

**BEFORE THE
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,)
)
 Petitioner,)
)
 v.)
)
 CITIZENS FOR SPRENG,) Case No. 13A013
)
 CHURIE SPRENG,)
)
 and)
)
 MICHAEL SPRENG,)
)
 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 Citizens for Spreng, Churie Spreng and Michael Spreng violated Sections 130.041.1(3), 130.021.4(1), 130.041.1(4), 130.031.2, 130.041.4, 130.046.1, 130.011(9), and 130.036.1, 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 in the amount of \$11,165 pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$1,110 of that fee within forty-five (45) days of the date

of this Order, the remainder of the fee will be stayed. 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. Regardless of the stay in paragraph 2 above, if any Respondent commits 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 the Respondents will be required to pay the remainder of the fee. The fee will be due immediately upon final adjudication finding that such Respondent committed such a violation.
4. Respondents Citizens for Spreng, Churie Spreng and Michael Spreng shall be jointly and severally liable for all fees imposed under this order subject to the terms in subparagraph 3 above.

SO ORDERED this 30th day of April, 2014

By:



Charles Weedman, Chair
Missouri Ethics Commission

**BEFORE THE
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,)
)
) Petitioner,)
) Case No. 13A013
v.)
)
CITIZENS FOR SPRENG,)
Candidate Committee,)
)
CHURIE SPRENG,)
Candidate,)
)
and)
)
MICHAEL SPRENG,)
Treasurer)
)
) 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, Churie Spreng, Michael Spreng, and Citizens for Spreng, 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.

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 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 Churie Spreng was a successful candidate for State Representative (District 76) in 2010 and an unsuccessful candidate for State Representative (District 74) in 2012.
3. Respondent Churie Spreng formed Citizens for Spreng as her candidate committee for the both elections.
4. Respondent Michael Spreng was at all relevant times the treasurer for Citizens for Spreng.

5. Pursuant to Section 105.961, RSMo, the Commission's staff has investigated the reports and statements filed with the Commission and reported the investigation's findings to the Commission.

6. Based on the report of the Commission's staff, the Commission determined that there were 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 and accurately report contributions received and reporting contributions not found in the official fund depository

7. Respondents did not timely report the following five monetary contributions totaling \$1,365.00:

Contributor	Date	Amount
Isle of Capri Casino	11/15/10	\$300.00
Realtors PAC MO	07/10/12	\$500.00
Cash Deposit	07/17/12	\$65.00
CHIPP Political Account	08/02/12	\$250.00
Laclede PAC	08/06/12	\$250.00
	TOTAL	\$1,365.00

8. Respondents reported two contributions totaling \$975.00 that were not deposited into the committee's official depository account:

Contributor	Date	Amount	Report
Committee for Rachel Storch	03/15/10	\$200.00	April 2010 Quarterly
Michael Spreng	09/10/12	\$775.00	Oct 2012 Quarterly
	TOTAL	\$975.00	

COUNT II

Failure to timely and accurately report expenditures and making cash expenditures in excess of allowed limits

9. Respondents failed to timely report the following five expenditures greater than \$100 each, totaling \$4,783.18:

Payee	Date	Amount
Allmail USA	07/30/12	\$1,091.05
Ink Spot	07/30/12	\$1,194.43
Ink Spot	08/02/12	\$1,194.43
Stones Phones	08/22/12	\$199.15
Closing Debit ¹	09/20/12	\$1,104.12
	TOTAL	\$4,783.18

10. Respondents made an expenditure of \$2,000 from Respondent Spreng's personal account, and not from Respondents' official depository account, to JCAS on or about September 24, 2012, and failed to timely report this as an expenditure or as an in-kind contribution.

11. Respondents reported the following four expenditures, totaling \$1,926.10, that were not made through Respondents' official depository account:

Payee	Date	Amount	Report
Stones phones	08/07/12	\$657.40	30 day after primary 2012
Stones phones	09/04/12	\$100.15	October quarterly and termination
Woodley Park	09/05/12	\$1,059.50	October quarterly and termination
Ink Spot	09/05/12	\$109.05	October quarterly and termination
	TOTAL	\$1,926.10	

12. Respondents failed to timely report the following two expenditures of \$100 or less each, totaling \$64.95:

Payee	Amount	Date	Transaction Type
Deluxe Checks	\$34.95	07/31/12	ACH Debit
Commercial Bank NSF Fee	\$30.00	09/17/12	ACH Debit
	TOTAL	\$64.95	

¹ This "closing debit" was a transfer from Respondents' official depository account to Respondent Spreng's personal account; this amount was used to cover a \$2,000 payment to JCAS discussed in paragraph 18.

13. Respondents made one cash expenditure of \$99; specifically, Respondents paid an invoice for \$159.00 with a \$60.00 check written from Respondents' official depository account and with \$99.00 cash.

COUNT III

Failure to report independent contractor expenditure reports

14. For the following \$16,665.00 in expenditures, Respondents reported purposes such as "consulting" and "research" but did not file independent contractor forms for any of the expenditures, as follows:

Expenditure	Date	Reported purpose	Amount
JCAS	09/24/10	Consulting	\$1,000.00
JCAS	01/18/11	Consulting	\$500.00
JCAS	08/08/11	Research	\$200.00
JCAS	05/07/12	Consulting	\$100.00
JCAS	09/13/12	Research	\$2,000.00
Ron Richardson	02/10/10	Consulting	\$1,000.00
Ron Richardson	03/04/10	Consulting	\$1,000.00
Ron Richardson	04/19/10	Consulting	\$1,000.00
Ron Richardson	08/29/11	Consulting	\$1,000.00
Ron Richardson	10/13/11	Consulting	\$500.00
Ron Richardson	11/23/11	Consulting	\$430.00
Ron Richardson	12/20/11	Consulting	\$480.00
Ron Richardson	01/19/12	Consulting	\$480.00
The Woodley Park Group	07/12/12	Retainer	\$1,000.00
The Woodley Park Group	07/31/12	Consulting	\$1,000.00
The Woodley Park Group	09/04/12	Consulting	\$1,715.50
The Woodley Park Group	09/05/12	Consulting	\$1059.50
		TOTAL	\$16,665.00

COUNT IV

Failure to timely file campaign finance reports and termination statements

15. Respondents failed to timely file the October 2012 Quarterly report. The October 2012 Quarterly report was due on October 15, 2012, but was not filed until January 23, 2013

16. Respondent Churie Spreng was unsuccessful in the August 7, 2012 election for State Representative for District 74.

17. Respondents did not terminate and file a statement of termination and termination report within thirty (30) days of the August 7, 2012 election.

18. Respondents did not file their termination statement until January 23, 2013, which is 138 days after the deadline.

COUNT V

Failure to maintain committee records

19. Petitioner issued a subpoena for committee records to Churie Spreng on March 19, 2013.

20. Respondents did not provide to the Commission committee records sufficient to substantiate many of the committee's reports. For example, Respondents reported an expenditure of \$500 to Visa/Office Max on June 22, 2010. This expenditure was actually a check written to Michael Spreng and reported as a reimbursement for a computer purchase, but Respondents did not maintain or make available documents substantiating the computer purchase at Office Max.

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

Failure to timely and accurately report contributions received and reporting contributions not found in the official fund depository

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

- (a) Total amount of all monetary contributions received which can be identified in the committee's records by name and address of each contributor

§130.041.1(3), RSMo.

22. “All contributions which the committee receives in money, checks and other negotiable instruments shall be deposited in a committee’s official depository account. Contributions shall not be accepted and expenditures shall not be made by a committee except by or through an official depository account and the committee treasurer, deputy treasurer or candidate.”§130.021.4(1), RSMo.

23. There is probable cause to believe that Respondents violated Section 130.041.1(3) and 130.021.4(1), RSMo, by failing to timely report \$1,365.00 in monetary contributions and reporting \$975.00 in contributions that were not deposited into the committee’s official depository account, and that Respondents did so knowingly.

COUNT II

Failure to timely and accurately report expenditures and making cash expenditures in excess of allowed limits

24. Petitioner incorporates all other paragraphs of this complaint by reference.

25. Respondents were required to file campaign finance disclosure reports that set forth 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;

...

(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;

(e) A list of each loan made, by name and mailing address of the person receiving the loan, together with the amount, terms and date;

§130.041.1(4), RSMo.

26. “[E]ach expenditure of more than fifty dollars . . . 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.

27. “A single expenditure from a petty cash fund shall not exceed fifty dollars.” § 130.031.2, RSMo.

28. There is probable cause to believe that Respondents violated Sections 130.041.1(4) and 130.031.2, RSMo, by failing to timely and accurately report \$4,783.18 in expenditures over \$100 each, making a \$2,000 expenditure from Respondent Spreng’s personal account and not Respondents’ official depository account, reporting \$1,926.10 in expenditures that were not made through Respondents’ official depository account, failure to timely and accurately report \$64.95 in expenditures \$100 or less, and by making a single cash expenditure in excess of \$50, and that Respondents did so knowingly.

COUNT III

Failure to report independent contractor expenditure reports

29. “The words ‘consulting or consulting services, fees, or expenses,’ or similar words, shall not be used to describe the purpose of a payment as required in this section. The reporting of any payment to such an independent contractor shall be on a form supplied by the appropriate officer, 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.

30. There is probable cause to believe that Respondents violated Section 130.041.4, RSMo, by reporting \$16,665.00 in expenditures for “consulting” and “research” and failing to file independent contractor expenditure reports, and that Respondents did so knowingly.

COUNT IV

Failure to timely file campaign finance reports and termination statements

31. Respondents were required to file campaign finance disclosure reports at the following times and for the following periods:

- (1) Not later than the eighth day before an election for the period closing on the twelfth day before the election if the committee has made any contribution or expenditure either in support or opposition to any candidate or ballot measure;

(2) Not later than the thirtieth day after an election for a period closing on the twenty-fifth date after the election, if the committee has made any contribution or expenditure either in support or opposition to any candidate or ballot measure; except that, a successful candidate who takes office prior to the twenty-fifth day after the election shall have complied with the report requirement of this subdivision if a disclosure report is filed by such candidate and any candidate committee under the candidate's control before such candidate takes office, and such report shall be for the period closing on the day before taking office; and

(3) Not later than the fifteenth day following the close of each calendar quarter.

§130.046.1, RSMo.

32. A candidate committee "shall terminate the later of either thirty days after the general election for a candidate who was not elected or upon the satisfaction of all committee debt after the election." § 130.011(9), RSMo.

33. There is probable cause to believe that Respondents violated Sections 130.046.1 and 130.011(9), RSMo, by failing to timely file their October 2012 Quarterly report and by failing to timely file a committee termination statement and report, and that Respondents did so knowingly.

COUNT V

Failure to maintain committee records

34. Respondents are required to maintain committee records:

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.”

§130.036.1, RSMo.

35. There is probable cause to believe that Respondents violated Section 130.036.1, RSMo, by failing to maintain accurate committee records and to make them available for inspection by the Ethics Commission, 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 \$11,165, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$1,110 of that fee within forty-five days after the date of the Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.

c. Regardless of the stay in paragraph 2.b above, if any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the fee. The fee will due immediately upon final adjudication finding that such Respondent has committed such a violation..

d. Respondents Churie Spreng, Michael Spreng, and Citizens for Spreng shall be jointly and severally liable for all fees imposed under this order, subject to the terms in subparagraph c above.

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.

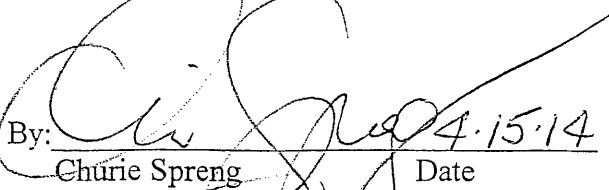
4. Respondents, together with their heirs, successors, and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited 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.

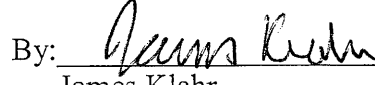
5. This joint stipulation does not settle, release, waive, or otherwise relieve Respondents from any late filing fees due to the appropriate filing authority, including Petitioner Missouri Ethics Commission. Respondents understand that late filing fees accrue automatically under Section 105.963, RSMo.


SO AGREED:

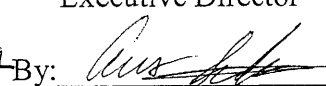
RESPONDENT CHURIE SPRENG

PETITIONER MISSOURI ETHICS
COMMISSION

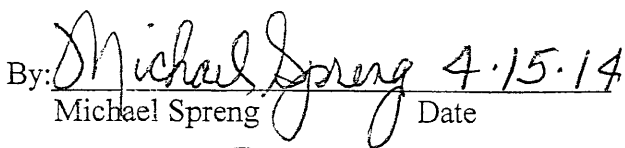
By:  4.15.14
Churie Spreng Date


By:  4/30/14
James Klahr Date
Executive Director

By:  4/23/14
Curtis G. Hanrahan Date
Attorney for Respondent

By:  4/23/14
Curtis R. Stokes Date
Attorney for Petitioner


RESPONDENT MICHAEL SPRENG

By:  4.15.14
Michael Spreng Date

By:  4/23/14
Curtis G. Hanrahan Date
Attorney for Respondent

RESPONDENT CITIZENS FOR SPRENG

By:  4.15.14
Churie Spreng Date
Candidate

By:  4/23/14
Curtis G. Hanrahan Date
Attorney for Respondent

SO AGREED:

RESPONDENT CHURIE SPRENG

PETITIONER MISSOURI ETHICS COMMISSION

By: *Churie Spreng* 4.15.14
Churie Spreng Date

By: *James Klahn*
Executive Director

**SIGN
HERE**

By: *Curtis G. Hanrahan*
Curtis G. Hanrahan Date
Attorney for Respondent

By: *Curtis R. Stokes*
Curtis R. Stokes Date
Attorney for Petitioner

RESPONDENT MICHAEL SPRENG

By: *Michael Spreng* 4.15.14
Michael Spreng Date

**SIGN
HERE**

By: *Curtis G. Hanrahan*
Curtis G. Hanrahan Date
Attorney for Respondent

RESPONDENT CITIZENS FOR SPRENG

By: *Churie Spreng* 4.15.14
Churie Spreng Date
Candidate

**SIGN
HERE**

By: *Curtis G. Hanrahan*
Curtis G. Hanrahan Date
Attorney for Respondent