

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
MARY TENNYSON,	§	
CAMPAIGN TREASURER,	§	
ALLIANCE OF DALLAS EDUCATORS	§	TEXAS ETHICS COMMISSION
UNITED TEACHERS POLITICAL	§	
ACTION COMMITTEE,	§	
	§	
RESPONDENT	§	SC-31008261

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on April 18, 2012, to consider sworn complaint SC-31008261. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.151 of the Election Code, and section 20.62 of the Ethics Commission Rules, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposed this resolution to the respondent.

II. Allegations

The complaint alleged that, as the campaign treasurer for Alliance of Dallas Educators United Teachers Political Action Committee, the respondent: 1) did not properly disclose political contributions and political expenditures; 2) did not identify each candidate or measure supported or opposed and each officeholder assisted by the committee during a reporting period; 3) did not properly report a political contribution from a corporation; and 4) made a political contribution to another general-purpose committee without having included the full name and address of that committee on the committee's campaign treasurer appointment.

III. Facts Supported by Credible Evidence

Credible evidence available to the commission supports the following findings of fact:

1. The respondent is the campaign treasurer of the general-purpose committee Alliance of Dallas Educators United Teachers Political Action Committee (ADEPAC).

2. There are 16 reports at issue: the 30-day and 8-day pre-election reports for the November 2008 election, the May 2009 election, the November 2009 election, the March 2010 primary election, and the May 2010 election; the runoff election reports for the December 8, 2009, and April 13, 2010, runoff elections; and the January 2009, July 2009, January 2010, and July 2010 semiannual reports.

Identification of Candidates Supported or Opposed and Officeholders Assisted

3. The complaint alleged that the respondent failed to identify the candidates supported or opposed and the officeholders assisted by the committee on the cover sheet of each of the reports at issue.
4. Each report left blank the spaces provided to disclose this information.
5. The 30-day pre-election report for the November 2008 election disclosed total political expenditures of approximately \$34,290. The respondent disclosed on Schedule F the names of five officeholders to which the committee contributed a total of \$7,000, and the name of an officeholder on whose behalf the committee made a political expenditure of approximately \$70. The respondent corrected the "Committee Activity" section of the report to disclose the names of the six officeholders assisted.
6. The 8-day pre-election report for the November 2008 election disclosed total political expenditures of approximately \$1,430. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders. The respondent corrected the report to show that an expenditure of approximately \$240 that had been disclosed as a payment to an individual for PAVE (Politically Active Volunteers in Education) Activity was an expenditure for postage to support a candidate. The corrected report disclosed the candidate supported in the committee activity section.
7. The January 2009 semiannual report disclosed total political expenditures of approximately \$18,770. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
8. The 30-day pre-election report for the May 2009 election disclosed total political expenditures of approximately \$1,660. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
9. The 8-day pre-election report for the May 2009 election disclosed total political expenditures of approximately \$2,780. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.

10. The July 2009 semiannual report disclosed total political expenditures of approximately \$5,990. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
11. The 30-day pre-election report for the November 2009 election disclosed total political expenditures of approximately \$6,060. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
12. The 8-day pre-election report for the November 2009 election disclosed total political expenditures of approximately \$9,460. The respondent disclosed on Schedule F the names of three candidates and six officeholders to which the committee contributed a total of \$4,500. On September 2, 2010, the respondent corrected the "Committee Activity" section of the report to disclose the names of four candidates supported and five officeholders assisted. On March 23, 2012, the respondent corrected Schedule F of the report to disclose the information regarding a direct expenditure supporting three candidates. These candidates were included in the committee activity section of the corrected report filed on September 2, 2010.
13. The runoff report for the December 2009 runoff election disclosed total political expenditures of approximately \$7,530. The respondent disclosed on Schedule F the names of two candidates or officeholders to which the committee contributed a total of \$1,500. The respondent corrected the "Committee Activity" section of the report to disclose the name of one of the contribution recipients as a candidate supported and disclosed the names of four officeholders assisted. The February 7, 2012, response stated:

Two of three candidates supported by the PAC during this period were identified on Schedule F . . . A correction report provided the same information in summary fashion starting on Cover Sheet Page 2 (along with an unnecessary listing of other candidates/officeholders endorsed by the union who did not receive any contributions for the period covered). However, I have determined that a third candidate for school board, [an individual], also should have been listed, based on an in-kind contribution included in the payment of \$548.83 on November 13, 2009, to Printcomm.
14. The January 2010 semiannual report disclosed total political expenditures of approximately \$3,530. The respondent disclosed on Schedule F the names of two officeholders to which the committee contributed a total of \$1,000, and the name of a candidate on whose behalf the committee made a political expenditure of approximately \$320. The respondent corrected the "Committee Activity" section of the report to disclose the names of the two officeholders assisted but did not disclose the name of the candidate on whose behalf the committee made a political expenditure. The respondent has not corrected the "Committee Activity" section of the report to show the name of the candidate that the committee supported.

15. The 30-day pre-election report for the March 2010 primary election disclosed total political expenditures of approximately \$2,140. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
16. The 8-day pre-election report for the March 2010 primary election disclosed total political expenditures of approximately \$5,620. The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
17. The runoff report for the April 2010 runoff election disclosed approximately \$170 for total political contributions and disclosed \$0 for total political expenditures. There is no evidence that the political contributions that were accepted during the reporting period were given to support identified candidates.
18. The 30-day pre-election report for the May 2010 election disclosed a political expenditure of approximately \$560 for "Computer database expenses." The respondent did not disclose on Schedule F that the committee made any contributions to candidates or officeholders.
19. The 8-day pre-election report for the May 2010 election disclosed total political expenditures of \$2,350. The respondent disclosed on Schedule F the name of a "candidate and officeholder" and the names of two candidates to which the committee contributed a total of \$2,350. The respondent corrected the "Committee Activity" section of the report to disclose the name of the "candidate and officeholder" and the names of the two candidates as candidates supported.
20. The July 2010 semiannual report disclosed total political expenditures of approximately \$4,810. The respondent disclosed on Schedule F the name of four candidates or officeholders to which the committee contributed a total of \$1,550. The respondent corrected the "Committee Activity" section of the report to disclose the name of one of the individuals as a candidate supported and the names of three of the individuals as officeholders assisted.

Total Political Contributions Maintained

21. The complaint alleged that the respondent disclosed the incorrect amount for the total political contributions maintained as of the last day of the reporting period on each report at issue or, in the alternative, failed to report additional political contributions or political expenditures. The complaint included no specific information to support the allegation other than disclosures from the committee's reports.
22. The respondent submitted copies of bank statements of the committee's bank account.

30-day Pre-election Report for the November 2008 Election

23. In the 30-day pre-election report for the November 2008 election, the respondent disclosed \$6,947.21 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$18,545.44.
24. The respondent's response stated that the itemized contributions for this period shown on Schedule A included a typographical error for one contribution, the actual amount was \$100 not \$10,000. The respondent corrected the error.
25. The bank statement shows that the bank balance was \$6,506.17 on the last day of the reporting period, September 25, 2008. The respondent corrected the amount to \$6,645.

8-day Pre-election Report for the November 2008 Election

26. In the 8-day pre-election report for the November 2008 election, the respondent disclosed \$10,464.28 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$23,771.78.
27. The bank statement shows that the bank balance was \$9,438.15 on the last day of the reporting period, October 25, 2008. The respondent corrected the amount to \$9,538.

January 2009 Semiannual Report

28. In the January 2009 semiannual report, the respondent disclosed \$2,551.73 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$18,140.82.
29. The bank statement shows that the bank balance was \$2,709.23 on the last day of the reporting period, December 31, 2008. The respondent corrected the amount to \$2,709.

30-day Pre-election Report for the May 2009 Election

30. In the 30-day pre-election report for the May 2009 election, the respondent disclosed \$11,152.92 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$27,643.57.
31. The bank statement shows that the bank balance was \$12,692.47 on the last day of the reporting period, March 30, 2009. The respondent corrected the amount to \$12,692.

8-day Pre-election Report for the May 2009 Election

32. In the 8-day pre-election report for the May 2009 election, the respondent disclosed \$13,350.44 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$28,391.53.
33. The bank statement shows that the bank balance was \$13,450.44 on the last day of the reporting period, April 29, 2009. The respondent corrected the amount to \$13,450.

July 2009 Semiannual Report

34. In the July 2009 semiannual report, the respondent disclosed \$14,368.65 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$22,997.74.
35. The bank statement shows that the bank balance was \$15,992.21 on the last day of the reporting period, June 30, 2009. The respondent corrected the amount to \$15,992.

30-day Pre-election Report for the November 2009 Election

36. In the 30-day pre-election report for the November 2009 election, the respondent disclosed \$18,948.46 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$27,407.55.
37. The bank statement shows that the bank balance was \$18,948.46 on the last day of the reporting period, September 24, 2009. The respondent corrected the amount to \$18,993.

8-day Pre-election Report for the November 2009 Election

38. In the 8-day pre-election report for the November 2009 election, the respondent disclosed \$12,911.17 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$21,325.26.
39. The bank statement shows that the bank balance was \$16,392.92 on the last day of the reporting period, October 24, 2009. The respondent corrected the amount to \$16,392.

Runoff Report for the December 2009 Runoff Election

40. In the runoff report for the December 2009 runoff election, the respondent disclosed \$9,229.69 in total political contributions maintained as of the last day of the reporting period.

The complaint alleged that the amount of total political contributions maintained should be \$17,425.28.

41. The bank statement shows that the bank balance was \$11,282.01 on the last day of the reporting period, November 28, 2009. The respondent corrected the amount to \$11,282.

January 2010 Semiannual Report

42. In the January 2010 semiannual report, the respondent disclosed \$9,228.84 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$17,382.28.
43. The bank statement shows that the bank balance was \$10,728.84 on the last day of the reporting period, December 31, 2009. The respondent corrected the amount to \$10,728.

30-day Pre-election Report for the March 2010 Primary Election

44. In the 30-day pre-election report for the March 2010 primary election, the respondent disclosed \$10,747.47 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$18,845.91.
45. The bank statement shows that the bank balance was \$11,747.47 on the last day of the reporting period, January 21, 2010. The respondent corrected the amount to \$11,747.

8-day Pre-election Report for the March 2010 Primary Election

46. In the 8-day pre-election report for the March 2010 primary election, the respondent disclosed \$8,639.27 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$16,732.71.
47. The bank statement shows that the bank balance was \$9,634.27 on the last day of the reporting period, February 20, 2010. The respondent corrected the amount to \$9,634.

Runoff Report for the April 2010 Runoff Election

48. In the runoff report for the April 2010 runoff election, the respondent disclosed \$11,670.45 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$19,942.85.

49. The bank statement shows that the bank balance was \$12,349.45 on the last day of the reporting period, April 3, 2010. The respondent corrected the amount to \$12,349.

30-day Pre-election Report for the May 2010 Election

50. In the 30-day pre-election report for the May 2010 election, the respondent disclosed \$11,710.45 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$19,768.89.
51. The bank statement shows that the bank balance was \$12,145.45 on the last day of the reporting period, March 29, 2010. The respondent corrected the amount to \$12,145.

8-day Pre-election Report for the May 2010 Election

52. In the 8-day pre-election report for the May 2010 election, the respondent disclosed \$12,813.45 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$20,956.89.
53. The bank statement shows that the bank balance was \$13,663.45 on the last day of the reporting period, April 28, 2010. The respondent corrected the amount to \$10,274.

July 2010 Semiannual Report

54. In the July 2010 semiannual report, the respondent disclosed \$15,287.15 in total political contributions maintained as of the last day of the reporting period. The complaint alleged that the amount of total political contributions maintained should be \$23,758.09.
55. The bank statement shows that the bank balance was \$16,287.15 on the last day of the reporting period, June 30, 2010. The respondent corrected the amount to \$16,287.

Reporting Accepting In-kind Political Contributions and Making Direct Campaign Expenditures

In-kind Political Contributions

56. The complaint alleged that the respondent failed to disclose an in-kind political contribution on the 30-day pre-election report for the November 2008 election. The complaint stated, "Note that the committee made only a 'partial payment' to Alliance/AFT for the services of [an individual], an employee of Alliance/AFT."

57. The report disclosed the following on Schedule F (with September 2, 2010, correction noted):

- \$15,000 to Alliance/AFT for “Reimbursement for partial payment to [an individual] for services rendered” [corrected to “Reimbursement to Alliance/AFT for [an individual’s] stipend for political committee services”]

58. The respondent’s February 7, 2012, response stated:

The payment of \$15,000 to the Alliance/AFT as reimbursement for payment of compensation to [an individual] was mischaracterized on this report as a political expenditure. In fact, this was a non-political expenditure from political funds that should have been reported on Schedule I. The reimbursed payment to [an individual] was for her work with the Alliance/AFT’s committee of Politically Active Volunteers in Education (PAVE), carrying out a program of internal communication with members of the Alliance/AFT union and their families. The reference to “partial payment” merely signified that this amount was not the entirety of [the individual’s] compensation for this work.

59. The complaint alleged that the respondent failed to disclose an in-kind political contribution on the 8-day pre-election report for the November 2009 election. The complaint stated, “Note that the committee made an expenditure for postage, but not for campaign literature.”

60. The report disclosed the following (with September 2, 2010, correction noted):

- \$1,760 to United States Postal for “Postage – mailing to voters – information endorsement of Dallas ISD Trustee Candidates” [corrected to “Postage – mailing to voters – Candidate endorsement information”]

61. The respondent’s February 7, 2012, response stated:

I have determined that apparently the payment of \$1,760 to the U.S. Postal Service was for postage stamps used in three mailings in support of school-board candidates . . . (who were already identified on Schedule F as recipients of campaign contribution checks). These expenditures of approximately \$586.67 each for postage on literature addressed to non-members of the union apparently should have been itemized as individual in-kind contributions to the three candidates’ campaigns. A corrected report will be filed to rectify this unintended and until now undiscovered error. (The cost of printing literature used in these mailings is reflected in an expenditure itemized on Schedule F of the next report filed, showing an amount of \$548.83 paid to the vendor Printcomm on November 13, 2009. This subsequent report accordingly also will be corrected to reflect the in-

kind donation of proportionate shares of the printing cost to the campaigns of the three candidates.)

62. As described above, on March 23, 2012, the respondent filed a corrected 8-day pre-election report for the November 2009 election report that changed the expenditure of \$1,760 to “United States Postal” for “Postage – mailing to voters – Candidate endorsement information” to three expenditures of \$586.67 to “U. S. Postal Service.” The purpose category for each expenditure was “OTHER – Postage.” The purpose descriptions indicated that each expenditure was made for an “independent mailing” to support a candidate (three different candidates).

Direct Campaign Expenditure

63. The correction to the 8-day pre-election report for the November 2009 election disclosed that the above expenditure of \$1,760 for postage was a direct campaign expenditure benefitting three candidates, not an in-kind contribution to three candidates, as the respondent initially described the expenditure.

Disclosure of Recipient General-Purpose Committees

64. The complaint alleged that the ADEPAC made political contributions to other general-purpose committees without disclosing those committees on its campaign treasurer appointment.
65. One of the reports at issue was the committee’s 30-day pre-election report for the November 2008 election. The report disclosed a \$750 contribution to “AFLCIO / 1408 N. Washington Ste. 240, Dallas, TX 75204.” The name and address of the recipient was not disclosed on the committee’s campaign treasurer appointment.
66. The respondent’s February 7, 2012, response stated:

The payment of \$750 to the Dallas AFL-CIO Central Labor Council was not a contribution to a general-purpose PAC. This was a payment for tickets to the annual Labor Day breakfast of the Dallas AFL-CIO (which is not a PAC), of which the Alliance/AFT is an affiliate.

67. The other two reports at issue were the committee’s January 2009 and July 2010 semiannual reports. The reports disclosed an \$8,000 and a \$2,500 contribution respectively to Texas AFT COPE.
68. ADEPAC’s appointment of campaign treasurer included Texas Federation Teachers Committee on Political Education as a recipient committee and disclosed the committee’s address as 3000 South IH 35, Suite 175, Austin, Texas 78704. Texas AFT COPE is the acronym for Texas AFT Committee on Political Education which is filed with the

commission as a general-purpose committee with the address: 3000 South IH 35, #175, Austin, Texas, 78704.

Reporting of Corporate Contribution

69. The complaint alleged that the respondent failed to properly report a political contribution from a corporation on the July 2009 semiannual report. The complaint stated, “In order to make an expenditure from corporate/labor union funds, the committee must have received such funds.”
70. The report disclosed the following (with the correction that was made on September 2, 2010, noted):
- \$1,299.11 to AT&T for “Phone Expense” [corrected to “Phone Expense For Political Committee Phone Bank”] / The box for “Expenditure from corporate funds” was checked
71. The respondent’s February 7, 2012, response stated:
- The allegation was prompted by the erroneous entry of a checkmark in the box indicating “Expenditure from corporate funds” on the item in Schedule F reporting a payment to AT&T of \$1[,]299.11. An additional corrected report will be filed to correct this inadvertent mislabeling of the transaction.
72. The respondent corrected the error.

Actual Payees of Political Expenditures

73. The complaint alleged that the respondent failed to disclose the actual vendor payees, addresses, dates, and amounts “pertaining to the stated purpose” of political expenditures. The following are the reports at issue: the 30-day and 8-day pre-election reports for the November 2008 election and the November 2009 election; the 8-day pre-election report for the May 2009 election; the runoff election report for the December 8, 2009, runoff election; the 30-day pre-election report for the March 2010 election; and the January 2009, July 2009, and January 2010 semiannual reports.
74. Eighteen expenditures totaling approximately \$25,800 properly disclosed the actual payee who provided goods or services. Six expenditures totaling approximately \$1,230 disclosed as the payee the individual who was reimbursed, but did not disclose the actual payee. One \$400 expenditure for postage stamps was actually an in-kind contribution to a candidate, but was not disclosed as such. The respondent corrected the errors.

75. The respondent filed corrections to the reports. In one set of corrections she erroneously moved the expenditures at issue to Schedule I (used to disclose non-political expenditures). On April 11, 2012, the respondent moved the expenditures back to Schedule F (used to disclose political expenditures).

Purpose Description of a Political Expenditure

76. The complaint alleged that the respondent did not adequately disclose the purpose of political expenditures on 11 of the reports at issue.
77. The purpose descriptions were adequate on the original reports.

IV. Findings and Conclusions of Law

The facts described in Section III support the following findings and conclusions of law:

Identification of Candidates Supported or Opposed and Officeholders Assisted

1. Each report by a campaign treasurer of a general-purpose committee must include the name of each identified candidate or measure or classification by party of candidates supported or opposed by the committee, indicating whether the committee supports or opposes each listed candidate, measure, or classification by party of candidates, and the name of each identified officeholder or classification by party of officeholders assisted by the committee. ELEC. CODE §§ 254.151(4), 254.151(5).
2. The respondent did not disclose in the “Committee Activity” section of the reports at issue that the committee supported or opposed any candidates or assisted any officeholders.
3. Regarding the 30-day pre-election report for the November 2008 election, the evidence shows that the respondent disclosed on Schedule F that the committee supported identified officeholders during the reporting period and that the respondent corrected the “Committee Activity” section of the report. Because information regarding the officeholders assisted was disclosed on Schedule F the omission on the cover sheet did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of section 254.151(5) of the Election Code. There is credible evidence of no violation of section 254.151(4) of the Election Code.
4. Regarding the 8-day pre-election report for the November 2008 election, the evidence shows that the respondent did not disclose on Schedule F and in the “Committee Activity” section of the report that the committee supported a candidate. Therefore, there is credible evidence of a violation of section 254.151(4) of the Election Code. There is credible evidence of no violation of section 254.151(5) of the Election Code.

5. Regarding the January 2009 semiannual report, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
6. Regarding the 30-day pre-election report for the May 2009 election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
7. Regarding the 8-day pre-election report for the May 2009 election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
8. Regarding the July 2009 semiannual report, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
9. Regarding the 30-day pre-election report for the November 2009 election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
10. Regarding the 8-day pre-election report for the November 2009 election, the evidence shows that the respondent disclosed on Schedule F that the committee supported identified candidates and assisted identified officeholders during the reporting period and that the respondent corrected the "Committee Activity" section of the report. Because information regarding the candidates supported and officeholders assisted was disclosed on Schedule F the omission on the cover sheet did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of sections 254.151(4) and 254.151(5) of the Election Code.
11. Regarding the runoff report for the December 2009 runoff election, the evidence shows that the respondent disclosed on Schedule F that the committee supported two identified candidates during the reporting period and that the respondent corrected the "Committee Activity" section of the report regarding these candidates. Because information regarding the candidates supported was disclosed on Schedule F the omission on the cover sheet did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of section 254.151(4) of the Election Code as to these candidates. The evidence shows that the committee supported a candidate that was not disclosed on Schedule F of the original report, that the respondent corrected Schedule F regarding this candidate, and that the respondent corrected the "Committee Activity" section of the report regarding

- this candidate. Therefore, there is credible evidence of a violation of section 254.151(4) of the Election Code as to this candidate. There is credible evidence of no violation of section 254.151(5) of the Election Code.
12. Regarding the January 2010 semiannual report, the evidence shows that the respondent disclosed on Schedule F that the committee supported an identified candidate and two identified officeholders during the reporting period and that the respondent corrected the “Committee Activity” section of the report regarding the two officeholders. Because information regarding the candidate and the officeholders that the committee supported and assisted was disclosed on Schedule F the omission on the cover sheet did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of sections 254.151(4) and 254.151(5) of the Election Code.
 13. Regarding the 30-day pre-election report for the March 2010 primary election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
 14. Regarding the 8-day pre-election report for the March 2010 primary election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
 15. Regarding the runoff report for the April 2010 runoff election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
 16. Regarding the 30-day pre-election report for the May 2010 election, the evidence shows that the committee did not support or oppose identified candidates or assist identified officeholders during the reporting period. Therefore, there is credible evidence of no violation of sections 254.151(4) and 254.151(5) of the Election Code.
 17. Regarding the 8-day pre-election report for the May 2010 election, the evidence shows that the respondent disclosed on Schedule F that the committee supported two identified candidates and supported and assisted an identified “candidate and officeholder” during the reporting period and that the respondent corrected the “Committee Activity” section of the report. Because information regarding the candidates supported and the “candidate and officeholder” supported and assisted was disclosed on Schedule F the omission on the cover sheet did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of sections 254.151(4) and 254.151(5) of the Election Code.

18. Regarding the July 2010 semiannual report, the evidence shows that the respondent disclosed on Schedule F that the committee supported or assisted four identified candidates or officeholders during the reporting period and that the respondent corrected the “Committee Activity” section of the report. Because information regarding the candidates or officeholders supported or assisted was disclosed on Schedule F the omission on the cover sheet did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of sections 254.151(4) and 254.151(5) of the Election Code.

Total Political Contributions Maintained

19. A campaign finance report must include, as of the last day of a reporting period for which the person is required to file a report, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. ELEC. CODE § 254.031(a)(8).
20. The total amount of political contributions maintained in one or more accounts includes balance on deposit in banks, savings and loan institutions and other depository institutions, and the present value of any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks, bonds, treasury bills, etc. Ethics Commission Rules § 20.50(a).
21. The complaint alleged that the respondent disclosed the incorrect amount of total political contributions maintained on each of the reports at issue.
22. The evidence shows that on the 30-day pre-election report for the November 2008 election the respondent over-reported total political contributions by \$9,900. This made it appear that the respondent had under-reported total political contributions maintained by the same amount.
23. The evidence shows that the respondent reported the correct amount for total political contributions maintained on the 30-day pre-election report for the November 2009 election. Therefore, there is credible evidence of no violation of section 254.031(a)(8) of the Election Code as to this report.
24. The difference between the amount disclosed on the reports and the correct amount did not exceed the lesser of 10% of the amount originally disclosed or \$2,500 on the following reports: 30-day and 8-day pre-election reports for the November 2008 election, 8-day pre-election report for the May 2009 election, 30-day pre-election report for the March 2010 primary election, runoff report for the April 2010 runoff election, 30-day pre-election report for the May 2010 election, 8-day pre-election report for the May 2010 election, and the January 2009 and July 2010 semiannual reports. Thus, the amounts are *de minimis*.

Therefore, there is credible evidence of no violation of section 254.031(a)(8) of the Election Code as to these nine reports.

25. The difference between the amount disclosed on the reports and the correct amount exceeded the lesser of 10% of the amount originally disclosed or \$2,500 on the following reports: 30-day pre-election report for the May 2009 election, 8-day pre-election report for the November 2009 election, runoff report for the December 2009 runoff election, 8-day pre-election report for the March 2010 primary election, and the July 2009 and January 2010 semiannual reports. Therefore, there is credible evidence that the respondent violated section 254.031(a)(8) of the Election Code with respect to these six reports. The respondent corrected the errors. The average amount at issue is approximately \$1,870.

Reporting Accepting In-kind Political Contributions and Making Direct Campaign Expenditures

26. Each report must include the amount of political contributions from each person that in the aggregate exceed \$50, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
27. A corporation or labor organization may make one or more direct campaign expenditures from its own property for the purpose of communicating directly with its stockholders or members, as applicable, or with the families of its stockholders or members. ELEC. CODE § 253.098.
28. Each report must include the name of each candidate or officeholder who benefits from a direct campaign expenditure made during the reporting period by the person or committee required to file the report, and the office sought or held, excluding a direct campaign expenditure that is made by the principal political committee of a political party on behalf of a slate of two or more nominees of that party. ELEC. CODE § 254.031(a)(7).

In-kind Contributions

29. The complaint alleged that the respondent failed to disclose an in-kind political contribution from Alliance/AFT on the 30-day pre-election report for the November 2008 election. The complaint alleged that the fact that the respondent described a payment to Alliance/AFT as “Reimbursement for partial payment to [an individual] for services rendered” was evidence that Alliance/AFT had paid more than the amount they were being reimbursed. The complaint alleged that the respondent should have disclosed the rest of what Alliance/AFT paid the individual as an in-kind contribution to ADEPAC. The respondent stated, “The reference to ‘partial payment’ merely signified that this amount was not the entirety of [an individual’s] compensation for this work.”

30. Even if Alliance/AFT had paid additional compensation for the work done by the individual for Alliance/AFT's committee of Politically Active Volunteers in Education (PAVE), the evidence shows that this would not have constituted an in-kind contribution to ADEPAC, which the respondent was required to report. Such a payment was for the purpose of communicating directly with Alliance/AFT's members and the families of its members which is permitted by section 253.098 of the Election Code. That section provides that such expenditures are not reportable under chapter 254 of the Election Code.
31. There was not a reportable in-kind contribution from Alliance/AFT to the committee that the respondent failed to report. There is credible evidence of no violation of section 254.031(a)(1) of the Election Code regarding this allegation.
32. Regarding the allegation that the respondent did not disclose an in-kind political contribution, expenditures for campaign literature, on the 8-day pre-election report for the November 2009 election, the respondent stated that the expenditure for the cost of printing the literature, \$548.83, was disclosed on the next report which was the runoff report for the December 2009 runoff election. That report disclosed a \$548.83 expenditure to PrintComm for "printing of Stationery." There is credible evidence that the respondent reported the political expenditure at issue and therefore that there was not an in-kind contribution of the cost of the printing that was not reported. There is credible evidence of no violation of section 254.031(a)(1) of the Election Code regarding this allegation.

Direct Campaign Expenditure

33. Regarding the 8-day pre-election report for the November 2009 election, the respondent admitted that she did not disclose the information about the expenditure of \$1,760 for postage stamps constituting an in-kind contribution of \$586.67 to each of three candidates that were supported by the mailing. The respondent also admitted that she did not disclose the information about the expenditure of \$548.83 for printing the literature for the mailing constituting an in-kind contribution of one-third of that amount to each of the three candidates. The respondent corrected the report to disclose the expenditure as a direct campaign expenditure supporting three candidates instead of as in-kind contributions of one third of the total to each of the candidates.
34. Regarding the 8-day pre-election report for the November 2008 election, the respondent corrected the report to disclose that an expenditure of approximately \$240 for postage stamps was a direct campaign expenditure supporting a candidate.
35. Each of these corrections is credible evidence of a violation of section 254.031(a)(7) of the Election Code.

Disclosure of Recipient General-Purpose Committees

36. The campaign treasurer appointment of a general-purpose committee must include the full name and address of each general-purpose committee to whom the committee intends to make political contributions. ELEC. CODE § 252.003(2).
37. A general-purpose committee may not knowingly make a political contribution to another general-purpose committee unless the other committee is listed in the campaign treasurer appointment of the contributor committee. ELEC. CODE § 253.037(b).
38. There is credible evidence that the expenditure to AFL-CIO was not a political contribution to a general-purpose committee. Therefore, there is credible evidence of no violation of sections 252.003(2) and 253.037(b) of the Election Code as to this expenditure.
39. The committee's campaign treasurer appointment included "Texas Federation Teachers Committee on Political Education" as a recipient general-purpose committee. That committee is listed as a recipient general-purpose committee on ADEPAC's campaign treasurer appointment. Therefore, there is credible evidence of no violation of sections 252.003(2) and 253.037(b) of the Election Code regarding this recipient committee.

Reporting of Corporate Contribution

40. Each report by a campaign treasurer of a general-purpose committee must include on a separate page or pages of the report, the identification of any contribution from a corporation or labor organization made and accepted under Subchapter D, Chapter 253. ELEC. CODE § 254.151(8).
41. The complaint did not provide any evidence of a particular contribution from a corporation that was not disclosed.
42. The disclosure on the original report, that the expenditure was from an allowable contribution received from a corporation, was an error. There is credible evidence that the respondent did not fail to properly report a political contribution from a corporation on the report at issue. There is credible evidence of no violation of section 254.151(8) of the Election Code.

Actual Payees of Political Expenditures

43. Each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).

44. A political expenditure made out of personal funds by a staff member of an officeholder, a candidate, or a political committee with the intent to seek reimbursement from the officeholder, candidate, or political committee that in the aggregate do not exceed \$5,000 during the reporting period may be reported as follows if the reimbursement occurs during the same reporting period that the initial expenditure was made: (1) the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made and the dates and purposes of the expenditures; and (2) included with the total amount or a specific listing of the political expenditures of \$50 or less made during the reporting period. Except as provided by subsection (a) of this section, a political expenditure made out of personal funds by a staff member of an officeholder, a candidate, or a political committee with the intent to seek reimbursement from the officeholder, candidate, or political committee must be reported as follows: (1) the aggregate amount of the expenditures made by the staff member as of the last day of the reporting period is reported as a loan to the officeholder, candidate, or political committee; (2) the expenditure made by the staff member is reported as a political expenditure by the officeholder, candidate, or political committee; and (3) the reimbursement to the staff member to repay the loan is reported as a political expenditure by the officeholder, candidate, or political committee. Ethics Commission Rules § 20.62.
45. The evidence shows that the respondent properly disclosed the required information regarding the expenditure and the actual vendor payee for 18 expenditures totaling approximately \$25,800. Therefore, there is credible evidence of no violation of section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to those expenditures.
46. The respondent failed to properly disclose the required information regarding the expenditure and the actual vendor payee for six expenditures totaling approximately \$1,230. There is credible evidence of violations of section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. The respondent corrected the errors.
47. The respondent's affidavit also stated that she did not disclose information regarding a \$400 expenditure for postage stamps constituting an in-kind contribution to a candidate supported by the mailing. Therefore, there is credible evidence of a violation of section 254.031(a)(3) of the Election Code as to this expenditure. The respondent corrected the error.

Purpose Description of a Political Expenditure

48. Each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 (\$50 until September 28, 2011) and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).

49. The purposes of the expenditures disclosed by the respondent were adequate. There is credible evidence of no violation of section 254.031(a)(3) of the Election Code.

V. Representations and Agreement by Respondent

By signing this order and agreed resolution and returning it to the commission:

1. The respondent neither admits nor denies the facts described under Section III or the commission's findings and conclusions of law described under Section IV, and consents to the entry of this order and agreed resolution solely for the purpose of resolving this sworn complaint.
2. The respondent consents to this order and agreed resolution and waives any right to further proceedings in this matter.
3. The respondent acknowledges that: 1) each report by a campaign treasurer of a general-purpose committee must include the name of each identified candidate or measure or classification by party of candidates supported or opposed by the committee, indicating whether the committee supports or opposes each listed candidate, measure, or classification by party of candidates, and the name of each identified officeholder or classification by party of officeholders assisted by the committee; 2) a campaign finance report must include, as of the last day of a reporting period for which the person is required to file a report, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period; 3) each report must include the name of each candidate or officeholder who benefits from a direct campaign expenditure made during the reporting period by the person or committee required to file the report, and the office sought or held; 4) each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 (\$50 before September 28, 2010) and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures; and 5) the proper way to report a committee expenditure for which an individual will seek reimbursement is in accordance with section 20.62 of the Ethics Commission Rules. The respondent agrees to comply with these requirements of the law.

VI. Confidentiality

This order and agreed resolution describes violations that the commission has determined are neither technical nor *de minimis*. Accordingly, this order and agreed resolution is not confidential under section 571.140 of the Government Code and may be disclosed by members and staff of the commission.

VII. Sanction

After considering the seriousness of the violations described under Sections III and IV, including the nature, circumstances, and consequences of the violations, and after considering the sanction necessary to deter future violations, the commission imposes a \$600 civil penalty.

VIII. Order

The commission hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-31008261.

AGREED to by the respondent on this _____ day of _____, 20__.

Mary Tennyson, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director