



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

November 3, 2023

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Saurav Ghosh, Esq.  
Campaign Legal Center  
1101 14<sup>th</sup> Street N.W.  
Suite 400  
Washington, D.C. 20005

RE: MUR 8022  
MEI Services, Inc.

Dear Mr. Ghosh:

This is in reference to the complaint you filed with the Federal Election Commission on July 5, 2022, alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the “Act”). On February 9, 2023, the Commission found reason to believe that MEI Services, Inc. violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) of the Act and Commission’s regulations by making prohibited federal contractor contributions. On October 31, 2023, the Commission accepted the signed conciliation agreement with MEI Services, Inc. On that same date, the Commission dismissed the allegation that Patriots PAC, LLC and Melvin Johnson in his official capacity as treasurer violated 52 U.S.C. § 30119(a)(2) and 11 C.F.R. § 115.2(c) by knowingly soliciting the federal contractor contribution at issue. Accordingly, the Commission has closed the file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Copies of the conciliation agreement and the Commission’s Factual and Legal Analysis are enclosed for your information.

If you have any questions, please contact me at (202) 746-8564 or [khart@fec.gov](mailto:khart@fec.gov).

Sincerely,

*Kimberly D. Hart*  
Kimberly D. Hart  
Attorney

Enclosures  
Conciliation Agreement  
Factual and Legal Analysis

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )  
 )  
MEI Services, Inc. ) MUR 8022  
 )

**CONCILIATION AGREEMENT**

This matter was initiated by a signed, sworn, and notarized Complaint filed with the Federal Election Commission. The Commission found reason to believe that MEI Services, Inc. (“Respondent”) violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making contributions while Respondent was a federal government contractor.

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

I. The Commission has jurisdiction over Respondent and the subject matter of this proceeding, and this Agreement has the effect of an agreement entered under 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this Agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent is a company located in Atlanta, Georgia specializing in provision of medical supplies that held a Federal Supply Schedule (“FSS”) contract administered by the U.S. Treasury Department between August 14, 2021, and August 13, 2022.

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2. Between March 17 and May 17, 2022, Respondent made a total of \$139,500 in contributions to Patriots PAC LLC (“Patriots PAC”), a newly formed non-connected hybrid federal political committee. On March 17, 2022, Respondent made a \$90,000 contribution to Patriots PAC. Respondent also contributed \$10,000 to Patriots PAC on May 4, 2022, \$9,500 on May 5, 2022, and \$30,000 on May 17, 2022.

3. Between July 26-28, 2022, Patriots PAC refunded the \$139,500 in contributions to MEI.

V. The pertinent law in this matter is as follows:

1. The Federal Election Campaign Act of 1971, as amended (the “Act”) and the Commission’s regulations bar contributions to political committees by any person who enters into a contract with the United States or its departments or agencies for “furnishing any material, supplies, or equipment,” if payment on such contract “is to be made in whole or in part from funds appropriated by Congress.” 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a). Such contributions are barred for the period between (1) the earlier of commencement of negotiations or when requests for proposal are sent out, and (2) the later of the completion of performance on or termination of negotiations for the contract. 11 C.F.R. § 115.1(b).

2. These prohibitions apply to a federal contractor who makes contributions to any political party, political committee, federal candidate, or “any person for any political purpose or use.” 11 C.F.R. § 115.2(a).

VI. Respondent violated 52 U.S.C. § 30119(a)(1) and 11 C.F.R. § 115.2(a) by making \$139,500 in federal contractor contributions.

VII. Respondent will take the following actions:

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1. Respondent will pay a civil penalty to the Commission in the amount of Twenty-Two Thousand Dollars (\$22,000) pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from violating 52 U.S.C. § 30119(a)(1) and 11 C.F.R. § 115.2(a).

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

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

X. Respondent shall have no more than 60 days from the date this Agreement becomes effective to comply with and implement the requirements contained in this Agreement and to so notify the Commission.

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

FOR THE COMMISSION:

Lisa J. Stevenson  
Acting General Counsel

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BY: Charles Kitcher  
Charles Kitcher  
Associate General Counsel  
for Enforcement

Digitally signed by  
Charles Kitcher  
Date: 2023.11.03  
09:27:17 -04'00'

11/3/23

Date

FOR THE RESPONDENT:

Alan Kan  
Alan Kan  
Counsel for MEI Services, Inc.

9.22.23

Date

**FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS**

Respondent: MEI Services, Inc.

MUR 8022

**I. INTRODUCTION**

This matter was generated by a Complaint filed with the Federal Election Commission alleging that MEI Services, Inc. (“MEI”), a medical supplies company, made a prohibited contribution, totaling \$90,000, to Patriots PAC, LLC and Melvin Johnson in his official capacity as treasurer (“Patriots PAC”), while MEI was a federal contractor in 2022. A review of Patriots PAC’s FEC disclosure reports also reflects that MEI made three additional contributions to the Committee, totaling \$49,500, in May 2022.<sup>1</sup> The Federal Election Campaign Act of 1971, as amended (the “Act”) prohibits federal contractors from making such contributions.

MEI does not deny that it was a federal contractor at the time it made the contributions to Patriots PAC in March 2022. The Joint Response filed on behalf of MEI and Patriots PAC states that MEI has taken action to rectify the issues noted in the Complaint, including refunds of the

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<sup>1</sup> See Patriots PAC, LLC 2022 July Quarterly Report at 7 (“July 2022 Quarterly Report”) (July 15, 2022), <https://docquery.fec.gov/pdf/236/202207159521481236/202207159521481236.pdf>. On September 13, 2022, RAD sent a RFAI to Patriots PAC in reference to its July 2022 Quarterly Report, noting among other issues, the receipt of the \$49,500 in contributions from MEI, an entity not registered with the Commission, that may constitute prohibited contributions. See Patriots PAC RFAI at 2 (Sept. 13, 2022), <https://docquery.fec.gov/pdf/369/202209130300153369/202209130300153369.pdf>. The RFAI instructed Patriots PAC to notify the Commission of its method of remedy regarding the potential prohibited contributions. *Id.* To date, Patriots PAC has not responded to the RFAI or refunded the subsequent contributions to MEI. Further, the PAC was scheduled to file its October 2022 Quarterly Report by October 15, 2022. On November 2, 2022, RAD sent a RFAI to Patriots PAC in connection with its failure to file the disclosure report. See Patriots PAC RFAI at 1 (Nov. 2, 2022), <https://docquery.fec.gov/pdf/039/202211020300159039/202211020300159039.pdf>. To date, the PAC has not filed the October 2022 Quarterly Report. On December 22, 2022, RAD send a RFAI to Patriots PAC in connection with its failure to file a 2022 Post-General Report. See Patriots PAC RFAI at 1 (Dec. 22, 2022), <https://docquery.fec.gov/pdf/799/202212220300165799/202212220300165799.pdf>. To date, the PAC has not filed the 2022 Post-General Report.

contributions.<sup>2</sup> MEI requests that the Commission consider its cooperation and corrective action in resolving the matter.<sup>3</sup>

MEI’s request that the Commission consider what it characterizes as the prompt refund of the contribution is more appropriately viewed as an argument for mitigation. In addition, there is no indication that these additional prohibited contributions were ever refunded. Accordingly, the Commission finds reason to believe that MEI violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making prohibited contributions.

## II. FACTUAL BACKGROUND

MEI is a company located in Atlanta, Georgia specializing in provision of medical supplies.<sup>4</sup> Between August 14, 2021 and August 13, 2022, MEI had a Federal Supply Schedule (“FSS”) contract administered by the U.S. Treasury Department (“Treasury Department”) to provide intravenous products and other related services.<sup>5</sup> FSS contracts are “indefinite delivery/indefinite quantity type contracts,” meaning that sales are not guaranteed; instead, once an FSS contract is awarded, a vendor is added to a list of approved suppliers from which multiple agencies may choose to make purchases.<sup>6</sup> MEI has been awarded \$3.9 million total in federal contracts from a variety of federal departments and agencies, including the Treasury Department,

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<sup>2</sup> Joint Response of MEI Services, Inc. and Patriots PAC LLC (“Joint Resp.”) at 2.

<sup>3</sup> Joint Resp. at 2.

<sup>4</sup> MEI SERVICES, INC, NPI 1295174407, <https://npiprofile.com/npi/1295174407> (last viewed Dec. 16, 2022); *see* About NPI Profile, <https://npiprofile.com/> (last viewed Dec. 16, 2022).

<sup>5</sup> *See* [https://www.usaspending.gov/award/CONT\\_AWD\\_20342321F00012\\_2036\\_20342320D00001\\_2036](https://www.usaspending.gov/award/CONT_AWD_20342321F00012_2036_20342320D00001_2036) (last visited December 16, 2022).

<sup>6</sup> *See* U.S. Dep’t of Veterans Affairs, *VA Federal Supply Schedule Service*, <https://www.fss.va.gov/> (last visited Dec. 16, 2022).

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U.S. Department of Defense, U.S. Department of Justice, and U.S. Department of Veterans

Affairs since 2011.<sup>7</sup>

On March 17, 2022, MEI, while holding the above-referenced FSS contract, made a \$90,000 contribution to Patriots PAC, a non-connected hybrid committee.<sup>8</sup> The Joint Response does not describe any details on whether or how the contribution was solicited.<sup>9</sup> A review of FEC disclosure reports listing MEI as the contributor also shows three additional contributions, totaling \$49,500, made to Patriots PAC, that fall within the same period of time that MEI held the FSS contract: \$10,000 on May 4, 2022, \$9,500 on May 5, 2022, and \$30,000 on May 17, 2022.<sup>10</sup> No additional information is available about the circumstances of these contributions. Respondents represent that the contributions were refunded by Patriots PAC.<sup>11</sup>

### III. LEGAL ANALYSIS

The Act and the Commission's regulations prohibit contributions to political committees by any person who enters into a contract with the United States or its departments or agencies for

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<sup>7</sup> USAspending.gov, Recipient Profile MEI Services Inc., <https://www.usaspending.gov/recipient/b512b8c2-eb3c-ca04-b3ee-cea9caf94e5c-C/latest> (last visited Dec. 16, 2022).

<sup>8</sup> Patriots PAC, 2022 April Quarterly Report at 6 (“April 2022 Quarterly Report”) (Apr. 19, 2022), <https://docquery.fec.gov/pdf/156/202204199500048156/202204199500048156.pdf>. On its Amended Statement of Organization, the Committee notified the Commission of its intent to operate as a hybrid committee and that it would maintain a separate “non-contribution” account in accordance with the stipulated order and consent judgment in *Carey v. FEC* for the purpose of making independent expenditures. Patriots PAC, LLC, Amended Statement of Organization (May 17, 2022). The Committee’s notice further indicated that “[t]he funds maintained in this separate account will not be used to make contributions, whether direct, in-kind, or via coordinated communications, or coordinated expenditures, to federal candidates or committees. During the 2022 election cycle, Patriots PAC also made two independent expenditures, totaling \$31,418, supporting Vernon Jones, a candidate for the U.S. House of Representatives in Georgia’s 10th Congressional district. See April 2022 Quarterly Report at 8.

<sup>9</sup> See generally Joint Resp.

<sup>10</sup> See July 2022 Quarterly Report.

<sup>11</sup> Joint Resp. at 1. The refund is not reflected in Patriots PAC’s disclosure reports because, to date, it has failed to file reports for the relevant periods. See *supra* n.1.

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“furnishing any material, supplies, or equipment,” if payment on such contract “is to be made in whole or in part from funds appropriated by Congress.”<sup>12</sup> Such contributions are barred for the period between (1) the earlier of commencement of negotiations or when requests for proposal are sent out, and (2) the later of the completion of performance on or termination of negotiations for the contract.<sup>13</sup> The prohibition covers contributions to any political party, political committee, federal candidate, or “any person for any political purpose or use.”<sup>14</sup> The Act also bars any person from knowingly soliciting a contribution from a federal contractor during the prohibited period.<sup>15</sup>

MEI does not deny that it was a federal contractor at the time it made the contributions to Patriots PAC. Further, federal spending data confirms that MEI also had federal contractor status at that time. Specifically, at the relevant times MEI held a FSS contract to provide medical supplies to the Treasury Department.<sup>16</sup> The Joint Response requests that the Commission take into consideration the cooperation and swift action taken by Patriots PAC when resolving the matter.<sup>17</sup>

The Commission has exercised prosecutorial discretion to dismiss allegations under the federal contractor ban in certain unique circumstances, but those conditions are not met here. In MUR 6403 (Alaskans Standing Together, *et al.*), the Commission exercised its prosecutorial

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<sup>12</sup> 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a).

<sup>13</sup> 11 C.F.R. § 115.1(b).

<sup>14</sup> *Id.* § 115.2(a).

<sup>15</sup> 52 U.S.C. § 30119(a)(2); 11 C.F.R. § 115.2(c).

<sup>16</sup> USA Spending.gov, Recipient Profile MEI Services Inc., <https://www.usaspending.gov/recipient/b512b8c2-eb3c-ca04-b3ee-cea9caf94e5c-C/latest> (last visited Dec. 16, 2022).

<sup>17</sup> Joint Resp. at 2.

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discretion when the relevant contractors did not ordinarily contract with the government, such that their officers responsible for the contributions were not aware of the contracts; the companies did not seek the contracts but were approached by the federal government because it had no other options in the geographic area; the contracts primarily benefitted the public — for example, one agreement was for hosting a Federal Aviation Administration beacon; and the amounts paid for the contracts were relatively small considering the contractors' other income and assets.<sup>18</sup>

While MEI does not specifically argue that dismissal is appropriate because of its receipt of a refund after being notified of the Complaint, it does ask “that the FEC consider the cooperation and swift action taken by the Respondents in its ultimate decision.”<sup>19</sup> In some previous matters, the Commission has based dismissals in part on the relatively modest amounts at issue (\$1,000 in one case and approximately \$1,700 in the other).<sup>20</sup> Here, however, the amount in violation is significantly higher. Further, in prior federal contractor matters involving a refunded contribution, the Commission has consistently found reason to believe.

Accordingly, the Commission finds reason to believe that MEI violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making prohibited contributions totaling \$139,500 to Patriots PAC.

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<sup>18</sup> Factual & Legal Analysis (“F&LA”) at 4, 10, MUR 6403 (Ahtna, Inc. and NANA Regional Corp., Inc.); F&LA at 8, MUR 6403 (Arctic Slope Regional Corp.). *But see* F&LA at 4, MUR 7099 (Suffolk Construction Co., Inc.) (concluding that respondent’s argument that its federal contract work represented a “small fraction” of its business did not negate the company’s status as a federal contractor, and noting that “[w]hile Suffolk may consider its federal contract work a “*de minimis*” portion of its overall work, its \$200,000 in contributions to the Committee are not *de minimis*”).

<sup>19</sup> Joint Resp. at 2.

<sup>20</sup> F&LA at 3-4, MUR 7394 (O’Donnell for Congress, *et al.*) (dismissal citing the modest amount in violation and “remedial actions taken”); F&LA at 3, MUR 7338 (Rick for Congress, *et al.*) (same).