



FEDERAL ELECTION COMMISSION
Washington, DC 20463

August 12, 2021

By United Parcel Service

Bryan Williams

Bakersfield, CA 93301

RE: MUR 7922 (Bryan Williams)
(formerly RR 20L-13)

Dear Mr. Williams:

On August 3, 2020, the Federal Election Commission (the "Commission") notified you that its Reports Analysis Division ascertained information during the normal course of carrying out its supervisory responsibilities indicating possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), and that you had been referred to the Commission's Office of General Counsel for possible enforcement action under 52 U.S.C. § 30109.

Upon review of the available information, the Commission, on July 29, 2021, opened a matter under review ("MUR") and found reason to believe that you knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3), 30102(c), 30104(b) and 11 C.F.R. §§ 102.9, 102.15, and 104.3 by failing to keep complete records and file accurate reports with the Commission and by commingling committee funds and personal funds. The Factual and Legal Analysis, which provides the basis for the Commission's findings, is enclosed for your information.

Please note that you have a legal obligation to preserve all documents, records, and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter.¹

In order to expedite the resolution of this matter, the Commission has authorized the Office of the General Counsel to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Pre-probable cause conciliation is not mandated by the Act or the Commission's regulations, but is a voluntary step in the enforcement process that the Commission is offering to resolve this matter at an early stage and without the need for briefing the issue of whether or not the Commission should find probable cause to believe that you violated the law. Enclosed is a conciliation agreement for your consideration,

¹ See 18 U.S.C. § 1519.

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If you are interested in engaging in pre-probable cause conciliation, please contact Richard Weiss, the attorney assigned to this matter, at (202) 694-1021 or rweiss@fec.gov, within seven days of receiving this letter. During conciliation, you may submit any factual or legal materials that are relevant to the Commission's consideration of this matter. Because the Commission only enters into pre-probable cause conciliation in matters that it believes have a reasonable opportunity for settlement, it may proceed to the next step in the enforcement process if a mutually acceptable conciliation agreement cannot be reached within sixty days.² Conversely, if you are not interested in pre-probable cause conciliation, the Commission may conduct formal discovery or proceed to the next step in the enforcement process. Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding. Pre-probable cause conciliation, extensions of time, and other enforcement procedures and options are discussed more comprehensively in the Commission's "Guidebook for Complainants and Respondents on the FEC Enforcement Process," which is available on the Commission's website at https://www.fec.gov/resources/cms-content/documents/respondent_guide.pdf.

In the meantime, this matter will remain confidential in accordance with 52 U.S.C. §§ 30109(a)(4)(B) and 30109(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. Please be advised that although the Commission cannot disclose information regarding an investigation to the public, it may share information on a confidential basis with other law enforcement agencies.³

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed Designation of Counsel form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

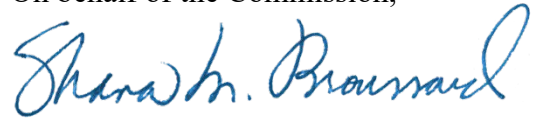
² See 52 U.S.C. § 30109(a), 11 C.F.R. Part 111 (Subpart A).

³ The Commission has the statutory authority to refer knowing and willful violations of the Act to the Department of Justice for potential criminal prosecution, 52 U.S.C. § 30109(a)(5)(C), and to report information regarding violations of law not within its jurisdiction to appropriate law enforcement authorities. *Id.* 30107(a)(9).

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We look forward to your response.

On behalf of the Commission,

A handwritten signature in blue ink, reading "Shana M. Broussard". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Shana M. Broussard
Chair

Enclosures
Factual and Legal Analysis

1 **FEDERAL ELECTION COMMISSION**

2 **FACTUAL AND LEGAL ANALYSIS**

3 **RESPONDENTS:** Bryan Williams **MUR 7922 (formerly RR 20L-13)**

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6 **I. INTRODUCTION**

7 This matter was generated based on information ascertained by the Federal Election
8 Commission (the “Commission”) in the normal course of carrying out its supervisory
9 responsibilities, pursuant to 52 U.S.C. § 30109(a)(2). The Reports Analysis Division (“RAD”)
10 referred Bryan Williams, the former treasurer of the Kern County Republican Central Committee
11 (the “Committee”), to the Office of General Counsel for \$218,546.39 in apparent unauthorized
12 Committee disbursements. The Commission finds reason to believe that Bryan Williams,
13 knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3), 30102(c), 30104(b), and 11 C.F.R.
14 §§ 102.9, 102.15, and 104.3 by failing to keep complete records and file accurate reports with the
15 Commission and by commingling Committee funds and personal funds.

16 **II. FACTUAL BACKGROUND**

17 The Committee is a local party committee registered with the Commission and Laura
18 Sheffield is the current treasurer.¹ Williams was the treasurer from March 18, 2013, to
19 February 20, 2019.² According to information in the Commission’s possession, Williams had
20 signature authority on all Committee accounts, handled all of the Committee’s expenses and was
21 responsible for providing information on receipts and disbursements to Tom Montgomery—

¹ Kern County Republican Central Committee Amended Statement of Org. (Feb. 12, 2020). The Committee is the official local delegation and Central Committee for the Republican Party in Kern County, California. *See About, THE KERN GOP*, <https://www.thekerngop.org/about> (last visited June 16, 2021).

² *See* Kern County Republican Central Committee Amended Statement of Org. (Mar. 18, 2013) (amending treasurer to Bryan Williams); Kern County Republican Central Committee Amended Statement of Org. (Feb. 21, 2019) (removing Bryan Williams as treasurer).

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1 owner and operator of Political Visions, a campaign finance reporting business, who handles the
2 Committee's reporting with the Commission.

3 According to the information available to the Commission, in December 2018 and
4 January 2019, staff members of the Committee's consulting firm that handles the Committee's
5 headquarters operations and activities, Western Pacific Research, became suspicious of possible
6 financial irregularities after Williams failed to attend regular monthly Committee meetings,
7 provided infrequent submissions of monthly treasurer reports, and received notice of non-
8 payment from a vendor of the Committee. Subsequently, Williams changed the key to the
9 Committee mailbox preventing anyone else from accessing it and collected contributions from a
10 donor without authorization. Western Pacific Research staff then analyzed the Committee's
11 reports filed with the Commission and determined they were inconsistent with their knowledge
12 of the Committee's activities and operations. The Committee undertook an investigation and
13 was able to determine that Williams deposited Committee funds into his personal bank accounts
14 and paid his personal credit cards with Committee funds. The Committee then dismissed
15 Williams as treasurer.

16 The Committee confronted Williams and obtained partial restitution from him in the
17 amount of \$218,546.30. Information available to the Commission indicates that the full amount
18 of embezzlement is approximately \$272,000.00. To the Commission's knowledge, Williams has
19 not been charged criminally.

20 RAD identified two refunds, totaling \$218,546.39, from Williams on the Committee's
21 2019 Mid-Year Report and sent a Request For Additional Information to the Committee.³ The

³ Referral at 3, RR 20L-13 (July 24, 2020).

Committee filed a Form 99 response in April 2020 explaining that the two refunds were from Williams, who had embezzled funds from the Committee.⁴ Subsequently, RAD referred Williams to the Office of General Counsel “for apparent unauthorized disbursements totaling \$218,546.39 on the 2019 Mid-Year Report.”⁵

According to the information available to the Commission, Williams signed statements acknowledging that he owes money to the Committee and that he has paid partial restitution via check.

Williams did not respond to the Commission’s notification of the Referral.

III. LEGAL ANALYSIS

Each treasurer is required to keep an accurate account of and disclose, among other things, committee receipts, disbursements, and cash-on-hand balances.⁶ To accomplish this, the Act imposes on committees a series of recordkeeping and reporting requirements to be executed by the committee’s treasurer. The Act provides that committees must record the name and address of every person to whom a disbursement is made, and the date, amount, and purpose of the disbursement, and retain records (e.g., receipt, cancelled check, invoice) related to each disbursement in excess of \$200.⁷ The Act also requires that a committee’s funds “shall be segregated from, and may not be commingled with the personal funds of any individual.”⁸

⁴ Kern County Central Republican Committee Form 99 (Apr. 15, 2020).

⁵ Referral at 3.

⁶ 52 U.S.C. §§ 30102(c), 30104(a), (b).

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

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

1 According to the information available to the Commission it appears that Williams's
2 embezzlement caused the Committee to under-report its disbursements and misreport the
3 purpose of its disbursements on its disclosure reports since 2013. The available information
4 indicates that Williams had primary responsibility for managing all of the Committee's
5 accounting and financial operations. Williams was the sole authorized signatory on all of the
6 Committee's bank accounts except for one and transferred Committee funds to himself and paid
7 his personal credit card with Committee funds without the Committee's knowledge or
8 authorization. Williams also provided falsified reports to Montgomery, who was responsible for
9 preparing the Committee's disclosure reports.

10 While serving as treasurer for the Committee, Williams withdrew over \$200,000 in
11 Committee funds and did not disclose the withdrawals on reports filed with the Commission.
12 Williams signed each Committee report filed between February 2013 and January 2019.
13 Williams provided false information about the recipient and purpose of certain disbursements on
14 the reports.

15 Lastly, the available information, including the restitution payments, confirm that
16 Williams commingled committee funds and personal funds by depositing Committee funds into
17 his personal bank accounts in violation of 52 U.S.C. § 30102(b)(3) and 11 C.F.R. § 102.15.⁹ By
18 contrast, direct payments to Williams's personal credit cards would appear to not violate the
19 comingling provision of the Act.¹⁰

⁹ See Factual & Legal Analysis at 7, MUR 7225 (Jack Wu) (finding respondent knowingly and willfully violated the comingling provisions by withdrawing funds from the committee account and depositing the money into his personal and business accounts); Factual & Legal Analysis at 4-5, MUR 7132 (Michael David Pitts) (finding respondent knowingly and willfully commingled funds by forging a check drawn on a PAC account and making it payable to a company with a bank account that was controlled by the respondent).

¹⁰ See Factual & Legal Analysis at 2-3, MUR 5872 (Jane Hague for Congress) (considering unauthorized checks committee staffer wrote to herself as comingling, but not check payable to her childcare provider).

1 The Act prescribes additional monetary penalties for violations that are knowing and
 2 willful.¹¹ A violation of the Act is knowing and willful if the “acts were committed with full
 3 knowledge of all the relevant facts and a recognition that the action is prohibited by law.”¹² This
 4 does not require proving knowledge of the specific statute or regulation the respondent allegedly
 5 violated.¹³

6 The information supports a knowing and willful finding. Williams, without
 7 authorization, transferred Committee funds directly to his own accounts and falsified memo and
 8 description fields of the transactions to conceal his conduct. In an effort to conceal his
 9 embezzlement, Williams never provided Montgomery copies of Committee invoices or
 10 Williams’s credit card statements for review and instead, provided falsified information.
 11 Williams’s actions, which caused the Committee to underreport and misreport its disbursements,
 12 indicate an intent to conceal the embezzlement.¹⁴

13 Therefore, the Commission finds that Williams knowingly and willfully violated
 14 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by failing to file accurate reports with the

¹¹ 52 U.S.C §§ 30109(a)(5)(B), 30109(d).

¹² 122 Cong. Rec. 12,197, 12,199 (May 3, 1976).

¹³ *United States v. Danielczyk*, 917 F. Supp. 2d 573, 578 (E.D. Va. Jan. 9, 2013) (quoting *Bryan v. United States*, 524 U.S. 184, 195 & n.23 (1998) (holding that, to establish a violation is willful, government needs to show only that defendant acted with knowledge that conduct was unlawful, not knowledge of specific statutory provision violated)). It is sufficient to demonstrate that a respondent “acted voluntarily and was aware that his conduct was unlawful.” *Id.* (citing jury instructions in *United States v. Edwards*, No. 11-61 (M.D.N.C. 2012), *United States v. Acevedo Vila*, No. 08-36 (D.P.R. 2009), *United States v. Fieger*, No. 07-20414 (E.D. Mich. 2008), and *United States v. Alford*, No. 05-69 (N.D. Fla. 2005)). This awareness may be shown through circumstantial evidence from which the respondent’s unlawful intent reasonably may be inferred. *Cf. United States v. Hopkins*, 916 F.2d 207, 213 (5th Cir. 1990) (quoting *United States v. Bordelon*, 871 F.2d 491, 494 (5th Cir. 1989)). *Hopkins* involved a conduit contributions scheme, and the issue before the Fifth Circuit concerned the sufficiency of the evidence supporting the defendants’ convictions for conspiracy and false statements under 18 U.S.C. §§ 371 and 1001.

¹⁴ 52 U.S.C. § 30104(b); 11 C.F.R. §§ 104.3.

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1 Commission.¹⁵ Further, the Commission finds that Williams knowing and willfully violated
2 52 U.S.C. § 30102(c) and 11 C.F.R. § 102.9 by failing to keep an account of disbursements made
3 from the Committee's funds.¹⁶ Lastly, the Commission finds that Williams knowing and
4 willfully violated 52 U.S.C. § 30102(b)(3) and 11 C.F.R. § 102.15 by commingling Committee
5 funds and personal funds by depositing Committee funds into his personal bank accounts.

¹⁵ See Factual & Legal Analysis at 6-7, MUR 7225 (Jack Wu) (finding treasurer violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by failing to file accurate reports with the Commission reflecting his embezzlement); Factual & Legal Analysis at 3, MUR 5610 (Earl Allen Haywood) (same).

¹⁶ See Factual & Legal Analysis at 6-7, MUR 7225 (Jack Wu) (finding treasurer violated 52 U.S.C. § 30102(c) and 11 C.F.R. § 102.9 by failing to keep an account of his unauthorized and embezzled disbursements); Factual & Legal Analysis at 3, MUR 5610 (Earl Allen Haywood) (same).