the funds from the final fraudulent
14 transfer. The Committee has also adopted additional internal controls to
15 prevent similar fraudulent transactions in the future. All transactions have
16 been completely reported and the Committee's bank balance reconciles to
17 the closing cash on hand on this report.⁶

18
19 On July 12, 2018, RAD sent an RFAI to the Committee that requested clarification
20 regarding the apparent unauthorized disbursement of Committee funds.⁷ On August 16, 2018,
21 the Committee filed an amended 2018 April Quarterly Report.⁸ The amended Report did not

³ Referral at 1 (Oct. 11, 2018), Attach. 2; *see also* Black Americans for a Better Future, FEC Form 3X, *Report of Receipts and Disbursements* (Apr. 12, 2018). The first three disbursements were made to Mensah Real Estate Property, LLC, and the fourth \$25,000 disbursement was made to Stephen Cannon.

⁴ *Id.*

⁵ *Id.*

⁶ Referral at 2; Black Americans for a Better Future, 2018 April Quarterly Report.

⁷ Referral at 2; Black Americans for a Better Future, RFAI (July 12, 2018).

⁸ Black Americans for a Better Future, FEC Form 3X, *Report of Receipts and Disbursements* (amend. Aug. 16, 2018).

1 disclose any changes to the apparent unauthorized transactions, but included memo text that
2 stated, in part:

3 This amendment responds to a request for additional information dated
4 July 12, 2018. The Committee included memo text with its original report
5 providing a complete explanation for the first two items related to
6 fraudulent wire transfers and believes that clarifying information is
7 complete with regard to the fraud perpetrated on the Committee and its
8 work with law enforcement to recover the fraudulent funds and adopt
9 improved internal controls to combat future fraud.⁹

10
11 On August 23, 2018, RAD contacted the Committee's treasurer to inform him that the
12 matter could be referred to OGC for further action and invited the Committee to submit further
13 information regarding the unauthorized use of Committee funds.¹⁰ The Committee's treasurer
14 indicated he had no further information to offer.¹¹ In response to the notification to the referral,
15 counsel for the Committee sent an email to the Commission stating that the Committee had
16 obtained a judgment from a Virginia Circuit Court against Mensah in a forfeiture action seeking
17 the return of the outstanding \$25,000, and that as soon as the Committee received the funds, it
18 would amend its disclosure reports to accurately reflect receipt of the funds.¹² The email
19 included a copy of an April 2, 2019, court order directing that \$25,000 be disbursed to the
20 Committee from a holding account.¹³ To date, the Committee has not amended its disclosure
21 reports to reveal additional reimbursements for the funds.

⁹ *Id.*; referral at 2.

¹⁰ Referral at 2; Attach. 3.

¹¹ *Id.*

¹² Email from Steve Roberts, counsel to Committee, to CELA Staff (May 24, 2019, 4:31 P.M. EDT).

¹³ *Id.*

1 **B. Legal Analysis**

2 The Act requires a committee, through its treasurer, to keep an accurate account of
3 receipts, disbursements, and cash-on-hand balances.¹⁴ To accomplish this, the Act imposes on
4 committees a series of recordkeeping and reporting requirements to be executed by the
5 committee’s treasurer. The Act provides that committees must record the name and address of
6 every person to whom a disbursement is made, and the date, amount, and purpose of the
7 disbursement, and retain records (*e.g.*, receipt, cancelled check, invoice) related to each
8 disbursement in excess of \$200.¹⁵

9 The Act also requires that Committees file disclosure reports with the Commission.
10 Committee reports must disclose: (1) the amount of cash-on-hand at the start of the reporting
11 period; (2) the total amount of receipts; (3) the identity of any person who contributes more than
12 \$200 in the election cycle, and the date and amount of the contribution(s); (4) the total amount of
13 disbursements; (5) the identity of any person to whom the committee disburses over \$200 during
14 the election cycle, together with the date, amount, and purpose of the expenditure(s); and (6) the
15 amount of cash-on-hand at the close of the reporting period.¹⁶

16 The Act also states that a committee’s funds “shall be segregated from, and may not be
17 commingled with, the personal funds of any individual.”¹⁷ A violation of the Act is knowing and
18 willful when the “acts were committed with full knowledge of all the relevant facts and a

¹⁴ 52 U.S.C. §§ 30102(c), 30104(b); 11 C.F.R. §§ 104.3, 104.14(d).

¹⁵ 52 U.S.C. § 30102(c)(5); 11 C.F.R. § 102.9(b)(1)-(2).

¹⁶ 52 U.S.C. § 30104(b)(1)-(6); 11 C.F.R. § 104.3(a)-(b); *see also* Fed. Election Comm’n, Form 3X, *Report of Receipts and Disbursements for an Authorized Committee* (May 2016).

¹⁷ 52 U.S.C. § 30102(b)(3); 11 C.F.R. § 102.15.

1 recognition that the action is prohibited by law.”¹⁸ This does not require proving knowledge of
2 the specific statute or regulation the respondent allegedly violated.¹⁹ Rather, it is sufficient to
3 demonstrate that a respondent “acted voluntarily and was aware that his conduct was
4 unlawful.”²⁰ This awareness may be shown through circumstantial evidence, such as a
5 “defendant’s elaborate scheme for disguising” his or her actions, or other “facts and
6 circumstances from which the jury reasonably could infer [the defendant] knew the conduct was
7 unauthorized and illegal.”²¹

8 It appears that Mensah Real Estate Property, LLC, and Stephen Cannon commingled
9 Committee funds with their own. Neither Mensah Real Estate Property, LLC, nor Stephen
10 Cannon responded to the notification of this referral. Although the Committee states that it has
11 received reimbursements from Mensah Real Estate Property, LLC, it does not appear that the
12 Committee has received reimbursement from Stephen Cannon for the remaining \$25,000.
13 Accordingly, the Commission finds reason to believe that Mensah Real Estate Property, LLC,
14 and Stephen Cannon knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3) by
15 commingling Committee funds with their own.

¹⁸ 122 Cong. Rec. H3778 (daily ed. May 3, 1976).

¹⁹ See *United States v. Danielczyk*, 917 F. Supp. 2d 573, 579 (E.D. Va. 2013) (citing *Bryan v. United States*, 524 U.S. 184, 195 & n.23 (1998) (holding that, to establish that a violation is willful, the government needs to show only that the defendant acted with knowledge that her conduct was unlawful, not knowledge of the specific statutory provision violated)).

²⁰ *Id.*

²¹ *United States v. Hopkins*, 916 F.2d 207, 213-15 (5th Cir. 1990) (internal quotation marks omitted). As the *Hopkins* court noted, “It has long been recognized that ‘efforts at concealment [may] be reasonably explainable only in terms of motivation to evade’ lawful obligations.” *Id.* at 214 (quoting *Ingram v. United States*, 360 U.S. 672, 679 (1959)).