## Massachusetts Office of Campaign and Political Finance

For Immediate Release April 7, 2016 Contact: Jason Tait Communications Director 617-979-8300

## State GOP, OCPF resolve staff pay issues

The Massachusetts Republican Party and OCPF resolved issues relating to salary and office rent payments made from the party's federal account, according to a disposition agreement signed today.

Massachusetts political parties maintain accounts organized with OCPF (state account) and with the Federal Election Commission (federal account).

OCPF reviewed payments made from the party's federal account to three employees, and to pay rent for two party offices.

According to Federal Election Committee (FEC) regulations, party employees who spend more than 25 percent of their time on federal election activities **must** be paid using funds drawn from a party's federal account, and employees who spend 25 percent or less of their compensated time on federal election activities **may** be paid from the federal account.

One party employee, David Drummond, spent more than 25 percent of his time raising money for the federal account and was paid from the federal committee account for those activities. Prior to being employed by the party, Drummond provided fundraising services for an inaugural fund organized with OCPF on behalf of Gov. Charles Baker and Lt. Gov. Karyn Polito, and was paid by the inaugural committee for those services.

At all times while Drummond was compensated by the party committee, he spent more than 25 percent of his time involved in federal election activity.

Payments made to Drummond from the federal account complied with FEC and OCPF regulations. State regulations require that all committee expenditures made to support or oppose the election of a person to a state or local public office must be made from the state account, **unless such expenditure is required to be made out of the federal account** of the state committee by the FEC. Because more than 25 percent of Drummond's work for the party related to federal election activity, the party's payments were appropriately made from the party's federal account.

OCPF also reviewed salary payments made by the federal account to party employees Christopher Lane and Charlyce Bozzello.

Lane and Bozzello undertook numerous activities to support state representative candidate Hannah Kane in connection with a March 31, 2015, special election, and were paid a total of \$5,152 by the federal account, according to the agreement.

According to state regulations, employees who spend **no** compensated time in a given month on federal election activities must be paid from a party's state account, which is organized with OCPF.

OCPF requires parties that allocate salary payments between federal and state accounts to keep a monthly log to demonstrate compliance. The party did not keep a log defining the extent to which Lane and Bozzello provided services related to federal or state elections. Therefore, the expenditures made from the party's federal account to pay Lane and Bozzello did not comply with OCPF's regulations and guidance, according to the agreement.

OCPF also reviewed payments made from the party's federal account for rent for two party offices, and determined that those expenditures were consistent with state and federal regulations. Office rent must be paid using funds drawn from the federal account if the space is used at least in part for federal election activities. OCPF determined that the Massachusetts Republican Party offices were used partly for federal election activities.

To resolve this matter, the Massachusetts Republican Party made a \$2,500 civil forfeiture payment to the state's general fund and the state account reimbursed the federal account \$5,152.

The disposition agreement, <u>available here</u>, was signed by OCPF Director Michael Sullivan and Massachusetts Republican Party Executive Director Brian Wynne.

A disposition agreement is a voluntary written agreement entered into between the subject of a review and OCPF, in which the subject agrees to take certain specific actions.