

**BEFORE THE
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,)	
)	
Petitioner,)	
)	
v.)	
)	
PAUL WOODY,)	Case No. 11E202, 11E203
Candidate)	
)	
and)	
)	
CITIZENS FOR PAUL WOODY,)	
Candidate Committee)	
)	
Respondents.)	

**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**

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

The undersigned Respondents, Woody and Citizens for Paul Woody, acknowledge that they have received and reviewed a copy of the Complaint filed by the Petitioner in this case, 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 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 witnesses 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.

For good consideration herein acknowledged, Respondents further agree that the statements in the affidavit signed and executed by Respondent Woody, incorporated by reference herein as Attachment 1, are true and correct, and that Respondent Woody will provide true and correct testimony when called upon as a witness in any proceeding relating to, regarding, or touching upon any topic in the affidavit.

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 PROPOSED 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. Respondent Woody was an unsuccessful candidate for the position of State of Representative in the November 2010 general election.
3. Respondent Citizens for Paul Woody was the candidate committee formed by Respondent Woody to support his candidacy in the November 2010 general election.

4. Pursuant to Section 105.961, RSMo, the Commission's staff has investigated a complaint filed with the Commission and reported the investigation's findings to the Commission.

5. Based on the report 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.

COUNT I

Failure to timely report in-kind contribution

6. Respondents' campaign consultants, Regional Growth Consultants and Danny Powell, established a continuing committee named Missourians for Government Accountability.

7. Missourians for Government Accountability reported three expenditures to Regional Growth Consultants for three direct mail pieces:

a. *Piece 1*, attached hereto and incorporated by reference as Exhibit 1, opposed Respondent Woody's opponent, Sally Faith. It states in part, "If you are a Union member, Sally Faith doesn't like you!" Missourians for Government Accountability was invoiced \$1,236.20 for this mailer.

b. *Piece 2*, attached hereto and incorporated by reference as Exhibit 2, also opposed Respondent Woody's opponent, Sally Faith. It states in part, "Political Opportunist Sally Faith Wants Your Money!" Missourians for Government Accountability was invoiced \$1,385.60 for this mailer.

c. *Piece 3*, attached hereto and incorporated by reference as Exhibit 3, supported Respondent Woody and Ms. Faith's opponent, Bill Slantz, whom Respondent Woody believed would benefit his candidacy by splitting votes from Ms. Faith. (On October 20, 2010, Roberts forwarded to Respondent Woody a

mailer sent by Mr. Slantz with the message, "Here are images of the front and back of Slantz's piece that we just received. Hopefully there is more where that came from.") *Piece 3* states in part, "Missourians for Government Accountability Endorses Bill Slantz; The Conservative Choice for State Representative." Missourians for Government Accountability was invoiced \$1,433.60 for this mailer.

8. *Piece 1* was sent on or about October 22, 2010. On October 13, 2010, Tommy Roberts of Regional Growth Consultants emailed to Respondent Woody a draft of this mailer; the following day; Roberts emailed another draft to Respondent Woody, stating "Paul, the only difference is on the mail side we made the letters red."

9. *Piece 2* was sent on or about October 25, 2010. On October 17, 2010, Roberts sent to Respondent Woody a draft with the message "for your eyes only." On October 19, Roberts sent an updated draft, saying "Here's what we came up with for the Sally hit piece."

10. *Piece 3* was sent on or about October 26, 2010.

11. In its investigation, the Missouri Ethics Commission found no clear evidence that Respondents incurred any expense, paid for, designed, or otherwise caused the three mailers discussed above to be sent to voters.

12. Nevertheless, Respondents did not report the value of the three mailers as an in-kind contribution, even though Respondents knew the mailers were being sent by campaign consultants.

13. Basing the fair market value of the mailers on the amount invoiced to Missourians for Government Accountability, the total value of the in-kind contributions not reported by Respondents totals \$4,055.40.

14. Additional value provided by the in-kind contributions included negative mail pieces designed by Respondents' campaign consultants, but which did not contain a "Paid for by Citizens for Paul Woody" disclaimer.

COUNT II

Failure to timely file independent contractor supplemental report

15. Respondents reported a payment of \$3,412.47 to Regional Growth Consultants on October 16, 2010, with the purpose of "Consulting," on the "8 Days Before" report, without filing an "independent contractor" supplemental report specifying the service or services provided. Respondents amended this report on April 19, 2012, to specify the purpose of the payment as "Mail."

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

Failure to timely report in-kind contribution

16. Respondents were required to file campaign finance disclosure reports that set forth receipts for the reporting period, including:

...

(d) Total dollar value of all in-kind contributions received;

...

§ 130.041.1(3), RSMo.

17. The reports required under Section 130.041, RSMo, were due at the times prescribed by Sections 130.044 and 130.046, RSMo.

18. An "in-kind contribution" is a contribution "in a form other than money."
§ 130.011(19), RSMo.

19. A "contribution" is a "payment, gift, loan, advance, deposit, or donation of money or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification, passage or defeat of any ballot measure, or for the

support of any committee supporting or opposing candidates or ballot measures or for paying debts or obligations of any candidate or committee previously incurred for the above purposes. A contribution of anything of value shall be deemed to have a money value equivalent to the fair market value.” § 130.011(12), RSMo.

20. There is probable cause to believe that Respondents violated Section 130.041.1(3)(d), RSMo, by failing to report in-kind contributions for three mailers that Respondents were aware of that totaled at least \$4,055.40.

COUNT II

Failure to timely file independent contractor supplemental report

21. The words "consulting or consulting services, fees, or expenses", or similar words, shall not be used to describe the purpose of a payment. § 130.041.4, RSMo.

22. “Any payment to such an independent contractor shall be on a form ... established by the ethics commission and shall include identification of the specific service or services provided including, but not limited to, public opinion polling, research on issues or opposition background, print or broadcast media production, print or broadcast media purchase, computer programming or data entry, direct mail production, postage, rent, utilities, phone solicitation, or fund raising, and the dollar amount prorated for each service.” § 130.041.4, RSMo.

23. Reports required by Section 130.041, RSMo, are due at the times prescribed in Section 130.046, RSMo.

24. There is probable cause to believe that Respondents violated Section 130.041.4, RSMo, by reporting a \$3,412.47 expenditure with the purpose of “Consulting” and not timely filing an “independent contractor” supplemental report, and that Respondents 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 shall 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 \$5,000, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$500 of that fee within sixty days after the date of the 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.

c. If any Respondent commits any further violation or violations of the campaign finance laws under Chapter 130, RSMo, within the two year period from the date of this order, then both Respondents 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.

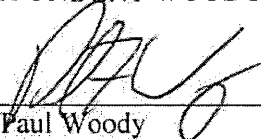
d. Respondents Woody and Citizens for Paul Woody shall be jointly and severally liable for all fees imposed under this order.

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 or Respondents' attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases.

5. This joint stipulation does not settle, release, waive, or otherwise relieve Respondents from any late filing fees due to the appropriate filing authority, including Petitioner Missouri Ethics Commission. Respondents understand that late filing fees accrue automatically under Section 105.963, RSMo.

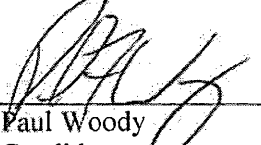
RESPONDENT WOODY

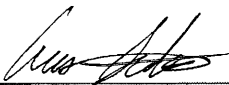
By:  8/28/2013
Paul Woody Date

PETITIONER MISSOURI ETHICS
COMMISSION

By:  9/5/13
Stacey Heislen Date
Acting Executive Director

RESPONDENT CITIZENS FOR PAUL
WOODY

By:  8/29/2013
Paul Woody Date
Candidate

By:  9/5/13
Curtis R. Stokes Date
Attorney for Petitioner

STATE OF MISSOURI)
)
COUNTY OF ST. LOUIS)

Affidavit of Paul Woody

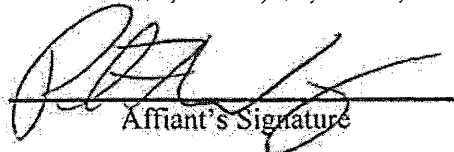
Before me, the undersigned authority, personally appeared Paul Woody who being by me duly worn, deposed as follows:

My name is Paul Woody (affiant). I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated:

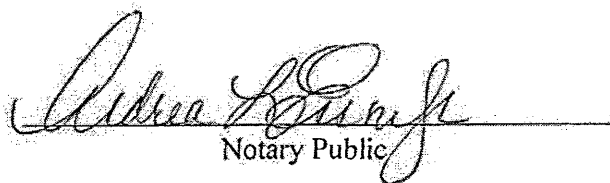
1. I was a candidate for office in the Missouri House of Representatives in the November 2010 General Election.
2. To support my candidacy I formed the candidate committee Citizens for Paul Woody.
3. For the November 2010 election I hired Regional Growth Consultants, LLC and Danny Powell to work on my campaign.
4. I was emailed and viewed the following direct mail pieces before they were sent to voters:
 - a. *Piece 1*, attached hereto and incorporated by reference as Exhibit 1, opposed my opponent, Sally Faith.
 - b. *Piece 2*, attached hereto and incorporated by reference as Exhibit 2, also opposed my opponent, Sally Faith.
 - c. *Piece 3*, attached hereto and incorporated by reference as Exhibit 3, supported a third candidate, Bill Slantz. I believed that Mr. Slantz as a third party candidate would help my candidacy by splitting votes away from my other opponent, Ms. Faith.
5. *Piece 1* was sent on or about October 22, 2010. On October 13, 2010, Tommy Roberts of Regional Growth Consultants emailed to me a draft of this mailer. That email is attached hereto and incorporated by reference as Exhibit 4. The following day Roberts emailed to me another draft of this mailer, this time telling me "Paul, the only difference is on the mail side we made the letters red." That email is attached hereto and incorporated by reference as Exhibit 5.
6. *Piece 2* was sent on or about October 25, 2010. On October 17, 2010, Roberts sent an email to me a draft of this mailer. That email stated "for your eyes only." That email is attached hereto and incorporated by reference as Exhibit 6. On October 19, Roberts emailed to me an updated draft of the mailer, saying "Here's what we came up with for the Sally hit piece." That email is attached hereto and incorporated by reference as Exhibit 7.
7. *Piece 3* was sent on or about October 26, 2010.
8. I knew about each of these mailers prior to filing my "30 Day After" campaign finance report with the Missouri Ethics Commission. I did not report these mailers as in-kind contributions to my candidate committee on the "30 Day After" campaign finance report.

9. On the "8 Day Before" campaign finance report filed with the Missouri Ethics Commission, I reported a payment of \$3,412.47 to Regional Growth Consultants on October 16, 2010, with the purpose of "consulting" but did not supplement that report with an "independent contractor expenditure report" detailing exactly which services were received. I have since amended my "8 Day Before" report to specify that the service received as "Mail."

10. The fair market values of *Piece 1*, *Piece 2*, and *Piece 3* are \$1,236.20, \$1,385.60, and \$1,433.60, respectively.


Affiant's Signature

In witness whereof I have hereunto subscribed my name and affixed my official seal this
4th day of September, 2013.

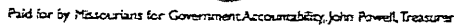

Notary Public

Printed Notary Name: Andrea L. Essmyer

My commission expires:



ANDREA L. ESSMYER
My Commission Expires
May 14, 2017
St. Louis County
Commission #13404421




Post Sale
US Postage
PAID
St. Louis, MO
Permit 815

Saint Charles MO

Lauren

z



Financial Accountability Endorse Bill Slantz
The Conservative Choice for State Representative
 • Smaller Government
 • Lower Taxes
 • More Freedom
Bill Slantz will work to lower income taxes, restore local control to our schools and will prioritize jobs and economic development.

On November 2nd
 Restore Fiscal Accountability to State Government
Vote Bill Slantz
 for State Representative

1 655 ***** AUTO-SCH 5-DIGIT 6337.
 For Friends of
 St. Charles MO 63302-1456

Print Size
 US Postage
 PAID
 St. Louis, MO
 Permit 815

Filed
SEP 05 2013
Missouri Ethics
Commission

**BEFORE THE
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,)	
)	
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v.)	
)	
PAUL WOODY,)	Case No. 11E202, 11E203
Candidate)	
)	
and)	
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CITIZENS FOR PAUL WOODY,)	
Candidate Committee)	
)	
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 Woody and Citizens for Paul Woody violated Sections 130.041.1(3)(d) and 130.041.4, RSMo, as stated in the Joint Stipulation.

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

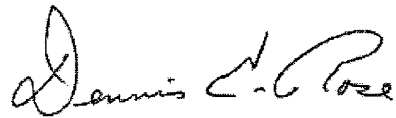
1. Respondents shall comply with all relevant sections of Chapter 130, RSMo.
2. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents Woody and Citizens for Paul Woody in the amount of \$5,000 pursuant to Section 105.961.4(6), RSMo. However, if either Respondent pays \$500 of that fee within sixty (60) 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 Respondents commit any further violations of the campaign finance laws pursuant to Chapter 130, RSMo, as amended, within the two year period from the date of this order, then Respondents will be required to pay the remainder of the fee as originally imposed by the Commission. The fee will be due immediately upon final adjudication finding that Respondents committed such a violation.
4. Respondents Woody and Citizens for Paul Woody shall be jointly and severally liable for all fees imposed under this order.

SO ORDERED this 5th day of September,
2013.

By:



Dennis Rose, Chair
Missouri Ethics Commission