

FEDERAL ELECTION COMMISSION**FIRST GENERAL COUNSEL'S REPORT****SENSITIVE**

RRL20-11

DATE REFERRED: June 10, 2020

DATE OF NOTIFICATION: June 17, 2020

LAST RESPONSE RECEIVED: June 30, 2020

DATE ACTIVATED: December 11, 2020

EARLIEST SOL: April 3, 2024

LATEST SOL: May 2, 2024

ELECTION CYCLE: 2020

SOURCE:

RAD Referral

RESPONDENTS:

Hunter Davis Pace

DATE FILED: November 24, 2020

DATE ACTIVATED: December 11, 2020

EARLIEST SOL: April 3, 2024

LATEST SOL: May 2, 2024

ELECTION CYCLE: 2020

SOURCE:*Sua Sponte* Submission**RESPONDENTS:**

Hunter Davis Pace

**RELEVANT STATUTES
AND REGULATIONS:**

52 U.S.C. § 30102(b)(3)

52 U.S.C. § 30104(b)

11 C.F.R. § 102.15

11 C.F.R. § 104.3

11 C.F.R. § 104.14(d)

INTERNAL REPORTS CHECKED: Disclosure Reports**FEDERAL AGENCIES CHECKED:** None

I. INTRODUCTION

These matters arose from a referral from the Reports Analysis Division (“RAD”) and a follow-up *sua sponte* submission by the Lafayette County Democratic Party and Susan Fino in her official capacity as treasurer (“Committee”), both describing unauthorized disbursements by Hunter Davis Pace, the Committee’s former treasurer.¹ In a one-month period, Pace appears to have embezzled a total of \$14,523.87, including \$13,500 by writing checks to himself and to his corporation, and using a debit card tied to the Committee’s bank account to make ATM withdrawals for personal expenses. He also failed to file the Committee’s 2019 Mid-Year disclosure report and failed to account for his disbursements.

The Committee acknowledges its financial controls failed but points to Pace’s “ruse” that he was undergoing cancer treatment as the reason the Committee let down its guard and allowed the first-time embezzlement to occur. As part of its reforms, the Committee submitted a draft internal controls policy, based on Commission guidance, that it says it will implement. Pace has not responded to the Referral and appears to be in hiding following his arrest for the crime against the Committee and other alleged fraudulent financial acts.

[REDACTED]

[REDACTED] We further recommend that the Commission open a MUR and find reason to believe that Hunter Davis Pace knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3) and 30104(b) and 11 C.F.R. §§ 102.15, and 104.3, and 104.14(d) by

¹ See Referral, RR20L-11, from Patricia Orrock and Debbie Chacona to Lisa Stevenson, June 10, 2020; [REDACTED] *Sua Sponte* Submission, November 24, 2020 (“Submission”).

1 commingling Committee funds with personal funds, failing to keep complete Committee
 2 financial records, and failing to file accurate disclosure reports.

3 **II. FACTUAL BACKGROUND**

4
 5 The Committee is a non-qualified party committee in Oxford, Mississippi, and is
 6 overseen by an Executive Committee.² It registered with the Commission on October 22, 2012.
 7 At its January 2019 monthly meeting, the Executive Committee elected Pace as its treasurer,
 8 based on his recent political activities in college and in the community and his paid employment
 9 with lieutenant governor candidate Jay Hughes.³

10 At its February 2019 monthly meeting, Pace advised the Committee that it was not
 11 required to file disclosure reports with the Commission.⁴ Although the Committee's former
 12 treasurer, Martha Scott, attended the February 2019 meeting, and she had filed reports on behalf
 13 of the Committee in the past, she did not question Pace's statement at that time.⁵ Given her
 14 knowledge that the Committee's next report was not due at the time, Scott intended to question
 15 Pace's statement about the Committee's reporting requirements at the Committee's next meeting
 16 in March.⁶

² See <https://www.fec.gov/data/committee/C00532788/>; Submission at 1.

³ [REDACTED] Submission at 1. The Committee also provided information about the embezzlement in attachments to its Amended 2019 Mid-Year Report. See <https://docquery.fec.gov/pdf/101/201911040300301101/201911040300301101.pdf>.

⁴ [REDACTED] Submission at 1.

⁵ [REDACTED] Submission at 1.

⁶ [REDACTED] Submission at 1. Martha Scott was reinstated as temporary treasurer after Pace's removal. Submission at 3. [REDACTED] Committee Chair Cristen Hemmins filed the *Sua Sponte*.

At the Committee's March 2019 meeting, Pace announced that he had cancer and would be missing future meetings because he would be receiving treatment in Texas.⁷ He told the Committee that he wanted to remain treasurer as long as possible to distract him from his illness.⁸ According to the Committee, the members' attention shifted to organizing to help Pace.⁹ Members brought him meals and he provided updates on his treatment through spring and early summer.¹⁰ Pace appeared bald at this time, a change from his previous appearance.¹¹

At some point after assuming treasurer duties in early 2019, Pace had the Committee's bank account statements forwarded to himself.¹² He also obtained a debit card for the account, something the Committee never had before, without telling anyone.¹³ Starting April 3, 2019, Pace wrote five checks to himself and to his solely owned LLC from the Committee's account, made 15 personal purchases with the bank debit card, and twice withdrew cash from the Committee's bank account using an ATM. Less than one month later, the Committee's account started becoming overdrawn, and on May 2, Pace made his last debit card purchase.¹⁴ The account was charged \$288 in overdraft and insufficient funds fees before being shut down.¹⁵

⁷ [REDACTED] Submission at 2.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² Submission at 2; phone call with Hemmins, Dec. 22, 2020 ("phone call").

¹³ *Id.*

¹⁴ Submission at 4-5; Amended 2019 Mid-Year Report.

¹⁵ Submission at 5.

- 1 Pace's checks to himself and to his corporation total \$13,500, and, combined with other
 2 purchases, he spent \$14,523.87 of the Committee's funds without authorization:

DATE	PAYEE	AMOUNT
4/3/19	Advanced Analytics LLC ¹⁶	\$2,000
4/3/19	Cash	\$2,000
4/5/19	Cash	\$4,000
4/9/19	Cash	\$3,500
4/12/19	Cash	\$2,000
4/18/19	Domino's	\$20
4/19/19	ATM withdrawal	\$400
4/19/19	Landshark	\$33.68
4/19/19	Kiiroo.com	\$149
4/22/19	Insomnia Cookies	\$28.50
4/24/19	ATM withdrawal	\$80
4/24/19	City of Oxford	\$1.25
4/24/19	Domino's	\$30
4/24/19	Facebook	\$35.31
4/25/19	City of Oxford	\$1.25
4/25/19	Facebook	\$9.02
4/25/19	Queensboro Indus	\$146.33
4/26/19	Facebook	\$35
5/1/19	Apple iTunes	\$16.04
5/1/19	Apple iTunes	\$16.04
5/2/19	Apple iTunes	\$10.69
5/2/19	Apple iTunes	\$11.76

- 3
 4 The Committee confirmed that Pace was not authorized to make these charges and that none of
 5 the charges were for Committee purposes.¹⁷

- 6 Although the Committee had no funds by early spring, Pace continued to check in with
 7 Executive Committee members through early summer to update them about his illness and

¹⁶ Advanced Analytics LLC is a sole proprietorship registered to Pace.

¹⁷ Phone call.

1 treatment, and they continued to provide meals to him.¹⁸ There was little party activity at this
 2 time, so no one at the Committee was aware of the Committee's financial status.¹⁹

3 On August 10, 2019, the Executive Committee Chair, Cristen Hemmins, received a call
 4 from Hughes, the lieutenant governor candidate, who told her that Pace had requested \$10,000
 5 from Hughes to pay for medical expenses.²⁰ When Hughes went to deliver a check to Pace,
 6 Hughes became suspicious because Pace's arms had hair even though he appeared bald due to
 7 cancer treatment.²¹ Hughes advised Hemmins to check the Committee's bank account.²²
 8 Hemmins states that also around the same time, she heard from another political associate (a
 9 state House candidate) who said that Pace had bounced two large checks to his landlord.²³

10 Hemmins alerted former treasurer Scott, and they scheduled an emergency Executive
 11 Committee meeting for August 13, 2019. At that meeting, the Committee removed Pace as
 12 treasurer, reinstated Scott as temporary treasurer, authorized an internal audit, and directed
 13 Hemmins to report the embezzlement to the police.²⁴ On August 14, 2019, Hemmins filed a
 14 report with the City of Oxford Police Department against Pace.²⁵

18 *Id.*; [REDACTED] Submission at 2.

19 [REDACTED] Submission at 2.

20 Submission at 2; phone call.

21 Submission at 2.

22 *Id.*

23 *Id.*

24 Attachment, Amended 2019 Mid-Year Report at 4 (minutes from Aug. 13, 2019, Executive Committee meeting).

25 *Id.* at 2.

1 RAD contacted the Committee on August 26, 2019 because it had not filed a 2019 Mid-
2 Year Report.²⁶ Scott explained to RAD that the report's delay was due to embezzlement, and the
3 Committee filed its 2019 Mid-Year Report on September 9, 2019.²⁷ The report, however, failed
4 to include supporting disbursement schedules, and RAD sent an RFAI on October 9, 2019.²⁸
5 The Committee filed an amended report on October 30, 2019.²⁹

6 The Committee provided RAD with some details of the embezzlement in its
7 communications, and RAD alerted the Committee in May 2020 that it would be referred for
8 additional review regarding the embezzlement.³⁰ The Committee [REDACTED]
9 [REDACTED] filed the *sua sponte* submission on November
10 24, 2020.

11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]

²⁶ Referral at 1.

²⁷ *Id.* at 2.

²⁸ See RFAI, <https://docquery.fec.gov/pdf/721/201910090300048721/201910090300048721.pdf>.

²⁹ See 2019 Amended Mid-Year Report,
<https://docquery.fec.gov/pdf/101/201911040300301101/201911040300301101.pdf>.

³⁰ Referral at 2-3.

[REDACTED]

1 [REDACTED]
2 [REDACTED]
3 Meanwhile, Pace was arrested October 4, 2019, in Fulton, Georgia, and returned to
4 Mississippi.³³ He was indicted but failed to appear at his arraignment, and his current location is
5 unknown.³⁴ Besides the Committee, several other Oxford businesses filed charges against Pace
6 for financial fraud.³⁵ Pace did not respond to the Commission's notification of the Referral.

7 **III. LEGAL ANALYSIS**

8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]

³³ Submission at 3.

³⁴ *Id.*

³⁵ *Id.*
[REDACTED]

RR20L-11 [REDACTED] (Lafayette County Democratic Party *et al.*)

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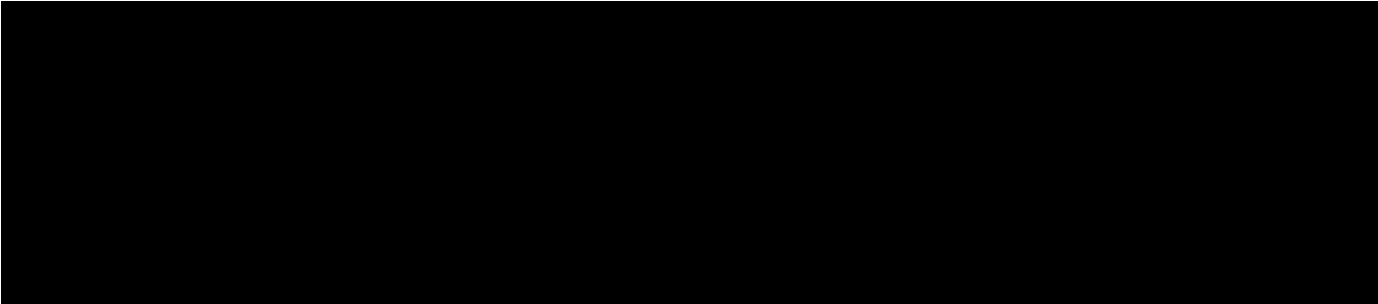
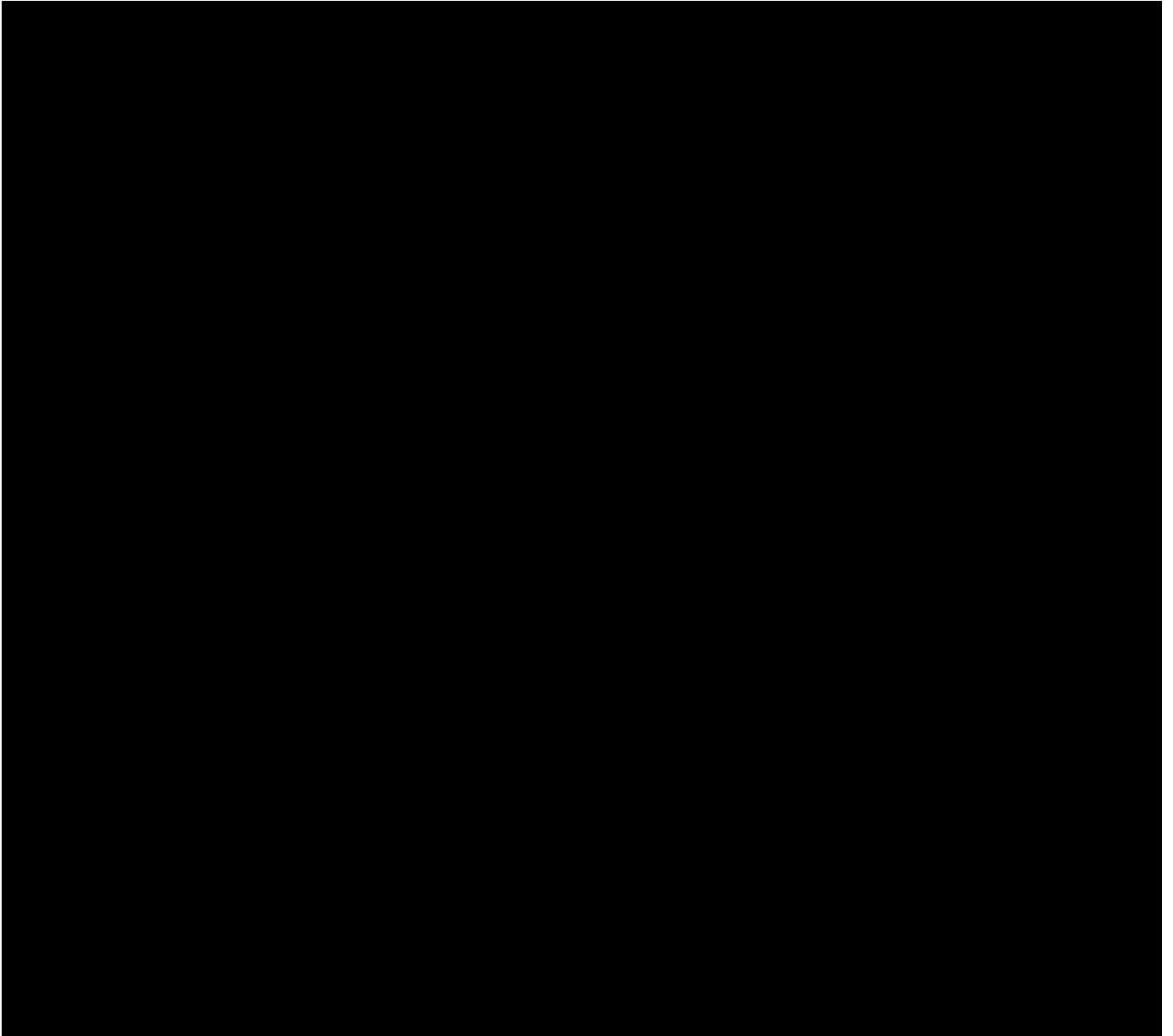
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RR20L-11 [REDACTED] (Lafayette County Democratic Party *et al.*)

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1 **B. Hunter Davis Pace**

2 The Act and Commission regulations require that all funds of a political committee must
3 be “segregated from and may not be commingled with the personal funds of any individual.”⁴⁴

4 The Commission has found reason to believe that writing Committee checks to oneself
5 constitutes commingling.⁴⁵ Also, each treasurer is required to keep an accurate account of and
6 disclose, among other things, its receipts, disbursements, and cash-on-hand balances.⁴⁶

7 The Act prescribes additional monetary penalties for violations that are knowing and
8 willful.⁴⁷ A violation of the Act is knowing and willful if the “acts were committed with full
9 knowledge of all the relevant facts and a recognition that the action is prohibited by law.”⁴⁸ This
10 does not require proving knowledge of the specific statute or regulation the respondent allegedly
11 violated.⁴⁹ Rather, it is sufficient to demonstrate that a respondent “acted voluntarily and was

⁴⁴ 52 U.S.C. § 30102(b)(3) and 11 C.F.R. § 102.15.

⁴⁵ See Factual & Legal Analysis at 7, MUR 7225 (Wu) (respondent treasurer commingled committee and personal funds when he wrote checks to himself and to his businesses); Factual & Legal Analysis at 4, MUR 7132 (Pitts) (same).

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

⁴⁷ *Id.* §§ 30109(a)(5)(B), 30109(d).

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

⁴⁹ *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)).

1 aware that his conduct was unlawful.”⁵⁰ This awareness may be shown through circumstantial
 2 evidence from which the respondent’s unlawful intent reasonably may be inferred.⁵¹

3 The Commission should find reason to believe that Pace has violated the Act’s
 4 commingling statute. Pace brazenly used the Committee’s funds for his personal benefit. He
 5 carried out his embezzlement by writing four Committee checks to himself and one to Advanced
 6 Analytics LLC, his sole proprietorship, using up \$13,500, the majority of the Committee’s funds
 7 in nine days.⁵²

8 The available information clearly shows that Pace knowingly embezzled the Committee’s
 9 funds and hid the theft with lies and deceptions intended to generate sympathy from his victims.
 10 As treasurer, he also knowingly misled the Committee concerning its FEC disclosure obligations,
 11 failed to file the 2109 Mid-Year Report, and failed to accurately keep an account of the
 12 Committee’s disbursements. These actions helped him to avoid detection, and in combination
 13 with his evasion of law enforcement, evidence knowledge of his guilt.

14 The information supports a knowing and willful finding as to Pace. Therefore, we
 15 recommend that the Commission find reason to believe that Hunter Davis Pace knowingly and
 16 willfully violated 52 U.S.C. §§ 30102(b)(3) and 30104(b), and 11 C.F.R. §§ 102.15, 104.3, and

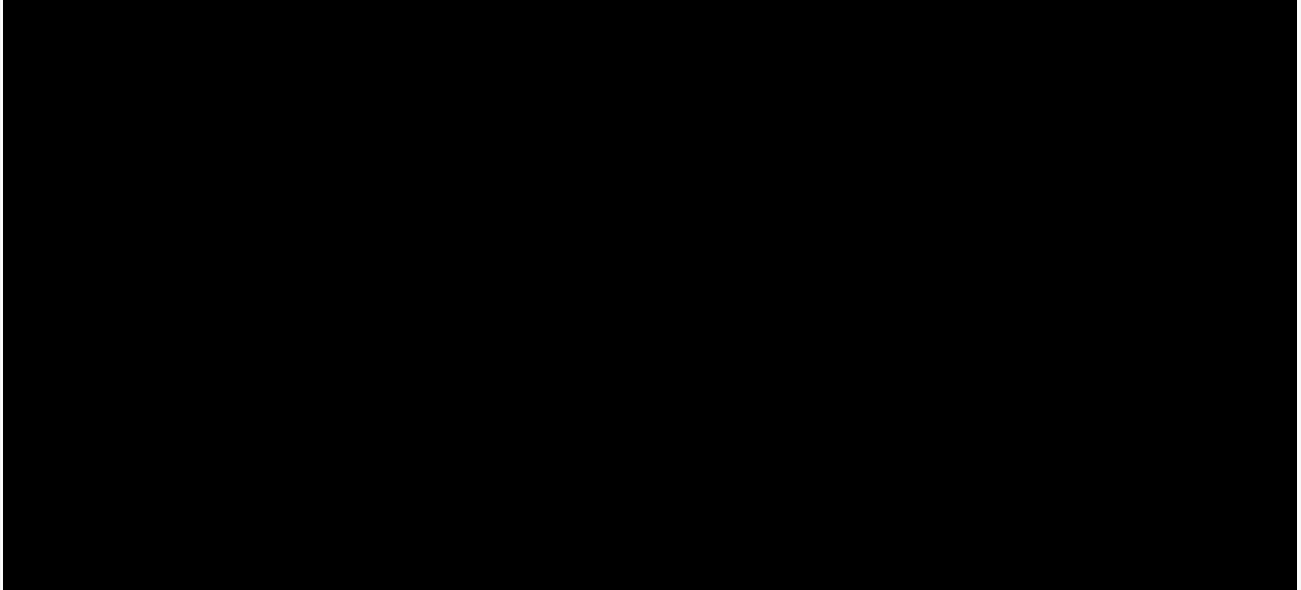
⁵⁰ *Id.* (citing jury instructions in *United States v. Edwards*, No. 11-61 (M.D.N.C. 2012), *United States v. Acevedo Vila*, No. 08-36 (D.P.R. 2009), *United States v. Fieger*, No. 07-20414 (E.D. Mich. 2008), and *United States v. Alford*, No. 05-69 (N.D. Fla. 2005)).

⁵¹ *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.

⁵² He further spent \$1,023.87 of the Committee’s funds by using a debit card to pay for a variety of personal items, including, food and parking, and to make ATM withdrawals. Because the Committee is not an authorized committee of a candidate, however, the personal use statute at 52 U.S.C. § 30114(b) is not available. Thus, the debit card purchases Pace made with the Committee’s funds are not included in Pace’s violation.

104.14(d) by commingling Committee funds with personal funds, failing to keep complete Committee financial records, and failing to file accurate disclosure reports.

IV. INVESTIGATION



V. RECOMMENDATIONS

1. [REDACTED]
2. Open a MUR in RR20L-11;
3. Find reason to believe that Hunter Davis Pace knowingly and willfully violated 52 U.S.C. §§ 30102(b)(3) and 30104(b), and 11 C.F.R. § 102.15, 104.3, and 104.14(d);
4. Approve the use of compulsory process;
5. Approve the attached Factual and Legal Analysis; and

1 6. Approve the appropriate letters.
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5 Lisa J. Stevenson
6 Acting General Counsel
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10 Charles Kitcher
11 Acting Associate General Counsel
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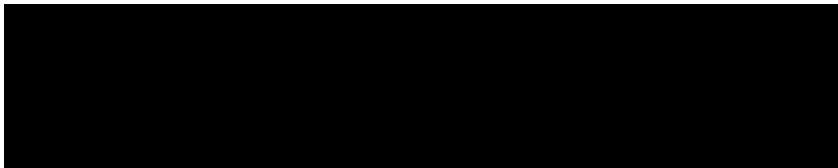
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16 April 8, 2021

17 Date

18 Peter G. Blumberg
19 Peter G. Blumberg
20 Acting Deputy Associate General Counsel
21

22 Lynn Y. Tran
23 Lynn Y. Tran
24 Assistant General Counsel
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29 Elena Paoli
30 Elena Paoli
31 Attorney
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10/7/21 Weintraub office edits

10/12/21 Cooksey Office edits

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS****RESPONDENT:** Hunter Davis Pace **MUR:** _____**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, *see* 52 U.S.C. § 30109(a)(2), and involves allegations that Hunter Davis Pace, former treasurer of the Lafayette County (MS) Democratic Party (the “Committee”) embezzled \$14,235.87 from the Committee.

In a one-month period, Pace appears to have embezzled a total of \$14,523.87 by writing checks to himself and to his corporation, and using a debit card tied to the Committee’s bank account to make ATM withdrawals for personal expenses. He also failed to file the Committee’s 2019 Mid-Year disclosure report and failed to account for his disbursements.

II. FACTS

The Committee is a non-qualified party committee in Oxford, Mississippi, and is overseen by an Executive Committee.¹ It registered with the Commission on October 22, 2012. At its January 2019 monthly meeting, the Executive Committee elected Pace as its treasurer, based on his recent political activities in college and in the community and his paid employment with lieutenant governor candidate Jay Hughes.²

¹ See <https://www.fec.gov/data/committee/C00532788/>.

² The Committee provided information about the embezzlement in attachments to its Amended 2019 Mid-Year Report. See <https://docquery.fec.gov/pdf/101/201911040300301101/201911040300301101.pdf>.

Information available to the Commission indicates that Pace advised the Committee at its February 2019 monthly meeting that the Committee was not required to file disclosure reports with the Commission. At the Committee's March 2019 meeting, Pace announced that he had cancer and would be missing future meetings because he would be receiving treatment in Texas. He told the Committee that he wanted to remain treasurer as long as possible to distract him from his illness. Committee members' attention shifted to organizing to help Pace. Members brought him meals and he provided updates on his treatment through spring and early summer. Pace appeared bald at this time, a change from his previous appearance.

At some point after assuming treasurer duties in early 2019, Pace had the Committee's bank account statements forwarded to himself. He also obtained a debit card for the account, something the Committee never had before, without telling anyone. Starting April 3, 2019, Pace wrote five checks to himself and to his solely owned LLC from the Committee's account, made 15 personal purchases with the bank debit card, and twice withdrew cash from the Committee's bank account using an ATM. Less than one month later, the Committee's account started becoming overdrawn, and on May 2, Pace made his last debit card purchase. The account was charged \$288 in overdraft and insufficient funds fees before being shut down. In total, Pace spent \$14,523.87 of the Committee's funds without authorization:

DATE	PAYEE	AMOUNT
4/3/19	Advanced Analytics LLC ³	\$2,000
4/3/19	Cash	\$2,000
4/5/19	Cash	\$4,000
4/9/19	Cash	\$3,500
4/12/19	Cash	\$2,000
4/18/19	Domino's	\$20
4/19/19	ATM withdrawal	\$400
4/19/19	Landshark	\$33.68

³ Advanced Analytics LLC is a sole proprietorship registered to Pace.

DATE	PAYEE	AMOUNT
4/19/19	Kiirroo.com	\$149
4/22/19	Insomnia Cookies	\$28.50
4/24/19	ATM withdrawal	\$80
4/24/19	City of Oxford	\$1.25
4/24/19	Domino's	\$30
4/24/19	Facebook	\$35.31
4/25/19	City of Oxford	\$1.25
4/25/19	Facebook	\$9.02
4/25/19	Queensboro Indus	\$146.33
4/26/19	Facebook	\$35
5/1/19	Apple iTunes	\$16.04
5/1/19	Apple iTunes	\$16.04
5/2/19	Apple iTunes	\$10.69
5/2/19	Apple iTunes	\$11.76

Pace was not authorized to make these charges and none of the charges were for Committee purposes.

Although the Committee had no funds by early spring, Pace continued to check in with Executive Committee members through early summer to update them about his illness and treatment, and they continued to provide meals to him.

Upon discovering the embezzlement, the Executive Committee scheduled an emergency meeting for August 13, 2019. At that meeting, the Committee removed Pace as treasurer, reinstated a temporary treasurer, authorized an internal audit, and directed that Pace be reported to the police for embezzlement.⁴ On August 14, 2019, a police report against Pace was filed with the City of Oxford Police Department.⁵

⁴ Attachment, Amended 2019 Mid-Year Report at 4 (minutes from Aug. 13, 2019, Executive Committee meeting).

⁵ *Id.* at 2.

The Reports Analysis Division (“RAD”) of the Commission contacted the Committee on August 26 because it had not filed a 2019 Mid-Year Report.⁶ The Committee filed its 2019 Mid-Year Report on September 9.⁷ The report, however, failed to include supporting disbursement schedules, and RAD sent a Request For Additional Information (“RFAI”) on October 9.⁸ The Committee filed an amended report on October 30.⁹ The Committee provided RAD with some details of the embezzlement in its communications.¹⁰ Pace was notified of the Referral on June 17, 2020, but he did not respond.

Pace was arrested October 4, 2019, in Fulton, Georgia, and returned to Mississippi. He was indicted but failed to appear at his arraignment.

III. LEGAL ANALYSIS

The Act and Commission regulations require that all funds of a political committee must be “segregated from and may not be commingled with the personal funds of any individual.”¹¹ The Commission has found reason to believe that writing Committee checks to oneself constitutes commingling.¹² Also, each treasurer is required to keep an accurate account of and disclose, among other things, its receipts, disbursements, and cash-on-hand balances.¹³

⁶ Referral 20L-11 at 1.

⁷ *Id.* at 2.

⁸ *See* RFAI, <https://docquery.fec.gov/pdf/721/201910090300048721/201910090300048721.pdf>.

⁹ *See* 2019 Amended Mid-Year Report, <https://docquery.fec.gov/pdf/101/201911040300301101/201911040300301101.pdf>.

¹⁰ Referral at 2-3.

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

¹² *See* Factual & Legal Analysis at 7, MUR 7225 (Wu) (respondent treasurer commingled committee and personal funds when he wrote checks to himself and to his businesses); Factual & Legal Analysis at 4, MUR 7132 (Pitts) (same).

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

The Act prescribes additional monetary penalties for violations that are knowing and willful.¹⁴ A violation of the Act is knowing and willful if the “acts were committed with full knowledge of all the relevant facts and a recognition that the action is prohibited by law.”¹⁵ This does not require proving knowledge of the specific statute or regulation the respondent allegedly violated.¹⁶ Rather, it is sufficient to demonstrate that a respondent “acted voluntarily and was aware that his conduct was unlawful.”¹⁷ This awareness may be shown through circumstantial evidence from which the respondent’s unlawful intent reasonably may be inferred.¹⁸

The Commission finds reason to believe that Pace has violated the Act’s commingling statute. Pace brazenly used the Committee’s funds for his personal benefit. He carried out his embezzlement by writing four Committee checks to himself and one to Advanced Analytics LLC, his sole proprietorship, using up \$13,500, the majority of the Committee’s funds in nine days.¹⁹

¹⁴ *Id.* §§ 30109(a)(5)(B), 30109(d).

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

¹⁶ *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)).

¹⁷ *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)).

¹⁸ *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.

¹⁹ He further spent \$1,023.87 of the Committee’s funds by using a debit card to pay for a variety of personal items including food and parking and to make ATM withdrawals, however, the personal use prohibitions do not apply to the Committee’s funds. *See* 52 U.S.C. § 30114; 11 C.F.R. § 113.1(g). Thus, the debit card purchases Pace made with the Committee’s funds are not included in Pace’s violation.

1 The available information clearly shows that Pace knowingly embezzled the Committee's
2 funds and hid the theft with lies and deceptions intended to generate sympathy from his victims.
3 As treasurer, he also knowingly misled the Committee concerning its FEC disclosure obligations,
4 failed to file the 2109 Mid-Year Report, and failed to accurately keep an account of the
5 Committee's disbursements. These actions helped him to avoid detection, and in combination
6 with his evasion of law enforcement, evidence knowledge of his guilt.

7 The information supports a knowing and willful finding as to Pace. Therefore, the
8 Commission finds reason to believe that Hunter Davis Pace knowingly and willfully violated
9 52 U.S.C. §§ 30102(b)(3) and 30104(b), and 11 C.F.R. §§ 102.15, 104.3, and 104.14(d) by
10 commingling Committee funds with personal funds, failing to keep complete Committee
11 financial records, and failing to file accurate disclosure reports.