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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
9 STATE OF CALIFORNIA

10 In the Matter of:

11 RAY “COACH” CURTIS RIVERSIDE  
12 COUNTY OFFICE OF EDUCATION  
13 BOARD 2016 AND RAY CURTIS,

14 Respondents.

FPPC Case No. 16/793

STIPULATION, DECISION AND ORDER

15 INTRODUCTION

16 This matter arose from a sworn complaint submitted to the Enforcement Division of the Fair  
17 Political Practices Commission. Respondent Ray “Coach” Curtis Riverside County Office of Education  
18 Board 2016 (“Committee”) was the candidate-controlled committee formed to support Respondent Ray  
19 Curtis (“Curtis”) in his successful run for Board Member of the Riverside County Office of Education  
20 Board in the June 7, 2016 election. Curtis served as the treasurer during the election. The Committee and  
21 Curtis violated the Political Reform Act<sup>1</sup> by failing to timely file a pre-election campaign statement and  
22 three late contribution reports.

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27 <sup>1</sup> The Political Reform Act—sometimes simply referred to as the Act—is contained in Government Code sections  
28 81000 through 91014. All statutory references are to this code. The regulations of the Fair Political Practices Commission  
are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references  
are to this source.

1 **SUMMARY OF THE LAW**

2 The Act and its regulations are amended from time to time. The violations in this case occurred in  
3 2016. For this reason, all legal references and discussions of law pertain to the Act’s provisions as they  
4 existed at that time.

5 **Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act**

6 When enacting the Political Reform Act, the people of California found and declared that previous  
7 laws regulating political practices suffered from inadequate enforcement by state and local authorities.<sup>2</sup>  
8 Thus, it was decreed that the Act “should be liberally construed to accomplish its purposes.”<sup>3</sup> One purpose  
9 of the Act is to promote transparency by ensuring that receipts and expenditures in election campaigns are  
10 fully and truthfully disclosed so that voters are fully informed and improper practices are inhibited.<sup>4</sup>  
11 Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act will be  
12 “vigorously enforced.”<sup>5</sup>

13 **Pre-election Campaign Statements**

14 A controlled committee must file two pre-election campaign statements before the election in  
15 which the candidate is listed on the ballot.<sup>6</sup> For an election in 2016, a committee must file the first pre-  
16 election campaign statement for the period 45 days before the election, no later than 40 days before the  
17 election.<sup>7</sup> A committee must also file a second pre-election campaign statement for the period ending 17  
18 days before the election no later than 12 days before the election.<sup>8</sup> Whenever the deadline falls on a  
19 Saturday, Sunday, or official state holiday, the filing deadline for a statement shall be extended to the  
20 next regular business day.<sup>9</sup>

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24 <sup>2</sup> Section 81001, subdivision (h).  
25 <sup>3</sup> Section 81003.  
26 <sup>4</sup> Section 81002, subdivision (a).  
27 <sup>5</sup> Section 81002, subdivision (f).  
28 <sup>6</sup> Section 84200.5.  
<sup>7</sup> Section 84200.8, subdivision. (a).  
<sup>8</sup> Section 84200.8, subdivision. (b).  
<sup>9</sup> Regulation 18116, subdivision. (a).

1 **Late Contribution Reports**

2 Each candidate or committee that makes or receives a late contribution must file a report within 24  
3 hours of making or receiving the contribution.<sup>10</sup> In the case of a nonmonetary contribution, a report filed  
4 within 48 hours will be deemed timely.<sup>11</sup> A “late contribution” includes a contribution in total or in the  
5 aggregate \$1,000 or more that is made or received by a candidate or his or her controlled committee during  
6 the 90-day period preceding the date of the election or on the date of the election at which the candidate is  
7 to be voted on.<sup>12</sup> The late contribution period for the June 7, 2016 election began on March 9, 2016.

8 **Joint and Several Liability of Committee, Candidate, and Treasurer**

9 It is the duty of a committee treasurer to ensure that the committee complies with the Act.<sup>13</sup> Any  
10 person who violates any provision of the Act, who purposely or negligently causes any other person to  
11 violate any provision of the Act, or who aids and abets any other person in the violation of any provision  
12 of the Act, is liable for administrative penalties up to \$5,000 per violation.<sup>14</sup> This only applies to persons  
13 who have filing or reporting obligations under the Act, or who are compensated for services involving the  
14 planning, organizing, or directing of any activity regulated or required by the Act.<sup>15</sup> A treasurer and the  
15 candidate may be held jointly and severally liable, along with the committee, for violations committed by  
16 the committee.<sup>16</sup>

17 **SUMMARY OF THE FACTS**

18 This case was opened in response to a sworn complaint alleging that the Committee failed to report  
19 nonmonetary contributions. According to campaign statements, the Committee qualified on or about April  
20 28, 2016 after receiving over \$2,000 in contributions. The Committee reported a total of \$56,460 in  
21 contributions and \$250 in expenditures. The majority of the contributions received were nonmonetary  
22 contributions. Curtis was elected to serve as a Trustee for Area 5 on the Riverside County Board of  
23 Education in the June 7, 2016 election and is presently serving.

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<sup>10</sup> Section 84203.

26 <sup>11</sup> Section 84203.3.

27 <sup>12</sup> Section 82036.

28 <sup>13</sup> Sections 81004, 84100, and Regulation 18427.

<sup>14</sup> Sections 83116 and 83116.5.

<sup>15</sup> Section 83116.5.

<sup>16</sup> Sections 83116.5 and 91006.

1 Failure to file a pre-election statement

2 After timely filing the first pre-election statement, the Committee filed the second pre-election  
3 campaign statement for the period of April 24, 2016 to May 21, 2016 on July 20, 2016. The statement was  
4 due on May 26, 2016 and was filed after the election, 55 days late. The Committee reported receiving  
5 \$55,400 in contributions, all but \$250 of which was in the form of nonmonetary contributions, and made  
6 no expenditures during this reporting period. This activity accounted for approximately 97% of the  
7 Committee's activity.

8 Failure to file 24-Hour reports

9 The Committee received nonmonetary contributions from the California Charter Schools  
10 Association Independent Expenditure Committee ("Charter Association,") mostly in the form of mailers.  
11 The Committee received notification from the Charter Association for each contribution in the form of  
12 letters dated the day the Charter Association filed its own late contribution reports. Despite this notice, the  
13 Committee failed to timely file a 24-Hour Report, but later filed these reports after the election on August  
14 10, 2016.

15 The Committee reported receiving the following nonmonetary contributions from this committee  
16 after the election on the pre-election statement filed July 20, 2016:

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DATE	DESCRIPTION	FAIR MARKET VALUE
5/11/2016	Mailers	\$5,092
5/13/2016	Mailers	\$4,409
5/19/2016	Mailers	\$38,108
		Total: \$47,609

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21 **VIOLATIONS**

22 **Count 1**

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24 The Committee and Curtis failed to timely file a pre-election statement for the period ending May  
25 21, 2016 and due on May 26, 2016, in violation of Section 84200.5.

26 **Count 2**

27 The Committee and Curtis failed to timely file three 24-Hour Reports, in violation of Section  
28 84203.

1 **PROPOSED PENALTY**

2 This matter consists of two counts. The maximum penalty that may be imposed is \$5,000 per  
3 count. Thus, the maximum penalty that may be imposed is \$10,000.<sup>17</sup>

4 In determining the appropriate penalty for a particular violation of the Act, the Commission  
5 considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the Commission  
6 considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of any intention  
7 to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or inadvertent; (d)  
8 whether the violation was isolated or part of a pattern; (e) whether corrective amendments voluntarily were  
9 filed to provide full disclosure; and (f) whether the violator has a prior record of violations.<sup>18</sup> Here, the  
10 violation appears negligent, not deliberate and there is no prior enforcement history. Further, the  
11 Committee filed the disclosures prior to contact from Enforcement. After contact, the Committee was  
12 cooperative in making clarifying corrections and amendments to the statements.

13 Additionally, the Commission considers penalties in prior cases with comparable violations.  
14 With respect to Count 1, failure to timely file pre-election statements: *In the Matter of Quality Kerman*  
15 *Schools, Charles H. Jones, and Julie Gragnani*, FPPC No. 16/19661 (The Commission approved a  
16 stipulated decision on November 17, 2016.) The committee failed to timely file a pre-election statement.  
17 The statement was filed eight (8) days late but before the election and reported \$62,362 in contributions  
18 and \$17,164 in expenditures. The Commission imposed a penalty of \$1,500. Here, though the amount that  
19 was unreported was less than the amount in the comparable case, the amount unreported was approximately  
20 97% of the Committee’s activities and was not reported until over a month after the election. The voters  
21 were given little to no financial disclosure prior to the election showing that 86.3 percent of the campaign  
22 was funded by the Charter Association. Therefore, due to this aggravating factor, a penalty of \$2,000 is  
23 recommended.

24 With respect to Count 2, failure to file 24-hour reports: in the *Quality Kerman Schools* case, the  
25 committee failed to file three 24-Hour Reports. The committee failed to timely report \$9,500 in monetary  
26 contributions and nonmonetary contributions valued at \$12,262. The contributions were reported prior to  
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28 <sup>17</sup> See Section 83116, subdivision (c).

<sup>18</sup> Regulation 18361.5, subdivision (d).

1 the election on the pre-election statement. The Commission imposed a penalty of \$1,500. Here, in  
2 aggravation, the amount of activity that was not disclosed was higher than the comparable case and was  
3 not disclosed until after the election. However, the Charter Association timely disclosed the contributions  
4 and respondents disclosed all the contributions on the late-filed pre-election statement. Therefore, a penalty  
5 of \$2,000 is recommended.

6 After considering the factors listed in Regulation 18361.5 and penalties in prior similar cases, a  
7 total penalty of \$4,000 is recommended.

### 8 CONCLUSION

9 Complainant, the Enforcement Division of the Fair Political Practices Commission, and  
10 Respondents Ray “Coach” Curtis Riverside County Office of Education Board 2016 and Ray Curtis,  
11 hereby agree as follows:

12 1. Respondents violated the Act as described in the foregoing pages, which are a true and  
13 accurate summary of the facts in this matter.

14 2. This stipulation will be submitted for consideration by the Fair Political Practices  
15 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.

16 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose  
17 of reaching a final disposition without the necessity of holding an administrative hearing to determine the  
18 liability of Respondents pursuant to Section 83116.

19 4. Respondents understand, and hereby knowingly and voluntarily waive, any and all  
20 procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9.  
21 This includes, but is not limited to the right to appear personally at any administrative hearing held in this  
22 matter, to be represented by an attorney at Respondents’ own expense, to confront and cross-examine all  
23 witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial  
24 administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially  
25 reviewed.

26 5. Respondents agree to the issuance of the decision and order set forth below. Also,  
27 Respondents agree to the Commission imposing against them an administrative penalty in the amount of  
28 \$4,000. One or more cashier’s checks or money orders totaling said amount—to be paid to the General

1 Fund of the State of California—is/are submitted with this stipulation as full payment of the  
2 administrative penalty described above, and same shall be held by the State of California until the  
3 Commission issues its decision and order regarding this matter.

4 6. If the Commission declines to approve this stipulation—then this stipulation shall become  
5 null and void, and within fifteen business days after the Commission meeting at which the stipulation is  
6 rejected, all payments tendered by Respondents in connection with this stipulation shall be reimbursed to  
7 Respondents. If this stipulation is not approved by the Commission, and if a full evidentiary hearing  
8 before the Commission becomes necessary, neither any member of the Commission, nor the Executive  
9 Director, shall be disqualified because of prior consideration of this Stipulation.

10 7. The parties to this agreement may execute their respective signature pages separately. A  
11 copy of any party’s executed signature page, including a hardcopy of a signature page transmitted via fax  
12 or as a PDF email attachment, is as effective and binding as the original.

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14 Dated: \_\_\_\_\_

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Galena West, Chief of Enforcement  
Fair Political Practices Commission

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17 Dated: \_\_\_\_\_

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Ray Curtis, individually and on behalf of Ray “Coach”  
Curtis Riverside County Office of Education Board  
2016, Respondents

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19 The foregoing stipulation of the parties “In the Matter of Ray “Coach” Curtis Riverside County  
20 Office of Education Board 2016 and Ray Curtis, FPPC Case No. 16/793, is hereby accepted as the final  
21 decision and order of the Fair Political Practices Commission, effective upon execution below by the  
22 Chair.  
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24 IT IS SO ORDERED.

25 Dated: \_\_\_\_\_

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Joann Remke, Chair  
Fair Political Practices Commission