



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

In the Matter of:

Traverse City Area Public Schools
Stephen Cousins, Superintendent
412 Webster Street
Traverse City, Michigan

CONCILIATION AGREEMENT

Pursuant to MCL §169.215(10) of the Michigan Campaign Finance Act (the Act), MCL §169.201 *et seq.*, the Secretary of State and the Traverse City Area Public Schools (Respondent) hereby enter into a conciliation agreement with respect to certain acts, omissions, methods, or practices prohibited by the Act.

The Secretary of State alleges that there may be reason to believe that Respondent violated MCL §169.257(1) by making improper expenditures in the amount of \$24,800 by using public funds to expressly advocate for the passage of a ballot proposal.

The Respondent believes that neither it nor its Superintendent, Stephen Cousins, committed a knowing or intentional violation of the Act.

Respondent, without admitting any issue of law or fact, except as stated herein, hereby voluntarily enters into this conciliation agreement and assures the Secretary of State that it will comply with the Act and the Rules promulgated to implement the Act.

Accordingly, by executing this conciliation agreement, Respondent agrees that it will raise private funds in the amount of \$24,800 between the date this conciliation agreement is signed and June 30, 2015 and that it will deposit those private funds in its general account.

The Secretary of State agrees that the amount referenced in the preceding paragraph may be offset by \$10,000.00, as a private contribution, if Respondent's legal counsel agrees to: (1) provide no-cost training to Respondent's central office and building administrative staff on the requirements of the Act, (2) review all of Respondent's printed materials related to bond or millage propositions for the next five years, or (3) render any other legal services as Respondent and Respondent's counsel may agree to, free of charge. Respondent's legal counsel shall provide to the Secretary of State documentation in such format and frequency as the Secretary of State may require that indicates that Respondent's counsel has provided the services described in this paragraph. Such documentation shall not divulge information protected by the attorney-client privilege. If Respondent's legal counsel fails to perform as described in this paragraph, the \$10,000.00 offset shall be void and Respondent shall raise private funds for deposit into its general account.

Installment payments consisting of private funds shall be made to the Respondent's general fund at least once per quarter between the date this conciliation agreement is executed and June 1, 2015. The installment payments need not be for an equal amount. On or before August 1, 2014, November 1, 2014, February 1, 2015, and June 1, 2015, Respondent shall provide to the Secretary of State documentation as the Secretary of State may require for each deposit made into Respondent's general account for the preceding quarter. Respondent's failure to make a deposit during a quarter shall constitute a violation of this conciliation agreement.

The Secretary of State and the Respondent further agree that this conciliation agreement is in effect and enforceable for four years from the date it is signed by the Secretary of State or her duly authorized representative.

The Secretary of State and the Respondent further agree that this conciliation agreement, unless violated, shall constitute a complete bar to any further action by the Secretary of State with respect to the alleged violation that resulted in the execution of this conciliation agreement, including any action against Respondent's Superintendent, Stephen Cousins.

The Secretary of State and the Respondent further agree that the complaint and investigation that resulted in this conciliation agreement are disposed of and will not be the basis for further proceedings, except pursuant to this conciliation agreement.


The Secretary of State and the Respondent further agree that this conciliation agreement will not prevent the Secretary of State from taking action for violations of this conciliation agreement.

The Secretary of State and the Respondent further agree that the Respondent's performance under this conciliation agreement shall be given due consideration in any subsequent proceedings.

The Secretary of State and the Respondent further agree that this conciliation agreement, when signed, shall become a part of the permanent public records of the Department of State.

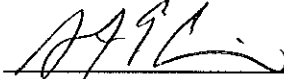
The Secretary of State and the Respondent finally agree that the signatories below are authorized to enter into and bind the parties to this conciliation agreement, and have done so by signing this conciliation agreement on the date below.

**SECRETARY OF STATE
RUTH JOHNSON**



Christopher M. Thomas, Director
Bureau of Elections
Date: June 13, 2014

RESPONDENT



Traverse City Area Public Schools,
by its Superintendent, Stephen Cousins
Date: May 12, 2014