

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

**FINDINGS AND ORDER IN THE MATTER OF
A COMPLAINT REGARDING DAVID BLY**

Facts Used In These Findings

On January 9, 2006, Douglas C. Jones (“Complainant”) filed a complaint with the Campaign Finance and Public Disclosure Board (“the Board”) against the David Bly Campaign Committee (“the Committee”).

The Complainant alleged that the Committee improperly categorized and reported expenses on the 2004 year end Report of Receipts and Expenditures. Specifically, the Complainant alleged that the Committee improperly reported a \$129.34 payment for food served at “Bly & Pie in the Park” events as a noncampaign disbursement. The Complainant stated: “While the Bly Committee has listed the cost of pies as a non-campaign expense, the distribution of pie took place at Bly events where the candidate was urging voters to vote for him. As such, the pies consumed by voters in such a setting should be treated as a campaign expense.” In support of the allegation the Complainant provided a copy of a post card invitation to a “Bly & Pie in the Park” event and copies of newspaper articles describing the events at which pie was distributed by the Committee.

By letter dated January 10, 2006, David Bly was notified of the complaint and afforded an opportunity to respond. In a letter dated January 23, 2006, David Bly, candidate, responded on behalf of the Committee.

In response to the Complainant’s allegation that the events at which pie were served were not fundraising events Mr. Bly stated: “My campaign had two types of campaign fundraising events house or block parties and events we called “Bly and Pie in the park” at local parks. We sent invites to potential attendees either by invitation or postcard. I gave a speech, we asked for volunteers and we asked for campaign donations”. In support of his response Mr. Bly provided a spread sheet itemizing the cost of food used by the committee during the 2004 campaign, and copies of receipts for food items. The spreadsheet details \$161.45 spent by the Committee for refreshments at “Pie & Bly in Park” functions.

Board records show that on the 2004 Report of Receipts and Expenditures the David Bly Campaign Committee disclosed a \$129.34 payment to Econo Foods for “Pie” and a total of \$253.74 in other non-itemized noncampaign disbursements.

On February 6, 2006, the Board asked Mr. Bly for additional information on the contributions received at the “Bly & Pie in the Park” events. Mr. Bly responded on February 15, 2006, with a letter and a spreadsheet of all contributions received from individuals by the Committee in 2004. The spread sheet identifies a number of anonymous cash contributions as being received at “Bly & Pie in the Park” events.

The matter was considered by the Board in executive sessions on January 11, and February 24, 2006. The Board's decision was based upon the complaint, the responses from Mr. Bly, and Board records.

Relevant Statutes

Minnesota Statutes, section 10A.01, subdivision 26 (5). Noncampaign disbursement.

"Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, or a donation in kind received, by a principal campaign committee for any of the following purposes:

- (5) payment for food, beverages, entertainment, and facility rental for a fund-raising event;

Minnesota Statutes, section 10A.20, subdivision 3 (l). Contents of report.

(l) The report must disclose the name and address of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of \$100 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement.

Minnesota Rules part 4503.0100, subpart 4. Fundraising event. "Fundraising event" means a meal, party, entertainment event, rally, or similar gathering of three or more individuals where contributions are solicited or received.

Based on the above Statement of the Facts and Relevant Statutes and Administrative Rules, the Board makes the following:

Findings Of Probable Cause

1. There is no evidence that the definition of "noncampaign disbursement" or "fundraising event" prohibits a candidate from urging individuals in attendance at a fundraising event to vote for the candidate.
2. There is evidence that the "Bly and Pie in the Park" events included requests for monetary support and receipt of contributions. The Board finds there is probable cause to believe that the events were fundraising events as defined in Minnesota Rules part 4503.0100, subpart 4.
3. There is statutory authority to classify payments for food and beverages served at a fundraising event as a noncampaign disbursement. The Board finds there is no probable cause to believe that the noncampaign disbursements reported by the David Bly Campaign Committee were improperly categorized.

3. There is statutory authority to classify payments for food and beverages served at a fundraising event as a noncampaign disbursement. The Board finds there is no probable cause to believe that the noncampaign disbursements reported by the David Bly Campaign Committee were improperly categorized.
4. Board records show that the David Bly Campaign Committee itemized a noncampaign disbursement of \$129.34 payment to Econo Foods for food served at the "Bly and Pie in the Park" events. The Board finds there is no probable clause to believe that the committee failed to provide the disclosure required by Minnesota Statutes, section 10A.20, subdivision 3 (l).

Based on the above Findings, the Board issues the following:

Order

1. The allegation that the David Bly Campaign Committee improperly categorized expenses for food at the "Bly and Pie in the Park" events as a noncampaign disbursement is dismissed in its entirety.
2. The allegation that the David Bly Campaign Committee improperly reported the disbursement for food at the "Bly and Pie in the Park" events on the 2004 Report of Receipts and Expenditures is dismissed in its entirety.
3. The record in this matter and all correspondence is hereby entered into the public record in accordance with Minnesota Statutes, section 10A.02, subd. 11.

Board staff shall provide copies of these Findings to David Bly and Douglas C. Jones.

Dated: February 24, 2006



Bob Milbert, Chair
Campaign Finance and Public Disclosure Board