

**BEFORE THE  
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION, )  
 )  
 ) Petitioner, )  
 ) Case No. 10E137, 11A033, 11A033A  
v. )  
 )  
 ) DAVID WOODRUFF, )  
 ) Campaign Manager, )  
 )  
 ) GLORIA NICKERSON, )  
 ) Treasurer, )  
 )  
 ) JOSEPH LEE ADAMS, )  
 ) Candidate, )  
 )  
 ) and )  
 )  
 ) ADAMS FOR SENATE, )  
 ) Candidate Committee, )  
 )  
 ) Respondents. )

**JOINT STIPULATION OF FACTS WITH JOINT PROPOSED  
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The undersigned parties jointly stipulate to the facts and consent to the action set forth below.

The undersigned Respondents, Joseph Adams, Gloria Nickerson, David Woodruff, and Adams for Senate, acknowledge that they have received and reviewed a copy of the Complaint filed by the Petitioner in these cases, and the parties submit to the jurisdiction of the Missouri Ethics Commission.

The undersigned Respondents further acknowledge that they are aware of the various rights and privileges afforded by law, including but not limited to: the right to appear and be

represented by counsel; the right to have all charges against Respondents be proven upon the record by competent and substantial evidence; the right to cross-examine any witness appearing at the hearing against Respondents; the right to present evidence on Respondents' behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of these rights provided to Respondents by operation of law, the undersigned Respondents knowingly and voluntarily waive each and every one of these rights and freely enter into this Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Joint Proposed Findings of Fact and Conclusions of Law, and agree to abide by the terms of this document.

The parties agree that the joint stipulation may be signed in counterparts, each of which shall be deemed original, with the same effect as if all the parties had signed the same document. All such counterparts shall be construed together with and shall constitute a single agreement.

## I.

Based upon the foregoing, the Petitioner and the undersigned Respondents jointly stipulate to the following and request that the Missouri Ethics Commission adopt as its own the Joint Proposed Findings of Fact and the Joint Proposed Conclusions of Law, as follows:

### **JOINT FINDINGS OF FACT**

1. The Missouri Ethics Commission (“the Commission”) is an agency of the State of Missouri established pursuant to Section 105.955, RSMo, in part for the purpose of enforcing the provisions of Chapter 130, RSMo.

2. Pursuant to Section 105.959, RSMo, the Commission’s staff has investigated the disclosure reports of Adams for Senate and reported its findings to the Commission.

3. In addition, pursuant to Section 105.959.5, and 105.961.1, RSMo, a special investigator has conducted an investigation and reported findings to the Commission.

4. Based on the reports of the Commission's staff, the Commission determined that there are reasonable grounds to believe that violations of law occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

5. Respondent Joseph Lee Adams was an unsuccessful candidate for State Senator in District 14 in the August 24, 2010, primary election, and the November 2, 2010, general election.

6. Respondent Adams for Senate was a candidate committee established on June 10, 2009, by Respondent Adams.

7. Respondent Adams did not file a statement of exemption under Section 130.021, RSMo.

8. Respondent Adams appointed Gloria Nickerson as the treasurer of the candidate committee.

9. Respondent Nickerson served as the treasurer of the candidate committee at all relevant times.

10. Respondent Adams did not appoint Respondent Woodruff as the treasurer or deputy treasurer of the candidate committee at any time.

11. Respondent Woodruff and his company, Blue Pear, LLC, signed a "consulting services" agreement with Respondent Adams for Senate.

### **COUNT I (Respondent Woodruff)**

#### *Failure to provide expenditure receipts to treasurer within five days*

12. Respondent Woodruff contracted to be, and actually acted as, an agent for the candidate committee Adams for Senate.

13. Respondent Woodruff failed to render to the candidate, treasurer, or deputy treasurer of Adams for Senate, a detailed account of all expenditures he made or caused to be made through his company Blue Pear, LLC, within five days of those expenditures.

14. Respondent Woodruff did not provide invoices for all such expenditures to the candidate committee, candidate, or treasurer, until after the election.

### **COUNT II (All Respondents)**

*Failure of candidate, treasurer, or deputy treasurer to sign checks from official fund depository, and signing of checks by a campaign manager who was not a candidate, treasurer, or deputy treasurer*

15. Respondent Woodruff made at least 39 expenditures totaling at least \$61,646.34, through the candidate committee's official fund depository.

16. Respondent Woodruff made the expenditures by signing checks from the committee's official fund depository.

17. These checks were not signed by the candidate, treasurer, or deputy treasurer of the committee.

18. Respondents Adams and Nickerson requested that Respondent Woodruff sign the signature card for the committee's official fund depository so he could sign checks.

19. Neither Respondent Adams nor Respondent Nickerson requested Respondent Woodruff to stop signing checks from the committee's official fund depository.

20. The "consulting services" agreement states that: "Any expense beyond \$250.00 on a single or aggregate amount will need prior approval from CANDIDATE." (emphasis original).

21. The candidate, Respondent Adams, did not give prior approval for every expense beyond \$250.00.

**COUNT III (All Respondents)**

*Failure to maintain receipts for expenditures*

22. Respondent Woodruff failed to provide invoices to the candidate, treasurer, or deputy treasurer of the committee until after the election, which is more than five days after Respondent Woodruff made expenditures.

23. Respondents Adams and Nickerson failed to obtain the invoices required to maintain accurate records and accounts on a current basis.

24. Respondents Adams and Nickerson did not remove Respondent Woodruff from the candidate committee's official fund depository, even after Respondent Woodruff had failed to provide invoices for expenditures within five days of the expenditure.

25. Respondents failed to maintain and are unable to produce invoices necessary to prepare and substantiate accurate reporting as to the following nine expenditures aggregating \$2,251.75:

<b>Date Posted</b>	<b>Item Date</b>	<b>Item Number</b>	<b>Payee</b>	<b>Amount</b>	<b>Reported Purpose</b>
12/10/2009	12/6/2009	1017	Pasta House Staff Tip	\$80.00	Adams Event/server staff tip
2/23/2010	2/18/2010	1028	David Poger	\$750.00	Research
3/23/2010	3/23/2010	temp	David Woodruff	\$176.00	Stamps Reimb.
4/28/2010	4/26/2010	temp	UADO	\$200.00	1/2 page ad
5/5/2010	5/1/2010	1153	Blue Pear LLC	\$50.00	website and blasts
5/12/2010	5/9/2010	1154	David Woodruff	\$105.00	Promo TV
6/11/2010	6/7/2010	1159	Blue Pear LLC	\$220.75	Hosting and Domain
7/13/2010	7/6/2010	1179	USPO	\$370.00	
8/4/2010	7/22/2010	1188	NCCG	\$300.00	North County Community Org.
			<b>TOTAL</b>	<b>\$2,251.75</b>	

**COUNT IV (All Respondents)**

*Failure to timely and accurately report expenditures*

26. Respondent Woodruff obtained a “personal identification number” (PIN) for purposes of filing electronic reports for the committee with the Missouri Ethics Commission.

27. Respondent Woodruff filed all of the reports with the Commission.

28. Respondent Nickerson did not have access to the PIN to file reports with the Commission, nor did she file any reports with the Commission.

29. Respondents Adams and Adams for Senate were not exempt under Section 130.016.5, RSMo, from filing reports with the Commission.

30. Respondents failed to timely and accurately report the following twenty-five expenditures aggregating \$18,821.74:

<b>Date Posted</b>	<b>Item Date</b>	<b>Item #</b>	<b>Payee</b>	<b>Amount</b>
7/15/2009		e-pay	Harland Clarke Check Orders	\$ 13.90
11/9/2009	11/2/2009	1013	illegible	\$ 148.00
11/27/2009		e-pay	ATT	\$ 160.76
12/7/2009	12/4/2009	1016	David Woodruff/Blue Pear, LLC	\$ 360.21
12/21/2009	12/14/2009	1018	David Woodruff/Blue Pear, LLC	\$ 192.74
1/29/2010		e-pay	ATT	\$ 265.96
1/25/2010	1/29/2010	1023	Blue Pear LLC	\$ 126.94
2/26/2010		e-pay	ATT	\$ 169.44
2/23/2010	2/18/2010	1028	David Poger	\$ 750.00
3/5/2001	3/1/2010	1029	L B & Associates	\$ 2,500.00
3/2/2010			charge back - stop payment	\$ 155.00
3/18/2010	3/18/2010	temp	CASH	\$ 66.00
3/23/2010	3/23/2010	temp	David Woodruff	\$ 176.00
4/5/2010	4/1/2010	temp	Blue Pear LLC	\$ 389.95
3/31/2010		e-pay	ATT	\$ 169.44
4/21/2010		e-pay	Harland Clarke	\$ 18.99

<b>Date Posted</b>	<b>Item Date</b>	<b>Item #</b>	<b>Payee</b>	<b>Amount</b>
5/4/2010	5/1/2010	1151	L B & Associates	\$ 2,500.00
5/27/2010		e-pay	ATT	\$ 167.75
5/24/2010	5/26/2010	1176	Blue Pear LLC	\$ 1,500.00
7/13/2010	7/6/2010	1179	USPO	\$ 370.00
8/3/2010	8/3/2010	1032	James Cotter	\$ 300.00
7/30/2010	7/26/2010	1172	Blue Pear LLC	\$ 2,040.00
8/4/2010	7/30/2010	1191	Blue Pear LLC	\$ 2,040.00
8/4/2010	7/30/2010	1192	Blue Pear LLC	\$ 4,061.99
		e-pay	ATT	\$ 178.67
			<b>TOTAL</b>	<b>\$18,821.74</b>

## JOINT PROPOSED CONCLUSIONS OF LAW

### COUNT I (Respondent Woodruff)

*Failure to provide expenditure receipts to treasurer within five days*

31. Under Section 130.036.1, RSMo:

Every person who acts as an agent for a committee in receiving contributions, making expenditures or incurring indebtedness for the committee shall, on request of that committee's treasurer, deputy treasurer or candidate, *but in any event within five days after any such action*, render to the candidate, committee treasurer or deputy treasurer a detailed account thereof, including names, addresses, dates, exact amounts and any other details required to by the candidate, treasurer or deputy treasurer to comply with"

Chapter 130, RSMo.

(emphasis added).

32. Under Section 130.036.4:

~~Notwithstanding the provisions of section 130.041 that certain~~ expenditures need not be identified in reports by name and address of the payee, the committee's records shall include a listing of each expenditure made and each contract, promise or agreement to make an expenditure, showing the date and amount of each transaction, the name and address of the person to whom the expenditure was made or promised, and the purpose of each expenditure made or promised.

33. There is probable cause to believe that Respondent Woodruff violated Section 136.036, RSMo, by acting as an agent for the candidate committee Adams for Senate, making expenditures for the candidate committee as an agent, and failing to render to the candidate, treasurer, or deputy treasurer of the candidate committee a detailed account of those expenditures within five days of those expenditures, and that he did so knowingly.

#### **COUNT II (All Respondents)**

*Failure of candidate, treasurer, or deputy treasurer to sign checks from official fund depository, and signing of checks by a campaign manager who was not a candidate, treasurer, or deputy treasurer*

34. “[E]ach expenditure of more than fifty dollars, except an in-kind expenditure, shall be made by check drawn on the committee's depository and signed by the committee treasurer, deputy treasurer or candidate.” 130.031.2, RSMo.

35. Under Section 130.021.2, RSMo:

all expenditures shall be made through the candidate, treasurer or deputy treasurer of the person's candidate committee. Nothing in



this chapter shall prevent a candidate from appointing himself or herself as a committee of one and serving as the person's own treasurer, maintaining the candidate's own records and filing all the reports and statements required to be filed by the treasurer of a candidate committee.

36. There is probable cause to believe that Respondents Adams, Adams for Senate, Nickerson, and Woodruff violated Section 130.021.2, RSMo, when Respondents Adams, Adams for Senate, and Nickerson knowingly permitted Respondent Woodruff, who was not the candidate, treasurer, or deputy treasurer of the committee, to make expenditures by signing at least 39 checks totaling at least \$61,646.34, which expenditures were not made by the candidate, treasurer, or deputy treasurer, because the checks were not signed by the candidate, Respondent Adams, or the treasurer, Respondent Nickerson, and that Respondents did so knowingly.

### **COUNT III (All Respondents)**

#### *Failure to maintain receipts for expenditures*

37. Under Section 130.036.1, RSMo:

The candidate, treasurer or deputy treasurer of a committee shall maintain accurate records and accounts on a current basis. The records and accounts shall be maintained in accordance with accepted normal bookkeeping procedures and shall contain the bills, receipts, deposit records, canceled checks and other detailed information necessary to prepare and substantiate any statement or report required to be filed pursuant to this chapter. Every person who acts as an agent for a committee in receiving contributions,

making expenditures or incurring indebtedness for the committee shall, on request of that committee's treasurer, deputy treasurer or candidate, but in any event within five days after any such action, render to the candidate, committee treasurer or deputy treasurer a detailed account thereof, including names, addresses, dates, exact amounts and any other details required by the candidate, treasurer or deputy treasurer to comply with this chapter.

38. Under Section 130.036.4, RSMo:

Notwithstanding the provisions of section 130.041 that certain expenditures need not be identified in reports by name and address of the payee, the committee's records shall include a listing of each expenditure made and each contract, promise or agreement to make an expenditure, showing the date and amount of each transaction, the name and address of the person to whom the expenditure was made or promised, and the purpose of each expenditure made or promised.

39. There is probable cause to believe that Respondents Adams, Adams for Senate, Nickerson, and Woodruff violated Sections 130.036.1 and 130.036.4, RSMo, by failing to maintain invoices necessary to substantiate the statements and/or reports filed with the Missouri Ethics Commission, and/or by failing to maintain accurate records and accounts on a current basis, because they failed to maintain invoices for nine expenditures aggregating \$2,251.75, and that they did so knowingly.

## COUNT IV (All Respondents)

### *Failure to timely and accurately report expenditures*

40. Under Section 130.041.1, RSMo:

Except as provided in subsection 5 of section 130.016, the candidate, if applicable, treasurer or deputy treasurer of every committee which is required to file a statement of organization, shall file a legibly printed or typed disclosure report of receipts and expenditures. The reports shall be filed with the appropriate officer designated in section 130.026 at the times and for the periods prescribed in section 130.046. Except as provided in sections 130.049 and 130.050, each report shall set forth:

...

(4) Expenditures for the period, including:

(a) The total dollar amount of expenditures made by check drawn on the committee's depository;

(b) The total dollar amount of expenditures made in cash;

(c) The total dollar value of all in-kind expenditures made;

(d) The full name and mailing address of each person to whom an expenditure of money or any other thing of value in the amount of more than one hundred dollars has been made, contracted for or incurred, together with the date, amount and purpose of each expenditure. Expenditures of one hundred dollars or less may be grouped and listed by categories of expenditure showing the total

dollar amount of expenditures in each category, except that the report shall contain an itemized listing of each payment made to campaign workers by name, address, date, amount and purpose of each payment and the aggregate amount paid to each such worker;

41. Under Section 130.016.5, RSMo:

A candidate who has an existing candidate committee formed for a prior election for which all statements and reports required by this chapter have been properly filed shall be eligible to file the exemption statement as provided in subsection 1 of this section and shall not be required to file the disclosure reports pertaining to the election for which the candidate is eligible to file the exemption statement if the candidate and the treasurer or deputy treasurer of such existing candidate committee continue to comply with the requirements, limitations and restrictions set forth in subsections 1, 2, 3 and 4 of this section. The exemption permitted by this subsection does not exempt a candidate or the treasurer of the candidate's existing candidate committee from complying with the requirements of subsections 6 and 7 of section 130.046 applicable to a prior election.

42. Under Section 130.058, RSMo, “The candidate or the committee treasurer of any committee except a candidate committee is ultimately responsible for all reporting requirements pursuant to this chapter.”

43. There is probable cause to believe that Respondents Adams, Adams for Senate, Nickerson, and Woodruff violated Sections 130.041.1 and 130.058, RSMo, when they filed reports that failed to timely and accurately disclose eighteen expenditures totaling \$13,978.79, and that they did so knowingly.

## II.

Based on the foregoing, the parties hereto mutually agree and stipulate that the following shall constitute the order entered by the Missouri Ethics Commission in this matter. This order will be effective immediately upon the issuance of the Consent Order of the Missouri Ethics Commission without further action by any party:

1. The parties to this Joint Stipulation understand that the Petitioner will maintain this Joint Stipulation as an open and public record of the Missouri Ethics Commission.
2. The Commission shall issue its Consent order in the form attached hereto as Exhibit A.
  - a. Respondents agree that they will comply with all relevant sections of Chapter 130, RSMo.
  - b. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents, in the amount of \$82,000, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$8,200 of that fee within 60 days after the date of the Order, the remainder of the fee will be stayed for two years, subject to the provisions below. The fee will be paid by check(s) or money order(s) made payable to the Missouri Ethics Commission and sent to the Missouri Ethics Commission at the time of execution of this Joint Stipulation.
  - c. If any Respondent commits any further violations of the campaign finance laws under Chapter 130, RSMo, during the two year stay, then that Respondent and only that Respondent will be required to pay the remainder of the fee. The fee will be due immediately upon final adjudication finding that Respondent has committed such a violation.

d. Respondents shall be jointly and severally liable for all fees imposed under this order.

3. The parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the Commission based upon the Complaint filed by the Petitioner in the above action.

4. Respondents, together with their heirs, successors and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, a claim for attorney's fees whatsoever which Respondents and/or Respondents' attorney now have or which they may hereafter have, which are based upon or arise out of the above cases.

RESPONDENT DAVID WOODRUFF

By: David A. Woodruff 9/23/12  
David Woodruff Date

PETITIONER

By: Julie A. Allen 10/15/12  
Julie A. Allen Date  
Executive Director

RESPONDENT GLORIA NICKERSON

By: \_\_\_\_\_  
Gloria Nickerson Date

By: Curtis R. Stokes 10/15/12  
Curtis R. Stokes Date  
Attorney for Petitioner

RESPONDENT JOSEPH LEE ADAMS

By: \_\_\_\_\_  
Joseph Lee Adams Date

RESPONDENT ADAMS FOR SENATE

By: \_\_\_\_\_  
Joseph Lee Adams, Candidate Date

RESPONDENT ADAMS FOR SENATE

By: \_\_\_\_\_  
Margaret Ellinger-Locke Date  
Attorney for Respondent Adams



RESPONDENT DAVID WOODRUFF

By: \_\_\_\_\_  
David Woodruff Date

PETITIONER

By: Julie A. Allen 10/15/12  
Julie A. Allen Date  
Executive Director

RESPONDENT GLORIA NICKERSON

By: Gloria Nickerson 9/24/12  
Gloria Nickerson Date

By: Curtis R. Stokes 10/15/12  
Curtis R. Stokes Date  
Attorney for Petitioner

RESPONDENT JOSEPH LEE ADAMS

By: \_\_\_\_\_  
Joseph Lee Adams Date

RESPONDENT ADAMS FOR SENATE

By: \_\_\_\_\_  
Joseph Lee Adams, Candidate Date

RESPONDENT ADAMS FOR SENATE

By: \_\_\_\_\_  
Margaret Ellinger-Locke Date  
Attorney for Respondent Adams

RESPONDENT DAVID WOODRUFF

By: \_\_\_\_\_  
David Woodruff Date

PETITIONER

By: Julie A. Allen 10/15/12  
Julie A. Allen Date  
Executive Director

RESPONDENT GLORIA NICKERSON

By: \_\_\_\_\_  
Gloria Nickerson Date

By: Curtis R. Stokes 10/15/12  
Curtis R. Stokes Date  
Attorney for Petitioner

RESPONDENT JOSEPH LEE ADAMS

By: Joseph Lee Adams 10/09/12  
Joseph Lee Adams Date

RESPONDENT ADAMS FOR SENATE

By: Joseph Lee Adams 10/09/12  
Joseph Lee Adams, Candidate Date

RESPONDENT ADAMS FOR SENATE

By: \_\_\_\_\_  
Margaret Ellinger-Locke Date  
Attorney for Respondent Adams

RESPONDENT DAVID WOODRUFF

By: \_\_\_\_\_  
David Woodruff Date

PETITIONER

By: Julie A. Allen 10/15/12  
Julie A. Allen Date  
Executive Director

RESPONDENT GLORIA NICKERSON

By: \_\_\_\_\_  
Gloria Nickerson Date

By: Curtis R. Stokes 10/15/12  
Curtis R. Stokes Date  
Attorney for Petitioner

RESPONDENT JOSEPH LEE ADAMS

By: \_\_\_\_\_  
Joseph Lee Adams Date

RESPONDENT ADAMS FOR SENATE

By: \_\_\_\_\_  
Joseph Lee Adams, Candidate Date

RESPONDENT ADAMS FOR SENATE

By: [Signature] 10/15/12  
Margaret Ellinger-Locke Date  
Attorney for Respondent Adams

**Filed**  
**OCT 23 2012**  
 Missouri Ethics  
 Commission

**BEFORE THE  
 MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION, )  
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 Petitioner, )  
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 v. )  
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 DAVID WOODRUFF, ) Case No. 10E137, 11A033, 11A033A  
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 )  
 GLORIA NICKERSON, )  
 )  
 )  
 JOSEPH LEE ADAMS, )  
 )  
 )  
 AND )  
 )  
 ADAMS FOR SENATE, )  
 )  
 Respondents. )

**CONSENT ORDER**

The parties having filed a Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Proposed Findings of Fact and Conclusions of Law (“Joint Stipulation”) with the Missouri Ethics Commission in this matter, the Missouri Ethics Commission hereby accepts as true the facts stipulated and finds that Respondents Woodruff, Nickerson, Adams and Adams for Senate violated Sections 136.036, 130.021.2, 130.036.1, 130.036.4, 130.041.1 and 130.058, RSMo, as stated in the Joint Stipulation.

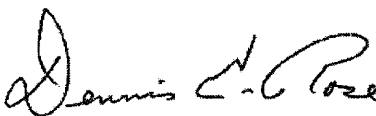
The Commission directs that all terms and orders of the Joint Stipulation be adopted herein and implemented.

1. Respondents agree that they will comply with all relevant sections of Chapter 130, RSMo.

2. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$82,000, pursuant to Section 105.961.4(6), RSMo.  
However, if Respondents pay \$8,200 of that fee within ninety (90) days of the date of this Order, the remainder of the fee will be stayed, subject to the provisions below.  
The fee will be paid by check or money order made payable to the Missouri Ethics Commission and sent to the Missouri Ethics Commission.
3. If any Respondent commits any further violations of the campaign finance laws under Chapter 130, RSMo, as amended, during the two year stay, then that Respondent and only that Respondent will be required to pay the remainder of the fee. The fee will be due immediately upon final adjudication finding that Respondent has committed such a violation. The fee will be due immediately upon final adjudication finding that that Respondent committed such a violation.
4. Respondents shall be jointly and severally liable for all fees imposed under this order.

SO ORDERED this 23<sup>rd</sup> day of October,  
2012

By:



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Dennis Rose