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7
8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA

10
11 In the Matter of)

12 MICHAEL S. CARONA, FRIENDS OF MIKE)

13 CARONA, AND LESLEY ANN STOLL,)

14)
15 Respondents.)
16)

FPPC No. 06/59

STIPULATION, DECISION and
ORDER

17
18 Complainant Michael B. Salerno, Executive Director of the Fair Political Practices Commission,
19 and Respondents Michael S. Carona, Friends of Mike Carona, and Lesley Ann Stoll, hereby agree that
20 this stipulation will be submitted for consideration by the Fair Political Practices Commission at its next
21 regularly scheduled meeting.

22 The parties agree to enter into this stipulation to resolve all factual and legal issues raised in this
23 matter, and to reach a final disposition without the necessity of holding an administrative hearing to
24 determine the liability of Respondents.

25 Respondents understand, and hereby knowingly and voluntarily waive, any and all procedural
26 rights set forth in Sections 83115.5, 11503, and 11523 of the Government Code, and in Sections 18361.1
27 through 18361.9 of Title 2 of the California Code of Regulations. This includes, but is not limited to,
28 the right to personally appear at any administrative hearing held in this matter, to be represented by an

1 attorney at Respondents' own expense, to confront and cross-examine all witnesses testifying at the
2 hearing, to subpoena witnesses to testify at the hearing, to have an impartial administrative law judge
3 preside over the hearing as a hearing officer, and to have the matter judicially reviewed.

4 It is further stipulated and agreed that Respondents Michael S. Carona, Friends of Mike Carona,
5 and Lesley Ann Stoll violated the Political Reform Act by failing to report officeholder expenditures as
6 nonmonetary contributions where the expenditures were made with Respondent Carona's personal funds
7 and were not reimbursed within the 90-day period, in violation of Section 89511.5, subdivision (d) of
8 the Government Code (1 count); and by failing to correctly report the total amount of expenditures made
9 during the reporting period and the total cumulative amount of expenditures made, and also failing to
10 correctly report the balance of cash and cash equivalents on hand at the beginning and the end of the
11 period covered by the campaign statement, in violation of Section 84211, subdivisions (b) and (e) of the
12 Government Code (7 counts), as described in Exhibit 1, which is attached hereto and incorporated by
13 reference, as though fully set forth herein. Exhibit 1 is a true and accurate summary of the facts in this
14 matter.

15 Respondents agree to the issuance of the Decision and Order, which is attached hereto.
16 Respondents also agree to the Commission imposing upon them an administrative penalty in the amount
17 of Fifteen Thousand Dollars (\$15,000). A cashier's check from Respondents in said amount, made
18 payable to the "General Fund of the State of California," is submitted with this stipulation as full
19 payment of the administrative penalty, and shall be held by the State of California until the Commission
20 issues its decision and order regarding this matter. The parties agree that in the event the Commission
21 refuses to accept this stipulation, it shall become null and void, and within fifteen (15) business days
22 after the Commission meeting at which the stipulation is rejected, all payments tendered by Respondents
23 in connection with this stipulation shall be reimbursed to Respondents. Respondents further stipulate
24 and agree that in the event the Commission rejects the stipulation, and a full evidentiary

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1 hearing before the Commission becomes necessary, neither any member of the Commission, nor the
2 Executive Director, shall be disqualified because of prior consideration of this stipulation.

3
4 Dated: _____
5 _____
6 Michael B. Salerno
7 Executive Director
8 Fair Political Practices Commission

9 Dated: _____
10 _____
11 Michael S. Carona, Respondent

12 Dated: _____
13 _____
14 Lesley Ann Stoll, individually and on behalf
15 of Friends of Mike Carona, Respondents

16 **DECISION AND ORDER**

17 The foregoing stipulation of the parties “In the Matter of Michael S. Carona, Friends of Mike
18 Carona, and Lesley Ann Stoll, FPPC No. 06/59,” including all attached exhibits, is hereby accepted as
19 the final decision and order of the Fair Political Practices Commission, effective upon execution below
20 by the Chairman.

21 IT IS SO ORDERED.

22
23 Dated: _____
24 _____
25 Ross Johnson, Chairman
26 Fair Political Practices Commission
27
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