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**Maine Commission on Governmental Ethics and  
Election Practices**

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**Special Report on 2016 Maine Clean Election Act  
Campaigns for the House of Representatives and  
Senate**



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**MAINE COMMISSION ON GOVERNMENTAL ETHICS AND  
ELECTION PRACTICES**

**Special Report on 2016 Maine Clean Election Act Campaigns  
for the House of Representatives and Senate**

**December 20, 2017**

**MAINE COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES**  
**Special Report**  
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## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Commissioners  
Maine Ethics Commission:

We have performed the procedures noted below, which were agreed to by the Maine Commission on Governmental Ethics and Election Practices (Maine Ethics Commission), solely to assist the Commission and its staff in ensuring that the 2016 Maine Clean Election Act (MCEA) candidates for the House of Representatives and Senate complied with the reporting requirements of the MCEA and the Candidate's Guide to the MCEA published by the Commission. The period covered by our procedures is for the entire 2016 election cycle. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Candidates were chosen from a list of certified State Senate and House of Representative candidates for the November 8, 2016 general election that participated in the MCEA program. From the list of candidates, we eliminated candidates that were audited in 2012 and 2014 and that had no substantial violations. From the remaining candidates, we then selected a sample utilizing a statistical random number generating formula to select 20% of the aforementioned candidates (36 from the House of Representatives and 10 from the Senate). In addition, we added 3 House of Representative candidates and 1 Senate candidate that were selected by the Commission for special purpose (cause). The special purpose reviews were undertaken at the request of the Commission staff based on concerns regarding irregularities in candidates' campaign finance reporting. However, of the original candidates selected, the Commission chose to remove 2 of the candidates as they experienced personal tragedies. Once we obtained the selected documentation from the candidates, we performed the procedures noted below in determining the compliance of the candidates:

- Reviewed all campaign bank statements for the 2016 election cycle and ensured that the campaign finance reports submitted during the 2016 election cycle included all transactions and that all transactions were reported correctly (e.g., correct payment amount, obligation date).
- Reviewed all selected disbursements and ensured there was proof of payment.
- Judgmentally selected disbursements from those reported in the campaign finance reports, which in the aggregate represented at least fifty percent of the candidate's disbursements. Reviewed the selected disbursement transactions and ensured that they were substantiated by supporting, third party documentation and were for allowable expenditures under the MCEA. In addition, ensured that mileage logs supported selected reimbursements for mileage and that the total mileage and dollar amount on the mileage logs recalculated based on the individual trips and the applicable reimbursement rate.

- Reviewed purchases reported on the campaign finance reports to identify any equipment purchased with MCEA funds and ensure that the equipment was sold at fair market value and that sales proceeds were returned to the Maine Ethics Commission in a timely manner.
- Reviewed all of the campaign bank statements from the 2016 election cycle and identified all deposits that were not for MCEA funds. Ensured that the amounts were reported as seed money contributions. Reviewed supporting documentation and ensured that seed money contributions were from individuals and did not exceed the threshold of \$100 per donor. In addition, ensured that no additional contributions were received after the candidate’s certification.
- Reviewed supporting documentation to determine that the balance of MCEA funds not spent were returned to the Maine Ethics Commission and were returned promptly (within forty-two days of the election).

Of the procedures performed above, there were 23 candidates who had exceptions and 4 that had findings (significant exceptions to the guidance or violations of the MCEA). The table below summarizes the various types of exceptions and findings and the nature of such:

Summary	House (35)	Senate (10)	Special Purpose (3)	Total Candidates
Candidates with no exceptions/ findings	18	5	2	25
<b>Findings:</b>				
Candidate used MCEA funds to reimburse mileage from the seed money reporting period.	2	1	-	3
Candidate comingled personal funds with MCEA funds.	1	-	-	1
<b>Exceptions:</b>				
Incorrect vendor name on report	6	1	1	8
Transaction on incorrect campaign finance report	13	2	1	16
Transaction lacked supporting documentation	3	1	-	4
Transaction amount reported incorrectly	2	-	-	2
Transaction purpose reported incorrectly	1	-	1	2
Transaction not reported on campaign finance report	2	1	-	3
Transaction reported on campaign finance report but paid with personal funds	1	-	-	1
Expenditure exceeded recommended amount	2	-	-	2
Seed money contributions lacked supporting documentation	5	-	-	5
Seed money contributions reported incorrectly	-	1	-	1
Unspent MCEA funds returned more than 42 days after the election	2	-	-	2

As a result of the procedures performed, there were several trends that came to light during the review of the 2016 MCEA campaigns. In particular, we noted the following:

1. Some of the candidates were unaware that they were required to retain supporting documentation for seed money contributions. Therefore, some of the candidates were missing some or all of their supporting documentation for their seed money contributions. In addition, some of the candidates believed they were not required to retain documentation for seed money contributions under the MCEA's reporting requirement for individual contributions of \$50 or more. However, according to M.R.S.A Title 21-A, candidates are required to retain documentation for all individual donations over \$10.
2. Some of the candidates were under the impression that obligations of MCEA funds were not required to be reported on the campaign finance reports until either a payment was made or services were rendered by the vendor. However, under the Commission's rules (Chapter 1, Section 7(C)(B)), placing an order for goods or services with a vendor that obligates a candidate to pay the vendor at a future time is an action that must be reported as a debt.
3. There were three candidates who were not aware that MCEA funds may not be used to reimburse the candidates for mileage incurred prior to certification as a clean election candidate. According to M.R.S.A. Title 21-A, candidates may not use MCEA funds to pay for goods or services received prior to qualifying for MCEA funding (certification).
4. There were a few candidates who used either their personal checking accounts or credit cards to pay for most of the campaign expenditures, for which they were subsequently reimbursed. The use of a personal checking account or credit card therefore made the reconciliation between the transactions reported on the campaign finance reports and the transactions recorded in the campaign bank account very difficult.
5. Some of the candidates reported expenditures on the campaign finance reports as made to individuals when the transactions were actually reimbursements to those individuals for disbursements made to vendors. According to the 2016 MCEA Candidate Guide, "If a campaign makes a reimbursement to a candidate or supporter for a purchase, the reimbursement must be reported correctly."

In response to the aforementioned trends, we therefore make the following recommendations:

1. Seed money documentation – The Commission should consider making the guidelines more consistent with M.R.S.A. Title 21-A in that it would require the candidate to retain documentation for all seed money contributions of \$10 or more.
2. Reporting of obligations – The Commission should consider rewording the Candidates' Guide to make it clear that obligations should be reported at the earliest transactions date, whether that's the date the contract or agreement is signed, the order is placed, the services are provided, or the disbursement is made.

3. Reimbursements for mileage – The Commission should make it clear in the Candidates’ Guide that MCEA funds may not be used to pay for goods or services received prior to qualifying for MCEA funding and that the definition of goods or services includes any costs incurred by the candidate, such as mileage.
4. Personal accounts – The Commission should consider either restricting (e.g., number of transactions, dollar amounts of transactions) or outright banning the use of personal checking and credit cards of either the candidates or their campaign workers and volunteers. The Candidates’ Guide suggests that the use of such accounts is not recommended but there is no actual restriction on the use of such funds.
5. The Commission should consider rewording the Candidates’ Guide to make it clear that disbursements made to vendors must be reported as transactions with those vendors and not as disbursements to the individuals for which the amounts are reimbursements.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specific elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Commissioners and staff of the Maine Ethics Commission and is not intended to be and should not be used by anyone other than these specified parties.

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South Portland, Maine

**MCEA 2016 CAMPAIGNS  
SUMMARY OF RESULTS**

<b>Findings</b>	<b>Exceptions</b>
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	Candidate's Name	Type	District	No Exceptions	MCEA Funds						
					Reimbursed Mileage from Seed Money Period	Comingled Personal and MCEA Funds	Incorrect Vendor Name on Report	Transaction on Incorrect Campaign Report	Transaction Lacked Supporting Documentation	Transaction Amount Reported Incorrectly	
1	Ackley	Kent	H	82	X						
2	Alley	Rock	S	6		X					
3	Amadon	Anne	H	107			X	X			
4	Beck	Henry	S	16	X						
5	Berry	Seth	H	55				X			
6	Bickford	Bruce	H	63	X						
7	Blume	Lydia	H	3			X	X			
8	Breton	Elijah	H	65				X	X		
9	Capehart	Gary	H	125				X			X
10	Carpenter	Michael	S	2				X			
11	Carroll	Aaron	H	21				X			
12	Caterina	Jean-Marie	S	30							
13	Chassie	Barbara	H	112	X						
14	Cornelio	Keith	H	74				X			
15	Davitt	James	H	101		X		X			
16	Deschambault	Susan	S	32	X						
17	Doak	Peter	H	138	X						
18	Dunphy	Michelle	H	122	X						
19	Fitzgerald	Richard	H	22			X	X			
20	Fogelman	Laurie	H	137	X						
21	Fulford	Jonathan	S	11	X						
22	Gibson	Gerry	H	17				X			
23	Gove	Manley	H	6	X						
24	Guerrette	Timothy	S	1							
25	Harrington	Matthew	H	19	X						
26	Hartford	Joshua	H	105	X						
27	Hobart	Brian	H	55				X			



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28	Hymanson	Patricia	H	4				X		
29	Ladd	Charles	S	25			X	X	X	
30	Lawrence	Mark	H	2	X					
31	Mantell	Peter	H	3	X					
32	Martin	Joseph	H	115			X			
33	Meil	Kathleen	H	94					X	
34	Miramant	David	S	12	X					
35	Monaghan	Kimberly	H	30	X					
36	Montague	Teresa	H	129			X			
37	Moulton	Bradley	H	4	X					
38	Perry	Anne	H	140	X					
39	Pew	Sidney	H	117		X	X			
40	Rivard	Ginnette	H	149	X					
41	Seavey	Stedman	H	9			X	X	X	X
42	Tepler	Denise	H	54	X					
43	Tibbetts	Alan	H	77	X					
44	Timmons	Michael	H	45	X					
45	Turner	April	H	99		X		X		
46	Vitelli	Eloise	S	23	X					
47	Wallace	Raymond	H	104	X					
48	Wolf	Wendy	H	89	X					

**MCEA 2016 CAMPAIGNS  
SUMMARY OF RESULTS**

<b>Exceptions</b>									
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	Candidate's Name		Type	Transaction Purpose Reported Incorrectly	Transaction Not Reported	Transaction Reported But Paid with Personal Funds	Expenditure Exceeded Recommended Amount	Seed Money Contributions Lacked Documentation	Seed Money Contributions Reported Incorrectly	Unspent Funds Returned More Than 42 Days After Election
1	Ackley	Kent	H							
2	Alley	Rock	S							
3	Amadon	Anne	H				X			
4	Beck	Henry	S							
5	Berry	Seth	H					X		
6	Bickford	Bruce	H							
7	Blume	Lydia	H					X		
8	Breton	Elijah	H					X		
9	Capehart	Gary	H		X					
10	Carpenter	Michael	S							
11	Carroll	Aaron	H							
12	Caterina	Jean-Marie	S					X		
13	Chassie	Barbara	H							
14	Cornelio	Keith	H							X
15	Davitt	James	H		X	X				
16	Deschambault	Susan	S							
17	Doak	Peter	H							
18	Dunphy	Michelle	H							
19	Fitzgerald	Richard	H	X						
20	Fogelman	Laurie	H							
21	Fulford	Jonathan	S							
22	Gibson	Gerry	H							
23	Gove	Manley	H							
24	Guerrette	Timothy	S		X					
25	Harrington	Matthew	H							
26	Hartford	Joshua	H							
27	Hobart	Brian	H					X		

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SUMMARY OF RESULTS**

<b>Exceptions</b>									
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28	Hymanson	Patricia	H					X		
29	Ladd	Charles	S							
30	Lawrence	Mark	H							
31	Mantell	Peter	H							
32	Martin	Joseph	H				X			
33	Meil	Kathleen	H							
34	Miramant	David	S							
35	Monaghan	Kimberly	H							
36	Montague	Teresa	H	X						
37	Moulton	Bradley	H							
38	Perry	Anne	H							
39	Pew	Sidney	H							
40	Rivard	Ginnette	H							
41	Seavey	Stedman	H							X
42	Tepler	Denise	H							
43	Tibbetts	Alan	H							
44	Timmons	Michael	H							
45	Turner	April	H							
46	Vitelli	Eloise	S							
47	Wallace	Raymond	H							
48	Wolf	Wendy	H							