

BEFORE THE MISSOURI ETHICS COMMISSION

	Mes commission
MISSOURI ETHICS COMMISSION,)
Petitioner,	
v.	
CASS COUNTY BOARD OF SERVICES, Political Subdivision	
GENE MOLENDORP, President, Cass County Board of Services,) Case No. 11E198
JO ANN JOHNSON, Treasurer, Cass County Board of Services,	
DOROTHY VAUGHN, Secretary, Cass County Board of Services,	
PHIL DUNCAN, Member, Cass County Board of Services,	
TERRY WILSON, Member, Cass County Board of Services,	
NANCY CARTMILL, Member, Cass County Board of Services,	
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 Respondent acknowledges that it has 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 Respondent further acknowledges that it is 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 Respondent be proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against Respondent; the right to present evidence on Respondent's behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of these rights provided to Respondent by operation of law, the undersigned Respondent knowingly and voluntarily waives each and every one of these rights and freely enters 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 agrees to abide by the terms of this document.

For good consideration herein acknowledged, Respondent further agrees that the statements in the affidavit signed and executed by its volunteer executive director, Peggy Kutchback, incorporated by reference herein as <u>Attachment 1</u>, are true and correct, and that Peggy Kutchback will be made available to provide true and correct testimony if 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 Respondent 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 105, RSMo.
- 2. Respondent Cass County Board of Services is "Senate Bill 40" board and a political subdivision of the State of Missouri. § 205.968, RSMo. As a Senate Bill 40 board, the Cass County Board of Services is authorized to oversee a sheltered workshop, residence, facility, and/or related services funded by a property tax levy. § 205.971, RSMo. A "sheltered workshop" is an occupation-oriented facility which, except for its staff, employs only persons with disabilities. § 178.900, RSMo. The board's funds "shall be expended only upon approval of the board." § 205.971, RSMo.
- 3. Respondent Molendorp was at all relevant times a Member and the President of the Cass County Board of Services.
- Respondent Johnson was at all relevant times a Member and Treasurer of the Cass
 County Board of Services.
- Respondent Vaughn was at all relevant times a Member and the Secretary of the Cass County Board of Services.
- 6. Respondent Duncan was at all relevant times a Member of the Cass County Board of Services.
- 7. Respondent Wilson was at all relevant times a Member of the Cass County Board of Services.
- 8. Respondent Shores was at all relevant times a Member of the Cass County Board of Services.

- 9. Respondent Cartmill was at all relevant times a Member of the Cass County Board of Services.
- 10. 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.
- 11. 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

Use of Public Funds. § 115.646, RSMo (Respondents Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 12. In the April 6, 2010, election, Cass County had a ballot measure regarding the tax levy that funded the Cass County Board of Services.
- 13. In closed session on February 10, 2010, Respondents Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill voted to approve a contract with Regional Growth Consultants for management of a ballot measure to restore the tax levy used to fund the Cass County Board of Services.
- 14. On or about February 23, 2010, Respondent Jo Ann Johnson executed a written "Election Services Agreement" between Regional Growth Consultants and the Cass County Board of Services. A true and accurate copy of that election services agreement is attached hereto and incorporated by reference as Exhibit 1.
- 15. The election services agreement states that Regional Growth Consultants "will begin the development of the campaign plan" upon receipt of a "down payment" of \$2,737.50.

- 16. Respondents Molendorp and Johnson co-signed a check for \$2,737.50 to Regional Growth Consultants on or about February 24, 2010, with the word "election" written in the memo line.
- 17. The election services agreement stated that "Additional payments will be invoiced."
- 18. On March 18, 2010, Regional Growth Consultants issued an invoice to Cass County Board of Services for \$5,120, with instructions to make the check payable to "Main Street Values."
- 19. Respondents Vaughn and Johnson co-signed a check for \$5,120 to Main Street Values on or about March 26, 2010, with the word "election" written in the memo line.
- 20. On April 1, 2010, Regional Growth Consultants issued an invoice to Cass County Board of Services for \$3,092.50, with instructions to make the check payable to "Main Street Values."
- 21. Respondents Molendorp and Johnson co-signed a check for \$3,092.50 to Main Street Values on or about April 15, 2010, with the word "election" written in the memo line.
- 22. The election services agreement states that Regional Growth Consultants will "Manage the (Issue 3) Cass County Levy Campaign on the ballot April 6th, 2010. This will include the following Services: 1. Approximately 300 yard signs 2. 10,000 to 15,000 post card mailers to targeted voters 3. Earned Media plan 4. Approximately three (3) autodials to targeted voters."
- 23. Pursuant to the election services agreement, Regional Growth Consultants provided approximately 300 yard signs that stated "Vote Yes for Sheltered Workshops," which were distributed starting the first week of March 2010.

- 24. Pursuant to the election services agreement, Regional Growth Consultants issued mailers that stated "Support Local Workshops in Cass County" and "Vote yes on Issue 3 April 6th," which were mailed in late March 2010.
- 25. Pursuant to the election services agreement, Regional Growth Consultants issued robo-calls on or about April 1, 2010, and April 5, 2010.
- 26. Pursuant to the election services agreement, Regional Growth Consultants issued letters to newspapers and publications that stated "If you are registered voter in Cass County, I am asking for your help on April 6th to support our Sheltered Workshops. The Sheltered Workshops issue on the ballot will allow Sheltered Workshops to continue operating under their original voter-approved levy," and "Your support will do all of this for Cass County without an increase in the original voter-approved levy. On April 6th please remember to vote yes on Sheltered Workshops."
- 27. Under the contract, \$10,950 of public funds were used to support the ballot measure on the April 6, 2010, election.

COUNT II

Publishing, circulating, or distributing printed matter without an accurate "paid for by" disclosure. § 130.031.8, RSMo.

(Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 28. By voting to approve the contract calling for yard signs and mailers regarding the Cass County Board of Services ballot measure in the April 6, 2010, election, Respondents Cass County Board of Services, Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill published, circulated, and/or distributed printed matter relating to that ballot measure.
- 29. After voting to approve the contract, Respondents Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill the yard signs and mailers called for in the contract were

published, circulated, and distributed with the disclaimer, "Paid for by Main Street Values, Danny Powell, Treasurer."

COUNT III

Failure to timely file non-committee expenditure report. § 130.047, RSMo. (Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 30. Respondent Cass County Board of Services, acting through its Board of Directors, entered into a campaign contract and made expenditures under that contract supporting a ballot measure on the April 6, 2010, general election.
 - 31. Those expenditures totaled \$10,950.

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

Use of Public Funds. § 115.646, RSMo (Respondents Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 32. "No contribution or expenditure of public funds shall be made directly by any officer, employee or agent of any political subdivision to advocate, support, or oppose any ballot measure or candidate for public office. This section shall not be construed to prohibit any public official of a political subdivision from making public appearances or from issuing press releases concerning any such ballot measure." § 115.646, RSMo.
- 33. There is probable cause to believe that Respondents Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill violated Section 115.646, RSMo, by making and/or causing to be made expenditures totaling \$10,950 of public funds to directly advocate for a ballot measure, and that Respondents Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill did so knowingly.

COUNT II

Publishing, circulating, or distributing printed matter without an accurate "paid for by" disclosure. § 130.031.8, RSMo.

(Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 34. "Any person publishing, circulating, or distributing any printed matter relative to any candidate for public office or any ballot measure shall on the face of the printed matter identify in a clear and conspicuous manner the person who paid for the printed matter with the words 'Paid for by' followed by the proper identification of the sponsor pursuant to this section. For the purposes of this section, 'printed matter' shall be defined to include any pamphlet, circular, handbill, sample ballot, advertisement, including advertisements in any newspaper or other periodical, sign, including signs for display on motor vehicles, or other imprinted or lettered material." § 130.031.8, RSMo.
- 35. "In regard to any printed matter paid for by a corporation or other business entity, labor organization, or any other organization not defined to be a committee by subdivision (7) of section 130.011 and not organized especially for influencing one or more elections, it shall be sufficient identification to print the name of the entity, the name of the principal officer of the entity, by whatever title known, and the mailing address of the entity, or if the entity has no mailing address, the mailing address of the principal officer." §130.031.8(3), RSMo.
- 36. As used in Chapter 130, RSMo, "person" means "... any ... board ... or other entity of the state or any of its political subdivisions ... or any officer or employee of such entity acting in the person's official capacity." § 130.011(22), RSMo.
- 37. There is probable cause to believe that Respondents Cass County Board of Services, Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill violated Section 130.031.8, RSMo, by publishing, circulating, and/or distributing yard signs and mailers relating

to a ballot measure in the April 6, 2010, election, without placing an accurate "paid for by" disclosure on those yard signs and mailers, and that Respondents Cass County Board of Services, Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill did so knowingly.

COUNT III

Failure to timely file non-committee expenditure report. § 130.047, RSMo. (Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 38. "Any person who is not a defined committee who makes an expenditure or expenditures aggregating five hundred dollars or more in support of, or opposition to ... the qualification or passage of one or more ballot measures, other than a contribution made directly to a candidate or committee, shall file a report signed by the person making the expenditures, or that person's authorized agent. The report shall include the name and address of the person making the expenditure, the date and amount of the expenditure or expenditures, the name and address of the payee, and a description of the nature and purpose of each expenditure. Such report shall be filed with the appropriate officer having jurisdiction over the election of the candidate or ballot measure in question as set forth in section 130.026 no later than fourteen days after the date of making an expenditure which by itself or when added to all other such expenditures during the same campaign equals five hundred dollars or more. If, after filing such report, additional expenditures are made, a further report shall be filed no later than fourteen days after the date of making the additional expenditures; except that, if any such expenditure is made within fourteen days prior to an election, the report shall be filed no later than forty-eight hours after the date of such expenditure." § 130.047, RSMo.
- 39. There is probable cause to believe that Respondent Cass County Board of Services, acting through its Board of Directors, violated Section 130.047, RSMo, by making expenditures of \$10,950 in support of a ballot measure on the April 6, 2010, election, and not

filing a non-committee expenditure report disclosing those expenditures, and that Respondent Cass County Board of Services, acting through its Board of Directors, did so knowingly.

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 Chapters 115 and 130, RSMo.
 - b. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondent Cass County Board of Services in the amount of \$1,100, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$200 of that fee within forty-five 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 Respondent Cass County Board of Services commits any further violation or violations of the campaign finance laws under Chapters 115 or 130, RSMo, within the two year period from the date of this order, then Respondent Cass County Board of Services 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 parties consent to the entry of record and approval of this Joint Stipulation 3. and to the termination of any further proceedings before the Commission based upon the Complaint filed by the Petitioner in the above action.

Respondent, together with its heirs, successors, and assigns, does 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 Respondent or Respondent's attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases.

5. Petitioner, together with its heirs, successors, and assigns, does hereby waive, release, acquit and forever discharge the Cass County Board of Services 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 Petitioner or Petitioner's attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases, except as expressly provided in this Joint Stipulation.

RESPONDENT CASS COUNTY BOARD OF SERVICES COMMISSION

President of the Board

Attorney for Respondent

Cass County Board of Services

PETITIONER MISSOURI ETHICS

Acting Executive Director

Curtis R. Stokes

Attorney for Petitioner

Election Services Agreement

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This Agreement is made this
1. Compensation and Terms The Client hereby retains RGC and RGC hereby agrees to perform the following services:

- RGC will perform the following jobs:
 - Manage the (Issue 3) Cass County Levy Campaign on the ballot April 6th, 2010.
 This will include the following Services:
 - 1. Approximately 300 yard signs
 - 2. 10,000 to 15,000 post card mailers to targeted voters
 - 3. Earned Media plan
 - 4. Approximately three (3) autodials to targeted voters
- Time Detail:
- - Additional payments will be invoiced as autocall and direct mail services are initiated.
 - 3. All such bills for costs and expenses are due upon receipt.

2. Additional Services

Any additional services needed not agreed upon in the original contract shall be negotiated between Client and RGC.

3. Confidentiality

This Agreement creates a confidential relationship between RGC and the Client. Information concerning RGC's and/or the Client's business affairs, vendors, finances, properties, methods of operation, employees, documentation, and other such information whether written, oral, or otherwise, is confidential in nature. RGC, the Client, and employees of both will adhere fully to this confidentiality agreement.

4. Governing law

This agreement shall be binding upon the heirs and assigns of the parties and shall be governed by and interpreted according to the laws of the State of Missouri.



5. Entire agreement

This agreement represents the full understanding between the parties and there is no other agreement, oral or written, between them, and that this agreement may not be modified without an agreement in writing signed by the party to be charged. This contract is in effect until written notification of termination from either party.

6. Notices

All notices or other documents under this agreement shall be in writing and delivered personally or fax received, or mailed by certified mail, postage prepaid, addressed to RGC and the Client at their last known addresses.

7. Copyrights

The Client must guarantee any usage of trademarks, copy, or images.

8. Subcontracting Services

RGC shall have the right to subcontract with vendors for any portion of services rendered pursuant to the contract.

9. Liability

RGC and its employees cannot guarantee the outcome of any election and shall not be liable for any election outcome.

10. Display of Project Descriptions

RGC shall have the right to display descriptions of its projects or services on its website.

ACCEPTED AND AGREED:	
REGIONAL GROWTH CONSULTANTS	THE CLIENT
BY:	BY: Johnson
(signature)	(signature)
(Print Name)	TO AUN JOHN SON (Print Name)
Date:	Date: Fel 23, 2010

STATE OF MISSOURI	
)
COUNTY OF)

Affidavit of Peggy Kutchback

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

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

- 1. I am the volunteer executive director of the Cass County Board of Services, and I was the volunteer executive director since prior to 2010.
- 2. On February 23, 2010, the Cass County Board of Services entered into an agreement with Regional Growth Consultants, LLC, pursuant to an election services agreement that is attached hereto and incorporated by reference as Exhibit 1.
- 3. Prior to entering this agreement, the Cass County Board of Services determined that it needed expertise assistance on a ballot measure relating to a tax levy used to fund the Board of Services.
- 4. I knew Danny Powell and Chris Benjamin, both members of Regional Growth Consultants, and that they had election experience.
- 5. The Board of Services asked Mr. Powell and Mr. Benjamin for guidance on what the Board of Services needed to do for the ballot measure.
- 6. In response to this request, Regional Growth Consultants provided the election services agreement proposal to the Board of Services.

- 7. The Board of Services voted to agree to the terms of the election services agreement.
- 8. Pursuant to the election services agreement, Regional Growth Consultants issued yard signs, mailers, robo-calls, and a media campaign.
- 9. An example of the yard signs is attached hereto and incorporated by reference as Exhibit2.
- 10. An example of a mailer is attached hereto and incorporated by reference as Exhibit 3.

In witness whereof I have hereunto subscribed my name and affixed my official seal this day of September, 20/3.

Notary Public

Printed Notary Name: Susan L. Hilton

My commission expires:

11/3/2014



SUSAN L. HILTON My Commission Expires November 3, 2014 Cass County Commission #10393051

Election Services Agreement

This Agreement is made this
Compensation and Terms The Client hereby retains RGC and RGC hereby agrees to perform the following services:
 RGC will perform the following Jobs: Manage the (Issue 3) Cass County Levy Campaign on the ballot April 6th, 2010. This will include the following Services:
Approximately 300 yard signs
2. 10,000 to 15,000 post card mailers to targeted voters
3. Earned Media plan
4. Approximately three (3) autodials to targeted voters
- Time Detail: 1. RGC will begin the development of the campaign plan for the Cass County Levy Campaign (Issue 3) upon the completion of this contract, and having received a down payment of \$
 Payments: 37.50 down payment to begin Election Consulting Services. This shall be nonrefundable. Additional payments will be invoiced as autocall and direct mail services are initiated. All such bills for costs and expenses are due upon receipt.
 Additional Services Any additional services needed not agreed upon in the original contract shall be negotiated between Client and RGC.
3. Confidentiality This Agreement creates a confidential relationship between RGC and the Client. Information concerning RGC's and/or the Client's business affairs, vendors, finances, properties, methods of operation, employees, documentation, and other such information whether written, oral, or otherwise, is confidential in nature. RGC, the Client, and employees of both will adhere fully to this confidentiality agreement.
4. Governing law This agreement shall be binding upon the heirs and assigns of the parties and shall be governed by and interpreted according to the laws of the State of Missouri.
EXHIBIT

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This agreement represents the full understanding between the parties and there is no other agreement, oral or written, between them, and that this agreement may not be modified without an agreement in writing signed by the party to be charged. This contract is in effect until written notification of termination from either party.

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ACCEPTED AND AGREED:	•
REGIONAL GROWTH CONSULTANTS	THE CLIENT
BY:	BY: On a Johnson
(signature)	(signature)
(Print Name)	JOANN JOHNSON (Print Name)
Date:	Date: Lel 23, 2010

Control of the Contro

EXHIBIT

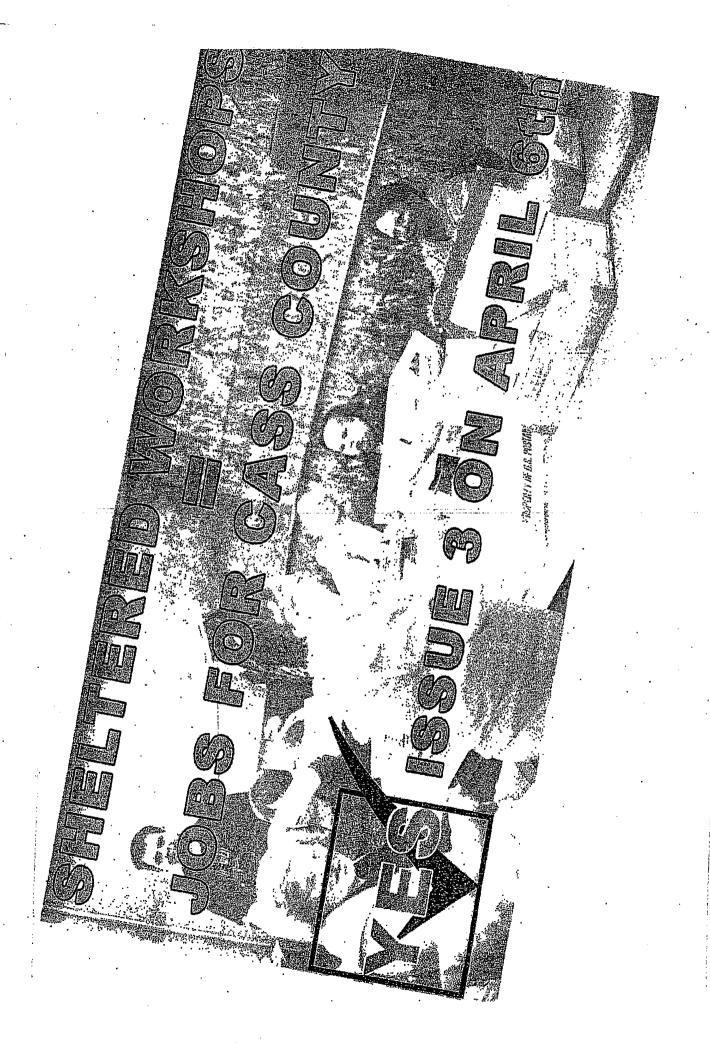
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Shellered Workshops help developmentally disabled and handicapped persons get

Workshops with no levy increase Issue 3 will help sheltered Saol

No

for by Main Street Values, Danny powell, Treasurer





BEFORE THE MISSOURI ETHICS COMMISSION

MISSOURI ETHICS COMMISSION,	
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CASS COUNTY BOARD OF SERVICES, Political Subdivision	Case No. 11E198
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TERRY WILSON, Member, Cass County Board of Services,)))
NANCY CARTMILL, Member, Cass County Board of Services,	
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 Respondent Cass County Board of Services violated Sections 130.031.8 and 130.047, RSMo, as stated in the Joint Stipulation.

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

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 Respondent Cass County Board of Services in the amount of \$1,100,

pursuant to Section 105.961.4(6), RSMo. However, if Respondent pays \$200 of

that fee within forty-five 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 Respondent Cass County Board of Services 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 Respondent Cass

County Board of Services 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.

SO ORDERED this _

day of September,

2013

By:

Dennis Rose, Chair

Missouri Ethics Commission



BEFORE THE MISSOURI ETHICS COMMISSION

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CASS COUNTY BOARD OF SERVICES, Political Subdivision	
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The undersigned Respondents 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 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 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 its volunteer executive director, Peggy Kutchback, incorporated by reference herein as Attachment 1, are true and correct, and that Peggy Kutchback will be made available to provide true and correct testimony if called upon as a witness in any proceeding relating to, regarding, or touching upon any topic in the affidavit.

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- 3. Respondent Molendorp was at all relevant times a Member and the President of the Cass County Board of Services.
- 4. Respondent Johnson was at all relevant times a Member and Treasurer of the Cass County Board of Services.
- 5. Respondent Vaughn was at all relevant times a Member and the Secretary of the Cass County Board of Services.
- 6. Respondent Duncan was at all relevant times a Member of the Cass County Board of Services.
- 7. Respondent Wilson was at all relevant times a Member of the Cass County Board of Services.
- 8. Respondent Shores was at all relevant times a Member of the Cass County Board of Services.

- 9. Respondent Cartmill was at all relevant times a Member of the Cass County Board of Services.
- 10. 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.
- 11. 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

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- 19. Respondents Vaughn and Johnson co-signed a check for \$5,120 to Main Street Values on or about March 26, 2010, with the word "election" written in the memo line.
- 20. On April 1, 2010, Regional Growth Consultants issued an invoice to Cass County Board of Services for \$3,092.50, with instructions to make the check payable to "Main Street Values."
- 21. Respondents Molendorp and Johnson co-signed a check for \$3,092.50 to Main Street Values on or about April 15, 2010, with the word "election" written in the memo line.
- 22. The election services agreement states that Regional Growth Consultants will "Manage the (Issue 3) Cass County Levy Campaign on the ballot April 6th, 2010. This will include the following Services: 1. Approximately 300 yard signs 2. 10,000 to 15,000 post card mailers to targeted voters, 3. Earned Media plan 4. Approximately three (3) autodials to targeted voters."
- 23. Pursuant to the election services agreement, Regional Growth Consultants provided approximately 300 yard signs that stated "Vote Yes for Sheltered Workshops," which were distributed starting the first week of March 2010.

- 24. Pursuant to the election services agreement, Regional Growth Consultants issued mailers that stated "Support Local Workshops in Cass County" and "Vote yes on Issue 3 April 6th," which were mailed in late March 2010.
- 25. Pursuant to the election services agreement, Regional Growth Consultants issued robo-calls on or about April 1, 2010, and April 5, 2010.
- 26. Pursuant to the election services agreement, Regional Growth Consultants issued letters to newspapers and publications that stated "If you are registered voter in Cass County, I am asking for your help on April 6th to support our Sheltered Workshops. The Sheltered Workshops issue on the ballot will allow Sheltered Workshops to continue operating under their original voter-approved levy," and "Your support will do all of this for Cass County without an increase in the original voter-approved levy. On April 6th please remember to vote yes on Sheltered Workshops."
- 27. Under the contract, \$10,950 of public funds were used to support the ballot measure on the April 6, 2010, election.

COUNT II

Publishing, circulating, or distributing printed matter without an accurate "paid for by" disclosure. § 130.031.8, RSMo.
(Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- :28. By voting to approve the contract calling for yard signs and mailers regarding the Cass County Board of Services ballot measure in the April 6, 2010, election, Respondents Cass County Board of Services, Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill published, circulated, and/or distributed printed matter relating to that ballot measure.
- 29. After voting to approve the contract, Respondents Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill, the yard signs and mailers called for in the contract were

published, circulated, and distributed with the disclaimer, "Paid for by Main Street Values, Danny Powell, Treasurer."

COUNT III

Failure to timely file non-committee expenditure report. § 130.047, RSMo. (Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 30. Respondent Cass County Board of Services, acting through its Board of Directors, entered into a campaign contract and made expenditures under that contract supporting a ballot measure on the April 6, 2010, general election.
 - 31. Those expenditures totaled \$10,950.

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

Use of Public Funds. § 115.646, RSMo (Respondents Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 32. "No contribution or expenditure of public funds shall be made directly by any officer, employee or agent of any political subdivision to advocate, support, or oppose any ballot measure or candidate for public office. This section shall not be construed to prohibit any public official of a political subdivision from making public appearances or from issuing press releases concerning any such ballot measure." § 115.646, RSMo.
- 33. There is probable cause to believe that Respondents Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill violated Section 115.646, RSMo, by making and/or causing to be made expenditures totaling \$10,950 of public funds to directly advocate for a ballot measure, and that Respondents Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill did so knowingly.

COUNT II

Publishing, circulating, or distributing printed matter without an accurate "paid for by" disclosure. § 130.031.8, RSMo.

(Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 34. "Any person publishing, circulating, or distributing any printed matter relative to any candidate for public office or any ballot measure shall on the face of the printed matter identify in a clear and conspicuous manner the person who paid for the printed matter with the words 'Paid for by' followed by the proper identification of the sponsor pursuant to this section. For the purposes of this section, 'printed matter' shall be defined to include any pamphlet, circular, handbill, sample ballot, advertisement, including advertisements in any newspaper or other periodical, sign, including signs for display on motor vehicles, or other imprinted or lettered material." § 130.031.8, RSMo.
- 35. "In regard to any printed matter paid for by a corporation or other business entity, labor organization, or any other organization not defined to be a committee by subdivision (7) of section 130.011 and not organized especially for influencing one or more elections, it shall be sufficient identification to print the name of the entity, the name of the principal officer of the entity, by whatever title known, and the mailing address of the entity, or if the entity has no mailing address, the mailing address of the principal officer." §130.031.8(3), RSMo.
- 36. As used in Chapter 130, RSMo, "person" means "... any ... board ... or other entity of the state or any of its political subdivisions ... or any officer or employee of such entity acting in the person's official capacity." § 130.011(22), RSMo.
- 37. There is probable cause to believe that Respondents Cass County Board of Services, Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill violated Section 130.031.8, RSMo, by publishing, circulating, and/or distributing yard signs and mailers relating

to a ballot measure in the April 6, 2010, election, without placing an accurate "paid for by" disclosure on those yard signs and mailers, and that Respondents Cass County Board of Services, Molendorp, Johnson, Vaughn, Duncan, Wilson, Shores, and Cartmill did so knowingly.

COUNT III

Failure to timely file non-committee expenditure report. § 130.047, RSMo. (Respondents Cass County Board of Services, Johnson, Molendorp, Vaughn, Duncan, Wilson, Shores, and Cartmill)

- 38. "Any person who is not a defined committee who makes an expenditure or expenditures aggregating five hundred dollars or more in support of, or opposition to ... the qualification or passage of one or more ballot measures, other than a contribution made directly to a candidate or committee, shall file a report signed by the person making the expenditures, or that person's authorized agent. The report shall include the name and address of the person making the expenditure, the date and amount of the expenditure or expenditures, the name and address of the payee, and a description of the nature and purpose of each expenditure. Such report shall be filed with the appropriate officer having jurisdiction over the election of the candidate or ballot measure in question as set forth in section 130.026 no later than fourteen days after the date of making an expenditure which by itself or when added to all other such expenditures during the same campaign equals five hundred dollars or more. If, after filing such report, additional expenditures are made, a further report shall be filed no later than fourteen days after the date of making the additional expenditures; except that, if any such expenditure is made within fourteen days prior to an election, the report shall be filed no later than forty-eight hours after the date of such expenditure." § 130.047, RSMo.
- 39. There is probable cause to believe that Respondent Cass County Board of Services, acting through its Board of Directors, violated Section 130.047, RSMo, by making expenditures of \$10,950 in support of a ballot measure on the April 6, 2010, election, and not

filing a non-committee expenditure report disclosing those expenditures, and that Respondent Cass County Board of Services, acting through its Board of Directors, did so knowingly.

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.
 - Respondents shall comply with all relevant sections of Chapters 115 and
 RSMo.
 - b. It is the Order of the Missouri Ethics Commission that a fee is imposed individually against each Respondent Molendorp, Johnson, Vaughn, Duncan, Wilson, and Cartmill in the amount of \$1,100, pursuant to Section 105.961.4(6), RSMo. However, if each Respondent pays \$200 of that fee within forty-five 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 individual Respondent commits any further violation or violations of the campaign finance laws under Chapters 115 or 130, RSMo, within the two year period from the date of this order, then 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. All fees under this order are several, not joint; each Respondent shall be individually liable for the fee imposed for that Respondent and not for the fees imposed for any other Respondent.
- 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 individually and together 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. Petitioner, together with its heirs, successors, and assigns, does hereby waive, release, acquit and forever discharge the Respondents and their 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 Petitioner or Petitioner's attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases, except as expressly provided in this Joint Stipulation.

SO AGREED:

RESPONDENT GENE MOLENDORP
By: Leno C. Molendary 9-4-13 Gene Molendorp Date
RESPONDENT JO ANN JOHNSON
By: Os ann Johnson Date By: Os Ann Johnson Date
RESPONDENT DOROTHY VAUGHN
By: Sonathy Jacober 9-4-13 Dorothy Valaghn Date
RESPONDENT PHIL DUNCAN
By: Phil Duncan Date
RESPONDENT TERRY WILSON
By: Lem Wilson Date
RESPONDENT NANCY CARTMILL
By: Manay Cartailly G-4-13 Nancy Cartailly Date
11/1 /1/01/01/1

Marc H. Ellinger, Attorney for Respondents

Election Services Agreement

This Agreement is made this
1. Compensation and Terms The Client hereby retains RGC and RGC hereby agrees to perform the following services:

- RGC will perform the following jobs:

- Manage the (Issue 3) Cass County Levy Campaign on the ballot April 6th, 2010.
 This will include the following Services:
 - 1. Approximately 300 yard signs
 - 2. 10,000 to 15,000 post card mailers to targeted voters
 - 3. Earned Media plan
 - 4. Approximately three (3) autodials to targeted voters
- Time Detail:
- - Additional payments will be invoiced as autocall and direct mail services are initiated.
 - 3. All such bills for costs and expenses are due upon receipt.

2. Additional Services

Any additional services needed not agreed upon in the original contract shall be negotiated between Client and RGC.

3. Confidentiality

This Agreement creates a confidential relationship between RGC and the Client. Information concerning RGC's and/or the Client's business affairs, vendors, finances, properties, methods of operation, employees, documentation, and other such information whether written, oral, or otherwise, is confidential in nature. RGC, the Client, and employees of both will adhere fully to this confidentiality agreement.

4. Governing law

This agreement shall be binding upon the heirs and assigns of the parties and shall be governed by and interpreted according to the laws of the State of Missouri.



5. Entire agreement

This agreement represents the full understanding between the parties and there is no other agreement, oral or written, between them, and that this agreement may not be modified without an agreement in writing signed by the party to be charged. This contract is in effect until written notification of termination from either party.

6. Notices

All notices or other documents under this agreement shall be in writing and delivered personally or fax received, or mailed by certified mail, postage prepaid, addressed to RGC and the Client at their last known addresses.

7. Copyrights

The Client must guarantee any usage of trademarks, copy, or images.

8. Subcontracting Services

RGC shall have the right to subcontract with vendors for any portion of services rendered pursuant to the contract.

9. Liability

RGC and its employees cannot guarantee the outcome of any election and shall not be liable for any election outcome.

10. Display of Project Descriptions

RGC shall have the right to display descriptions of its projects or services on its website.

ACCEPTED AND AGREED:	
REGIONAL GROWTH CONSULTANTS	THE CLIENT
BY:	BY: Jo Ann Johnson
(signature)	(signature)
(Print Name)	JOANN JOHNSON (Print Name)
Date:	Date: Jelu 23, 2010

STATE OF MISSOURI)
)
COUNTY OF)

Affidavit of Peggy Kutchback

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

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

- 1. I am the volunteer executive director of the Cass County Board of Services, and I was the volunteer executive director since prior to 2010.
- 2. On February 23, 2010, the Cass County Board of Services entered into an agreement with Regional Growth Consultants, LLC, pursuant to an election services agreement that is attached hereto and incorporated by reference as Exhibit 1.
- 3. Prior to entering this agreement, the Cass County Board of Services determined that it needed expertise assistance on a ballot measure relating to a tax levy used to fund the Board of Services.
- 4. I knew Danny Powell and Chris Benjamin, both members of Regional Growth Consultants, and that they had election experience.
- 5. The Board of Services asked Mr. Powell and Mr. Benjamin for guidance on what the Board of Services needed to do for the ballot measure.
- 6. In response to this request, Regional Growth Consultants provided the election services agreement proposal to the Board of Services.

- 7. The Board of Services voted to agree to the terms of the election services agreement.
- 8. Pursuant to the election services agreement, Regional Growth Consultants issued yard signs, mailers, robo-calls, and a media campaign.
- 9. An example of the yard signs is attached hereto and incorporated by reference as Exhibit2.
- 10. An example of a mailer is attached hereto and incorporated by reference as Exhibit 3.

Mant's Signature

In witness whereof I have hereunto subscribed my name and affixed my official seal this day of September , 20/3

Notary Public

Printed Notary Name: Susan L. Hilton

My commission expires:

11/3/2014



SUSAN L. HILTON
My Commission Expires
November 3, 2014
Cass County
Commission #10393051

Election Services Agreement

This Agreement is made this
Compensation and Terms The Client hereby retains RGC and RGC hereby agrees to perform the following services:
 RGC will perform the following Jobs: Manage the (issue 3) Cass County Levy Campaign on the ballot April 6th, 2010. This will include the following Services:
Approximately 300 yard signs
2. 10,000 to 15,000 post card mailers to targeted voters
3. Earned Media plan
4. Approximately three (3) autodials to targeted voters
- Time Detail: 1. RGC will begin the development of the campaign plan for the Cass County Levy Campaign (Issue 3) upon the completion of this contract, and having received a down payment of \$
 Payments: 1. \$
2. Additional Services Any additional services needed not agreed upon in the original contract shall be negotiated between Client and RGC.
3. Confidentiality This Agreement creates a confidential relationship between RGC and the Client. Information concerning RGC's and/or the Client's business affairs, vendors, finances, properties, methods of operation, employees, documentation, and other such information whether written, oral, or otherwise, is confidential in nature. RGC, the Client, and employees of both will adhere fully to this confidentiality agreement.
4. Governing law This agreement shall be binding upon the heirs and assigns of the parties and shall be governed by and interpreted according to the laws of the State of Missouri.
EXHIBIT

5. Entire agreement

This agreement represents the full understanding between the parties and there is no other agreement, oral or written, between them, and that this agreement may not be modified without an agreement in writing signed by the party to be charged. This contract is in effect until written notification of termination from either party.

6. Notices

All notices or other documents under this agreement shall be in writing and delivered personally or fax received, or mailed by certified mail, postage prepaid, addressed to RGC and the Client at their last known addresses.

7. Copyrights

The Client must guarantee any usage of trademarks, copy, or images.

8. Subcontracting Services

RGC shall have the right to subcontract with vendors for any portion of services rendered pursuant to the contract.

9, Liability

RGC and its employees cannot guarantee the outcome of any election and shall not be liable for any election outcome.

10. Display of Project Descriptions

RGC shall have the right to display descriptions of its projects or services on its website.

ACCEPTED AND AGREED;	
REGIONAL GROWTH CONSULTANTS	THE CLIENT ·
BY:	BY: On a Johnson
(signature)	(signature)
(Print Name)	JOANN JOHNSON (Print Name)
Date:	Date: Fels 23, 2010

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EXHIBIT 2

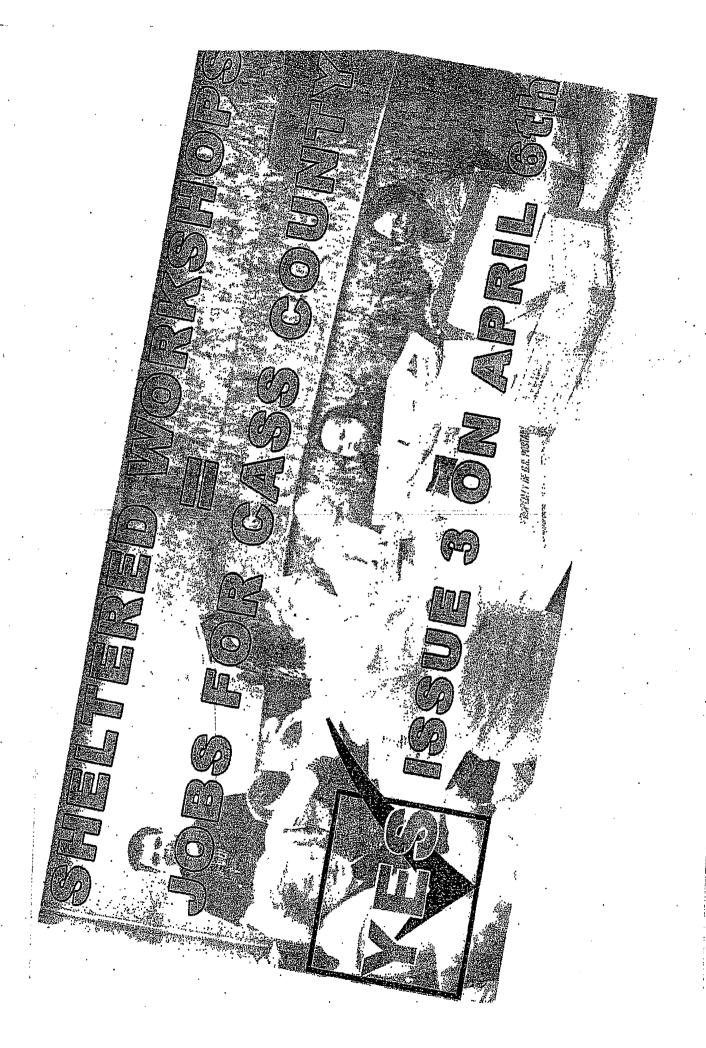
Shellered Workshops help developmentally disabled and handicapped persons get

Workshops with no levy increase Issue 3 will help sheltered

·sqoi

for by Main Street Values, Danny powell, Treasurer

EXHIBIT



BEFORE THE MISSOURI ETHICS COMMISSION



MISSOURI ETHICS COMMISSION,	Commissio
Petitioner,)	
v.)	
CASS COUNTY BOARD OF SERVICES,) Political Subdivision)	Case No. 11E198
GENE MOLENDORP, President, Cass County Board of Services,)	
JO ANN JOHNSON, Treasurer, Cass County Board of Services,)	
DOROTHY VAUGHN, Secretary, Cass County Board of Services,)	
PHIL DUNCAN, Member, Cass County Board of Services,)	
TERRY WILSON, Member, Cass County Board of Services,)	
NANCY CARTMILL, Member, Cass County Board of Services,)	
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 Molendorp, Johnson, Vaughn, Duncan, Wilson and Cartmill violated Sections 115.646 and 130.031.8, RSMo, as stated in the Joint Stipulation.

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

 a. Respondents shall comply with all relevant sections of Chapters 115 and 130, RSMo.

b. It is the Order of the Missouri Ethics Commission that a fee is imposed individually against each Respondent Molendorp, Johnson, Vaughn, Duncan, Wilson, and Cartmill in the amount of \$1,100, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$200 of that fee within forty-five 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 individual Respondent commits any further violation or violations of the campaign finance laws under Chapters 115 or 130, RSMo, within the two year period from the date of this order, then 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.

SO ORDERED this _

day of September,

2013

By:

Dennis Rose, Chair

Missouri Ethics Commission