

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

**FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND ORDER**

IN THE MATTER OF THE EVAN RAPP VOLUNTEER COMMITTEE (16838);

Background

The Evan Rapp Volunteer Committee's 2008 year-end Report of Receipts and Expenditures was the last report filed by the committee that detailed any transactions. The committee filed no change reports with the Board for 2009, 2010, 2011, and 2012. Based on the committee's failure to file a 2013 year-end report, failure to respond to Board correspondence, and the fact that the committee has filed no change reports over an extended period of time, the Board, at its meeting of November 18, 2014, initiated an audit and investigation of the committee to determine the accuracy of the committee's currently reported cash balance.

The committee last reported that, on December 31, 2012, it had a cash balance of \$1,278.50. The committee failed to file its required 2013 year-end report and accrued a late filing fee of \$1,000 and a civil penalty of \$1,000. The Board attempted numerous times to contact Mr. Rapp to seek compliance; Mr. Rapp was not responsive to these Board requests. In addition, the committee has outstanding late filing fees of \$350 and \$175, which accrued on the committee's 2011 and 2012 year-end reports, respectively.

After receiving the Board's letter of November 25, 2014, notifying the committee of the investigation, Mr. Rapp reached out to Gary Goldsmith, Executive Director to the Board. Mr. Rapp explained that the committee's bank account was closed and that he had paid himself the remaining committee funds as compensation for storage of committee signs and records. However, Mr. Rapp also acknowledged that he incurred no costs for the storage of the signs and records, as they were stored at his home.

The committee's funds consisted of contributions made by individuals, political party units, and political committees and funds, as well as state public subsidy funds. Mr. Rapp also contributed \$250 to his committee, which he would be permitted to return to himself, and the committee would be permitted to terminate with \$100 of its cash balance unaccounted for. Subtracting those amounts leaves \$928.50 that should still be available for use by the committee.

Based on the investigation, the Board makes the following:

Findings of Fact

1. The committee's funds consisted of contributions made by individuals, political party units, and political committees and funds, as well as state public subsidy funds.

2. Mr. Rapp paid himself \$1,278.50 in committee funds to store the committee's signs and records. Neither Mr. Rapp nor the committee incurred any actual costs for storing the signs and records.

Conclusions of Law

1. The committee's money was raised for political purposes as defined in section 211B.01, subdivision 6.
2. Mr. Rapp violated Minnesota Statutes section 211B.12 (7), which prohibits a committee from using money collected for political purposes for personal use, when he paid himself committee funds for the storage of campaign signs and records for which he incurred no costs. This money was used for purposes not permitted under chapter 10A or under section 211B.12.

Based on the above Findings of Fact and Conclusions of Law, the Board issues the following:

Order

1. Mr. Rapp is ordered to pay \$928.50 to the State of Minnesota in lieu of returning to the Committee the funds that were converted to personal use, as the Committee is terminating. Mr. Rapp is further ordered to pay a civil penalty of \$928.50 as a penalty for the conversion to personal use. The civil penalties must be paid by check or money order made payable to the State of Minnesota within 30 days of the date of this Order and must be sent to the Board at 658 Cedar St., St. Paul, MN 55155.
2. The Evan Rapp Volunteer Committee is terminated effective December 31, 2013.
3. The investigation of this matter is concluded.

Dated: January 15, 2016

/s/ Christian Sande

Christian Sande, Chair

Campaign Finance and Public Disclosure Board