

THE STATE OF MONTANA

Commissioner of Political Practices
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Complaint Form (10/09)

Type or print in ink all information on this form except for verification signature

Person bringing complaint (Complainant):

Complete Name Quentin M. Rhoades
Complete Mailing Address 318 East Central
Missoula, Montana
Phone Numbers: Work 406.721.9700 Home n/a

Person or organization against whom complaint is brought (Respondent):

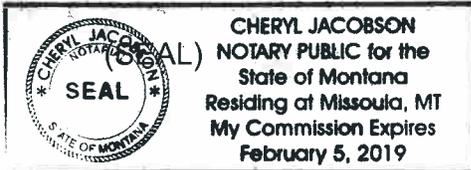
Complete Name Engen for Missoula/John Engen
Complete Mailing Address PO Box 5023
Missoula, MT 59806
Phone Numbers: Work 406.546.7680 Home _____

Please complete the second page of this form and describe in detail the facts of the alledged violation.

Verification by oath or affirmation

State of Montana, County of Missoula

I, Quentin Rhoades, being duly sworn, state that the information in this Complaint is complete, true, and correct, to the best of my knowledge and belief.



[Signature]
Signature of Complainant

Subscribed and sworn to before me this 30 day of October 2017.
[Signature]
Notary Public

My Commission Expires:

Statement of facts:

Describe in detail the alleged violation(s) and cite the statute or statutes you believe have been violated. Please attach copies of documentary evidence to support the facts alleged in your statement.

If the space provided below is insufficient, you may attach additional pages as necessary.

See attached follow-up on my complaint filed last week.

Complaints must be:

- signed
- notarized
- delivered in person or by certified mail.

INTRODUCTION

I have reviewed the COPP's reasons for the dismissal of my complaint against Engen for Missoula, *Rhoades v. Engen*, COPP-2017-CFP-006. Given the undisclosed facts the COPP uncovered in its one-day investigation, it appears that rather than accepting corporate donations, the Engen for Missoula campaign has instead failed to use the detail required by Montana campaign finance law in reporting its expenditures. In addition, I have also reviewed the sufficiency finding issued ten days ago in *Hill Smith v. Triepke*, No. COPP 2017-CFP-005. Given the COPP's interpretation of Montana law as set forth in its sufficiency finding in the *Triepke* case, the Engen for Missoula campaign has failed to use the detail required by Montana law in reporting its expenditures for nearly \$22,000 paid for campaign consulting services to two different entities. As is detailed below, these three sets of failures are violations of Montana campaign finance law.

DISCUSSION

1. Law.

All political candidates in Montana, to include candidates for mayor of Missoula, "shall file with the commissioner periodic reports of contributions and expenditures made by or on the behalf of a candidate or political committee." Mont. Code Ann. § 13-37-225. The reports required from candidates must disclose the certain information concerning expenditures made, in include:

(2)(a) Except as provided in subsection (2)(c), the reports required under 13-37-225 through 13-37-227 from candidates ... must disclose the following information concerning expenditures made

(i) the full name, mailing address, occupation, and principal place of business, if any, of each person to whom expenditures have been made by the committee or candidate during the reporting period, including the amount, date, and ***purpose of each expenditure*** and the total amount of expenditures made to each person;

(ii) the full name, mailing address, occupation, and principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursed expenses has been made, including the amount, date, and ***purpose of that expenditure*** and the total amount of expenditures made to each person;

(b) Reports of expenditures made to a consultant, advertising agency, polling firm, or other person that performs services for or on behalf of a candidate or political committee must be itemized and ***described in sufficient detail to disclose the specific services performed*** by the entity to which payment or reimbursement was made.

Mont. Code Ann. § 13-37-229 (emphasis added). For purposes of the disclosures required by the foregoing law, the “purpose” of each expenditure as reported on the commissioner's campaign finance reporting forms shall specifically describe the purpose, quantity, subject matter, ***as appropriate to each expenditure***, and ***must be detailed enough to distinguish among expenditures for similar purposes***. For example, two expenditures for direct mail advertisements should not both be reported as “Flyers.” Mont. Admin. R. 44.11.502 (emphasis added). See, e.g., *Hill Smith v. Triepke*, No. COPP 2017-CFP-005.

2. Facts.

A. The Engen for Missoula campaign, in disclosures required under the foregoing law, has reported expenditures of \$300 per month for “rent” covering the months of August, September and October 2017, for suite 140 S 4th St W Ste 3, Missoula, Montana. According to your investigation in *Rhoades v. Engen*, COPP-2017-CFP-006, this is an inaccurate disclosure. The mandatory specific description of the “the purpose, quantity, subject matter, as appropriate to each expenditure” for these rental payments should have included the fact that, according to your investigation, the campaign rents only 180 square feet of “ste 3.” The failure is a violation of Montana campaign finance law.

B. The Engen for Missoula campaign, in disclosures required under the foregoing law, has reported six \$3,000 expenditures for the purpose “campaign services” from dates beginning on March 19, 2017, through October 3, 2017. The payee, Brock Consulting, LLC, is the same for each. The description of the “campaign services” includes no quantity or subject matter, as appropriate to each expenditure, and is not detailed enough to distinguish among expenditures for similar purposes. The service is not described in sufficient detail to disclose the specific services performed by Brock Consulting, LLC. According to a recent ruling in Commissioner of Political Practices, this is a violation of

Montana law. See, e.g., *Hill Smith v. Triepke*, No. COPP 2017-CFP-005. In the *Triepke* case, for example, the candidate reported an invoice which reads “agency development campaign strategy.” The COPP ruling called this “vague” and ruled it “does not provide detail as to what specifically the services provided were and when the services were provided.” See, *Finding of Sufficient Facts to Support a Campaign Practice Violation, Hill Smith v. Triepke*, No. COPP 2017-CFP-005 (Oct. 19, 2017), p. 11. The Engen for Missoula campaign committed the exact same violation in the vague description of “campaign services” for which it paid expenditures to Brock Consulting, LLC.

C. The Engen for Missoula campaign has also reported five \$750.00 expenditures for the purpose “campaign compliance services” from dates beginning on April 02, 2017, through October 2, 2017. The payee, Tammy Bodlovic, is the same for each. As with the expenditures paid to Brock Consulting, LLC, the description of the “campaign compliance services” here includes no quantity or subject matter, as appropriate to each expenditure, and “does not provide detail as to what specifically the services provided were and when the services were provided.” In short, these descriptions suffer from the same shortcomings as those for expenditures paid to Brock Consulting, LLC. Under the precedent of *Hill Smith v. Triepke*, No. COPP 2017-CFP-005, this too is a violation of Montana campaign finance law.

3. Conclusion. Under the precedent of the sufficiency finding in *Hill Smith v. Triepke*, No. COPP 2017-CFP-005, the failure of the Engen for Missoula campaign to disclose legally required details as to its 3 rental payments (totaling \$900), or to disclose legally required details for 11 separate expenditures on undescribed consulting services (entailing \$21,750), including (a) its failure to list “the quantity and subject matter as appropriate to each expenditure,” and (b) its failure to include “detail enough to distinguish among expenditures for similar purposes,” consists of some 14 separate violations of Montana campaign finance law. These violations should be subject to compliance enforcement by the COPP.