

**STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

**CONCILIATION
AGREEMENT**

In the Matter of the 14th Senate District RPM (Registration No. 20885);

1. A routine staff review was initiated by the Minnesota Campaign Finance and Public Disclosure Board of the 14th Senate District RPM's 2014 amended year-end Report of Receipts and Expenditures.
2. The 14th Senate District RPM (the Party Unit) initially reported that, on July 15, 2014, it received a \$1,474.47 contribution from Pederson for Senate, a state campaign committee. The contribution was instead from Pederson for Congress, a federal campaign committee. The error was identified by Board staff because the reported receipt did not reconcile with the alleged donor's corresponding report of receipts and expenditures.
3. Pederson for Congress, a federal campaign committee, constitutes an association not registered with the Board. The 14th Senate District RPM is a political party unit registered with the Board. Minnesota Statutes section 10A.27, subdivision 13 prohibits a political party unit from accepting a contribution from an unregistered association that exceeds \$200 unless the contributor provides a written disclosure statement as required by that section. The appropriate disclosure was not provided with the Pederson for Congress contribution.
4. In a phone call with Board staff and an email to the Board dated June 16, 2015, the Party Unit's treasurer confirmed that the contribution had been accepted. The treasurer stated that the acceptance of the contribution was an honest mistake which led to the contribution originally being misreported as a contribution from Mr. Pederson's state campaign committee's account. Mr. Pederson informed the Board that his federal committee has closed and provided to the Board a bank statement confirming the termination of the account.
5. To resolve this matter informally, and to avoid these violations in the future, the Party Unit agrees that it will:
 - a. Ensure that the Party Unit's treasurer reviews and accurately enters contributions into the Campaign Finance Reporter software within 60 days of receipt;
 - b. Examine each contribution check to ensure that the donor is correctly identified and entered into the Campaign Finance Reporter software; and
 - c. Refrain from accepting any contributions of more than \$200 from associations that are not registered with the Board unless the required disclosure statement is received with the contribution.

6. The Party Unit agrees to forward \$1,274.47 to the Board, the amount by which the contribution from the unregistered association exceeded the permissible amount without providing a written disclosure statement, because Mr. Pederson's federal campaign committee has terminated and the contribution, therefore, cannot be returned.

7. The Party Unit agrees that the Board's acceptance of this agreement constitutes the imposition of a civil penalty in the amount of \$1,274.47 against the Party Unit for accepting a contribution without the disclosure required by Minnesota Statutes section 10A.27, subdivision 13. \$318.62 of the penalty is due within 30 days of the date the agreement is signed by both parties. \$955.85 of the penalty is, by the terms of this agreement, stayed until January 1, 2017. If the Party Unit violates Minnesota Statutes section 10A.27, subdivision 13 before January 1, 2017, the outstanding civil penalty is due immediately. If the Party Unit does not violate Minnesota Statutes section 10A.27, subdivision 13 before January 1, 2017, the outstanding civil penalty is waived.

8. If the Party Unit does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

/s/ Susan Rice
Susan Rice, Treasurer
14th Senate District RPM

Dated: July 15, 2015

/s/ Gary Goldsmith
Gary Goldsmith, Executive Director
Campaign Finance and Public Disclosure Board

Dated: July 6, 2015

Agreement approved by Board at meeting of July 6, 2015

/s/ George A. Beck
George A. Beck, Chair
Campaign Finance and Public Disclosure Board