

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

**CONCILIATION  
AGREEMENT**

In the Matter of Friends for Zach (Dorholt) (17139);

1. The Friends for Zach committee (the Committee) is the principal campaign committee of Zachary Dorholt. On its 2013 amended year-end Report of Receipts and Expenditures and its 2014 amended year-end Report of Receipts and Expenditures, the Committee reported that it had accepted \$13,718.68 in total contributions from special sources. These sources include registered lobbyists, from whom the Committee accepted \$1,885, and political committees or political funds, from which the Committee accepted \$11,833.68. The total amount of these contributions exceeds the applicable limit on aggregate contributions from special sources during the 2013-2014 election segment, which is \$12,500 for a state representative candidate. The \$1,218.68 that exceeded the limit was not returned within 90 days, and was therefore deemed accepted under Minnesota Statutes section 10A.15, subdivision 3.
2. In an email to Board staff dated February 7, 2015, the Committee's current treasurer explained that the Committee changed treasurers and that there were issues transferring the old treasurer's 2013 Campaign Finance Reporter software database. Because the Committee's 2013 database was not properly loaded onto the new treasurer's computer, where the Committee's 2014 database was located, the software could not calculate the limits over the two years and therefore the Committee did not receive a notification for exceeding the special source limit. In emails to Board staff on July 30, 2015, and August 2, 2015, the Committee provided copies of the letters and checks returning the excess contributions to special source contributors.
3. Board records indicate that this is the first instance in which the Committee reported the acceptance of contributions that exceeded the special source limit. The Committee registered with the Board on May 20, 2010.
4. The parties agree that the Committee accepted excessive contributions from special sources in violation of Minnesota Statutes section 10A.27, subdivision 11, during the 2013-2014 election segment.
5. To resolve this matter informally, and to avoid these violations in the future, the Candidate and the Committee agree that they will:
  - a. Ensure that the Committee's treasurer reviews and enters contributions into the Campaign Finance Reporter software within 60 days of receipt;
  - b. Run a batch compliance report within five days of the acceptance of this agreement and after each time contributions are entered and take steps to remedy any violations the software identifies so that problems may be resolved within the 90 days that statutes provide for the return of a contribution before it is deemed accepted;
  - c. Update the Campaign Finance Reporter software whenever the software notifies the user that an update is available; and

- d. Immediately contact Board technical staff to report and receive assistance with any software problems or computer issues that may compromise the effectiveness of the software.

6. The Candidate agrees that the Board's acceptance of this agreement constitutes the imposition of a civil penalty in the amount of \$1,218.68 against the Candidate for accepting contributions in excess of the limit imposed by Minnesota Statutes section 10A.27, subdivision 11. \$304.67 of the penalty is due within 30 days of the date the agreement is signed by both parties. \$914.01 of the penalty is, by the terms of this agreement, stayed until January 1, 2017. If the Committee violates Minnesota Statutes section 10A.27, subdivision 11 before January 1, 2017, the outstanding civil penalty is due immediately. If the Committee does not violate Minnesota Statutes section 10A.27, subdivision 11 within that timeframe, the outstanding civil penalty is waived.

7. If the Committee does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

/s/ Zachary Dorholt Dated: 9/7/15  
Zachary Dorholt  
Friends for Zach

/s/ Gary Goldsmith Dated: 9/1/15  
Gary Goldsmith, Executive Director  
Campaign Finance and Public Disclosure Board

Agreement approved by Board at meeting of 9/1, 2015

/s/ George A. Beck  
George A. Beck, Chair  
Campaign Finance and Public Disclosure Board