

Commonwealth of Massachusetts
Office of Campaign and Political Finance

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**OCPF, Alves sign agreement
regarding campaign finance violations**

The Office of Campaign and Political Finance announced today that it has entered into a disposition agreement with Lavalier B. Alves of Wilbraham for contributions made in the name of others to a mayoral campaign in Springfield.

According to the agreement, Alves reimbursed several of his co-workers at Berkshire Development LLC, where he is controller, for contributions they made to Mayor Charles Ryan in July 2005.

The agreement states that in late spring/early summer 2005, a senior vice-president of Berkshire asked Alves to raise contributions for Ryan's re-election campaign. Alves subsequently solicited several Berkshire employees for contributions, and eight wrote checks for \$500 from their personal accounts in early July.

On or about July 11, Alves, who has authority to sign checks issued from the company president's personal account, signed the president's name to such a check made payable to "cash" in the amount of \$6,000. Alves used those funds to make cash reimbursement payments to the eight co-workers from whom he solicited and received contributions. He also reimbursed himself in cash for a \$500 contribution he made from his personal account on July 11. Finally, on July 17 Alves signed the president's name to a personal check made payable to the Ryan Committee in the amount of \$500.

Nine of the ten contributions, including Alves' own, were made with funds ultimately provided by another. The exception was the contribution by the president, which came from his personal account. According to Alves, the president was not aware of the reimbursement of contributors and did not authorize such reimbursements by Alves as they were occurring.

In August 2005, Alves delivered the ten contributions, totaling \$5,000, in a Berkshire envelope to the Ryan Committee. The agreement states that the committee treasurer asked Alves directly whether any reimbursements were made in connection with the ten contributions. Alves

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never informed the committee treasurer that nine of the ten contributions were made with funds ultimately provided by another.

The Ryan Committee deposited the contributions that Alves delivered into its depository bank account on Aug. 23. The committee did not learn of the reimbursements until it was notified by OCPF during the course of the office's review. Because the contributions were originally made using the checks drawn on each contributor's individual checking account, it would have appeared to the recipient of the checks, absent other information, that the contributions were, in fact, from those individuals. OCPF has no reason to believe that the Ryan Committee, at the time of deposit, knew or had any reason to know that the named contributors did not in fact make the contributions. The Ryan Committee has purged the contributions, in accordance with OCPF's recommendation.

After its review, OCPF concluded that Alves violated three sections of the campaign finance law:

- Section 10, which prohibits a person from making “a campaign contribution in any name except his own, or in any manner for the purpose of disguising the true origin of the contribution...”
- Section 7A – Excess contributions. The 10 contributions were facilitated by Alves, ultimately using funds derived from Berkshire's president's personal bank account. By using the President's funds to facilitate the other nine contributions without his consent, Alves is deemed to have made excess contributions in the amount of \$4,500, which exceeds the \$500 individual annual limit.
- Section 10A – Bundling of contributions. Contributions bundled and delivered by a person “charged with the responsibility of delivering individual contributions” from corporate employees or officers are restricted to \$140 each. In addition, the contributions are treated as coming from the bundler and therefore are counted against his individual contribution limit. Alves is deemed to have contributed the entire \$5,000, which exceeds his individual contribution limit of \$500.

To resolve the matter, Alves agreed to make a payment to the Commonwealth of Massachusetts in the amount of \$20,000. He also agreed not to make any contributions to or solicit contributions for any Massachusetts candidate or political committee for a period of two years and not to provide or arrange to provide funds to any third person to enable that person to make a political contribution. OCPF agreed not to refer Alves to the Attorney General for further action on this matter.

The agreement, which is a public record, was signed by Alves and OCPF Director Michael J. Sullivan.