

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

**IN THE MATTER OF THE STAFF REVIEW
OF THE VOLUNTEERS FOR PETER WAGENIUS COMMITTEE**

ORDER OF DISMISSAL

Peter Wagenius ran in a 2011 special election for state senate but lost in the special primary. He has not filed for office again. On its 2014 year-end report of receipts and expenditures, the Volunteers for Peter Wagenius committee reported incurring \$800 in payroll expenses even though the office of state senator was not on the ballot in 2014 and the committee reported no other spending in 2014 or 2013.

Because candidates typically do not incur staff expenses during years when the candidate is not running for office, the presence of this expenditure on the committee's report suggested that the committee might have improperly used campaign funds for personal purposes. See Minn. Stat. § 211B.12 (listing permitted uses of money collected for political purposes). Alternatively, the committee might have inaccurately reported its expenditures. See Minn. Stat. §§ 10A.01, subd. 9 (expenditure considered made on date when obligation to pay expense is incurred); 10A.20, subd. 3 (reports must disclose all expenditures).

On March 2, 2015, the executive director initiated a staff review of the committee. During the staff review, Mr. Wagenius gave an informal oral statement. Mr. Wagenius explained that in 2011, the committee had hired a campaign manager for the six weeks before the special primary election. The salary for the position was \$800 per week. The committee did not expect to need a campaign manager after the special primary because the composition of the district made it highly likely that the winner of the primary would easily win the general election.

Mr. Wagenius stated that the campaign manager that the committee hired had to leave the campaign one week before the special primary to take a full-time job with benefits. The committee hired another campaign manager for one week and did not pay the former campaign manager for that week even though he worked nearly 40 hours for the campaign when he was not at his new job.

Mr. Wagenius said that although the campaign manager didn't fulfill the six-week term and never asked for payment for the last week, Mr. Wagenius always regretted that the committee hadn't paid the campaign manager something for the many hours that he had put in during the last week of the campaign. Consequently, when Mr. Wagenius and the treasurer were preparing the committee's 2014 year-end report and saw that the committee had enough money, Mr. Wagenius told the treasurer to pay the campaign manager \$800 as a bonus.

After reviewing the statutes in the notice of the staff review, however, Mr. Wagenius determined that the committee had no obligation to pay the campaign manager for the hours worked after he had left his paid position and that the bonus payment therefore was not an allowable use of campaign funds. Mr. Wagenius reimbursed the committee for the \$800 paid to the campaign manager and submitted bank statements to the Board documenting this reimbursement. Because the reimbursement occurred on May 27, 2015, the committee must report the transaction on its 2015 year-end report.

Based on the information gathered during the staff review, the Board concludes that the Volunteers for Peter Wagenius committee had no obligation to pay the campaign manager for the hours worked after he left his paid position and that the \$800 bonus payment therefore was

not a proper use of campaign funds. Because documentation shows that Mr. Wagenius has reimbursed the committee for the \$800 expenditure and because the committee must report the reimbursement on its 2015 report, the matter is resolved and no further action is necessary.

Order

The staff review of this matter is dismissed and hereby made a part of the public records of the Board pursuant to Minnesota Statutes section 10A.02, subdivision 11.

/s/ George A. Beck
George A. Beck, Chair

July 6, 2015
Date