

Campaign Finance Complaint Form
Michigan Department of State

This complaint form may be used to file a complaint alleging that someone violated the Michigan Campaign Finance Act (the MCFA, 1976 PA 388, as amended; MCL 169.201 *et seq.*). All information on the form must be provided along with an original signature and evidence. Please print or type all information.

I allege that the MCFA was violated as follows:

Section 1. Complainant			
Your Name Jeffrey S. Dionne		Daytime Telephone Number 616-443-4308	
Mailing Address 2984 Thornapple River Dr. SE			
City Grand Rapids	State MI	Zip 49546	

Section 2. Alleged Violator			
Name Tom McDonald			
Mailing Address 7287 Denison SE			
City Grand Rapids	State MI	Zip 49546	

Section 3. Alleged Violations (Use additional sheet if more space is needed.)	
Section(s) of the MCFA violated: Illegal Campaign Advertisement from a Non-Registered PAC	

Explain how those sections were violated:

Tom McDonald, a current Cascade Township Trustee, appears to be participating in a non-registered PAC for the benefit of his re-election campaign. Mr. McDonald, along with other current Cascade Township Board Members, appear to be represent themselves as part of a PAC. The PAC of note, "Cascade Election Trustee Committee" is a non-registered PAC as verified by Gerrid Uzarski, the Kent County Elections Director. Additionally, the website noted within said advertisement (ResultsForCascade.com) appears to be in violation also. Please investigate why these experienced government officials are not following current election laws in the State of Michigan. As a candidate running for a public position in Cascade, Michigan I feel that my rights are being violated. The attached mailer has been widely distributed twice in the community in the past months.

Evidence that supports those allegations (attach copies of pertinent documents and other information):

A copy of the mailer in question is attached.

Regarding the website of note, please visit: ResultsForCascade.com

Note, ResultsForCascade.com displays other public officials that may also be in violation...

Section 4. Certification (Required)

I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.

X

Signature of Complainant

7-28-2020

Date

7 pm

Section 5. Certification without Evidence (Supplemental to Section 4)

Section 15(6) of the MCFA (MCL 169.215) requires that the signed certification found in section 4 of this form be included in every complaint. However, if, after a reasonable inquiry under the circumstances, you are unable to certify that certain factual contentions are supported by evidence, you may also make the following certification:

I certify that to the best of my knowledge, information, or belief, there are grounds to conclude that the following specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry. Those specific contentions are:

X

Signature of Complainant

Date

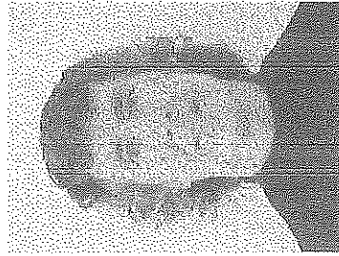
Section 15(8) of the MCFA provides that a person who files a complaint with a false certification is responsible for a civil violation of the MCFA. The person may be required to pay a civil fine of up to \$1,000.00 and some or all of the expenses incurred by the Michigan Department of State and the alleged violator as a direct result of the filing of the complaint.

Mail or deliver the completed complaint form with an original signature and evidence to the following address:

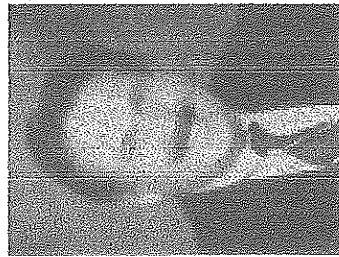
Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
430 West Allegan Street
Lansing, Michigan 48918

Vote to Keep Cascade Strong! Experience. Dedication. Results.

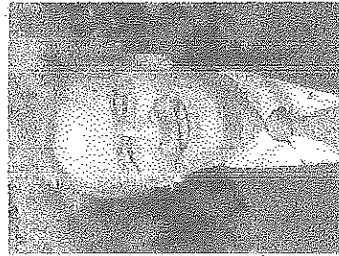
Learn about their qualifications and accomplishments at ResultsForCascade.com.



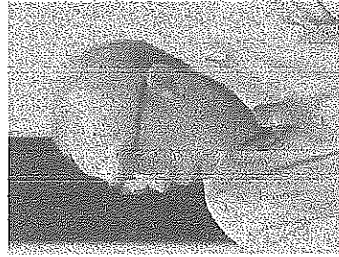
Tom McDONALD
for Trustee



Jim KOESSEL
for Trustee



Rob BEAHAN
for Supervisor



Ken PEIRCE
for Treasurer

On August 4, please vote to elect:

- ☐ Tom McDONALD for Cascade Trustee
- ☐ Jim KOESSEL for Cascade Trustee
- ☐ Rob BEAHAN for Cascade Supervisor
- ☐ Ken PEIRCE for Cascade Treasurer

Tom McDonald, Jim Koessel, Rob Beahan, and Ken Peirce have dedicated many years to achieve **RESULTS** for Cascade.

EXPERIENCE matters. Collectively we have spent many years working to improve Cascade Township for residents and businesses. We understand and have worked in Parks and Open Space, Finance and Budgeting, Infrastructure, the Planning Commission, The Zoning Board of Appeals, the Downtown Development Authority, Public Safety Advisory Council, the Personnel Committee, the 10-year Master Plan, Treasury, and other areas. Experience and results matter.

Please see: resultsforcascade.com.

Vote to Keep Cascade Strong! Experience. Dedication. Results. Tom McDonald, Jim Koessel, Rob Beahan, and Ken Peirce

Please see: resultsforcascade.com. Please vote on August 4, 2020.

RESULTS, not just talk:

- Achieved balanced budgets and received high-quality marks from external auditors.
- Achieved a Standard & Poor's Bond Rating of AAA (due to balanced budgets and financial stability—highest rating in the state).
- Spent years to make Cascade Peace Park and Burton Park a reality through Open Space funds, a state grant, and voter approval.
- Authorized and paid for an environmental baseline study to ensure airport stormwater does not degrade the quality of the Thornapple River.
- Worked with airport officials for increased testing of PFAS in Cascade.
- Managed and facilitated unprecedented commercial and industrial growth in Cascade.
- Added cemetery expansion to provide 30 years of burial space for residents at no cost.
- Facilitated the YMCA to establish a recreation facility in Cascade at no taxpayer cost.
- Reduced library and pathway millages approved by voters saving homeowners hundreds in taxes each year without effecting services.
- Worked to create a resident-driven survey for new pedestrian paths.
- Supported a program to get resident input on Cascade's needs and priorities.
- Created a plan of action to replace Fire Station 1, which was selected by residents as the township's top priority.
- Sought new ways to improve resident communication via Facebook, direct mailings, Newsletters, and e-News e-mails.
- Solved the long-term problem of unfunded pension liability in favor of 401-K style retirement program.
- Invested in water and sewer utilities in industrial areas to promote economic growth, including the expanded Lacks campus.
- Improved 22 miles of local roads the last three years by partnering with, and committing early to special funding, with the KCRC.
- Implemented improvements for the commercial viability of the 28th Street and Cascade commercial areas by improving sidewalks, lighting, roads, transportation upgrades, and intersection improvements.

Paid for by the Cascade Election Trustee Committee
7287 Denison, SE Grand Rapids, MI 49546

Cascade Election Trustee Committee
7287 Denison, SE
Grand Rapids, MI 49546

PRSRT-STD
U.S. Postage
PAID
Grand Rapids, MI
Permit # 995

RESIDENT
2984 THORNAPPLE RIVER DR SE
GRAND RAPIDS MI 49546-7135

Home Page - Results for Cascade

Tom McDonald

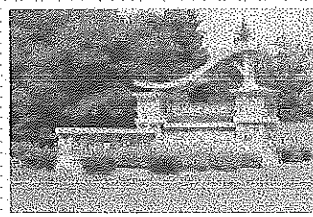
Jim Koessel

Rob Beahan

Ken Peirce

John Shipley

Sue Slater



- EXPERIENCE
- DEDICATION
- RESULTS

Vote for **RESULTS!** Vote for these residents!

The most important things YOU SHOULD KNOW about a candidate are:

- HOW are you qualified to serve Cascade Township as an elected official?
- WHAT have you accomplished for Cascade?

These residents have earned your vote by delivering results.

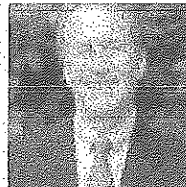
Please see how. Click below to see their personal pages. Learn the details!



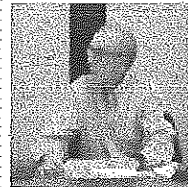
Tom McDonald
for Trustee



Jim Koessel
for Trustee



Rob Beahan
for Supervisor



Ken Peirce
for Treasurer



John Shipley
for Trustee



Sue Slater
for Clerk

Vote to Keep Cascade Strong! Experience. Dedication. Results.

Our goal is to make Cascade an even better place to live and do business. We understand and have worked in Parks and Open Space, Finance and Budgeting, Infrastructure, the Planning Commission, The Zoning Board of Appeals, the Downtown Development Authority, Public Safety Advisory Council, the Personnel Committee, the 10-year Master Plan, Treasury, and other areas. Experience and results matter.

Serving Cascade Township is about achieving RESULTS, not "change." Here are some of our results:



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

August 13, 2020

Tom McDonald
7287 Denison SE
Grand Rapids, MI 49546

Rob Beahan
3148 Thornapple River Dr.
Grand Rapids, MI 49546

Jim Koessel
1540 Hillsboro Ave SE
Grand Rapids, MI 49546

Ken Peirce
1979 Talamore Ct SE
Grand Rapids, MI 49546

Sue Slater
7885 30th St.
Grand Rapids, MI 49546

Cascade Election Trustee Committee
7287 Denison SE
Grand Rapids, MI 49546

Re: *Dionne v. McDonald, et al*
Campaign Finance Complaint
No. 2020-07-107-21

Dear Mr. McDonald, Mr. Beahan, Mr. Koessel, Mr. Peirce, Ms. Slater, & Cascade Election Trustee Committee:

The Department of State (Department) received 24 formal complaints filed by various individuals against you alleging violations of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.*¹ A copy of the complaint and supporting documentation is enclosed with this letter.

The complaints were filed with the Department on July 29th and allege that Cascade Township Trustee committee is making expenditures on your behalf and has failed to form and register a committee with the Kent County Clerk's office, the appropriate filing official. The complaints further allege that the website, resultsforcascade.com fails to contain a proper paid for by statement.

Section 21 requires a committee to be formed upon the spending or receiving \$500 or more for the purpose of making a contribution or expenditure. MCL 169.221(1). Section 24 requires committees to file a statement of organization with the proper filing official within 10 days after the committee is formed. MCL 169.224(1). Section 24 details specific requirements for all

¹ The Department has dismissed duplicate complaints and consolidated the remainder into one for administrative efficiency.

Tom McDonald
Rob Beahan
Jim Koessel
Ken Peirce
Sue Slater
Cascade Election Trustee Committee
August 13, 2020
Page 2

statement of organizations that must be filed. See MCL 169.224(2)-(3). A committee that fails to file a statement of organization shall pay a late filing fee of \$10.00 per business day the report isn't filed not to exceed \$300. MCL 169.224(1). A person failing to file a statement of organization after 30 days, is guilty of a misdemeanor punishable by a fine up to \$1,000. *Id.*

The MCFA and corresponding administrative rules require a person who produces printed material that relates to an election include the phrase "Paid for by [name and address of the person who paid for the item]." MCL 169.247(1), R 169.36(2). Materials produced by anyone other than a candidate or the candidate committee are required to include the phrase "with regulated funds" after the paid for by statement. MCL 169.247(4). A knowing violation constitutes a misdemeanor offense punishable by a fine of up to \$1,000.00, imprisonment for up to 93 days, or both. MCL 169.247(6).

The purpose of this letter is to inform you of the Department's examination of these matters and your right to respond to the allegations before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true. The investigation and resolution of this complaint is governed by section 15 of the Act and the corresponding administrative rules, R 169.51 *et seq.* An explanation of the investigation process is enclosed with this letter and a copy is available on the Department's [website](#).

If you wish to file a written response to this complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. Due to the ongoing public health emergency, the Department asks that all materials be submitted via email to Elections@Michigan.gov to my attention. If you fail to submit a response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your answer will be provided to Mr. Dionne, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]". MCL 169.215(10). Note that the Department's enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalty provided in section 24(1) of the Act.

Tom McDonald
Rob Beahan
Jim Koessel
Ken Peirce
Sue Slater
Cascade Election Trustee Committee
August 13, 2020
Page 3

If you have any questions concerning this matter, you may contact me via email.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam Fracassi". The signature is fluid and cursive, with the first name "Adam" being more prominent than the last name "Fracassi".

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: Jeffrey Dionne

August 21, 2020

Mr. Adam Fracassi
Bureau of Elections
Michigan Department of State
1st Floor

430 W. Allegan
Lansing, MI 48918

Elections@Michigan.gov to the attention of Mr. Adam Fracassi

2020 AUG 25 PM 2:23

Sent via email and First-Class
Mail

Re: Dionne v. McDonald et al.
Campaign Finance Complaint
No.2020-07-107-21

Dear Mr. Fracassi

This letter is in response to the above referenced complaint and your letter dated August 13, 2020 (received August 20, 2020).

I concur with the statements contained in Mr. Tom McDonald's email to you dated August 19, 2020 and Mr. Tom McDonald's letter to you dated August 19, 2020. Mr. McDonald created a web site to demonstrate many of the positive results that the Cascade Township has achieved. I assumed that the correct filing procedures had been followed by Mr. McDonald for the expenditures he was incurring. I did not receive any contributions nor have any expenses for the election more than \$1,000.00 as stated in my amended Statement of Organization form dated March 5, 2020.

Please consider this letter as my response to the above referenced complaint.

If you have any questions or require additional information, please contact me.

Sincerely,

Ken Peirce

Ken Peirce
1979 Talamore Ct. SE
Grand Rapids, Mi 49546

Kenneth.peirce@yahoo.com
616-821-0286

August 20, 2020

Michigan Department of State
Bureau of Elections
Richard H. Austin Building, 1st Floor
430 W. Allegan
Lansing, MI 48918

RECEIVED
MICHIGAN DEPT. OF STATE
2020 AUG 24 PM 2:45
ELECTIONS/GREAT SEAL

To the Attention of Mr. Adam Fracassi
Re: No. 2020-07-107-21

Dear Mr. Fracassi,

I sent this same information in an email on August 19, 2020, but since some e-mails can get stuck in spam filters, I am also sending my response in hard copy.

Respectfully,



Tom McDonald

Dear Mr. Fracassi,

This is a note to address the complaints filed with your department on July 29, 2020, that allege the "Cascade Township Trustee Committee" made expenditures on my behalf and failed to form and register a committee with the Kent County Clerk's office, the appropriate filing official. I realized the mistakes in July and worked with the Kent County Clerk's Elections Department in July and August to resolve the matter. Following is a thorough explanation and the instructions that were given to me by the Kent County Clerk's office in July and August, which I followed to correct the errors.

For the record, I received your letter via the USPS on August 19, 2020. The letter is dated August 13, 2020, and instructions say that I can file a written response within 15 business days of the date of the letter. Your letter also says that the response can be done via email to Elections@Michigan.gov to your attention, so I am immediately sending you this note. Please feel free to contact me any time or please let me know what other information you need. I would appreciate your acknowledgement as to receiving this email.

Respectfully,

Tom McDonald

Alleged Violator:

Tom McDonald
7287 Denison, SE
Grand Rapids, MI 49546

email: tmcDonald@mkassoc.com
Phone: 616-893-4428

WRITTEN RESPONSE TO THE COMPLAINT

INTRODUCTION

I did make "errors or omissions" and I discussed those with the Kent County Clerk's office before even being notified of those errors. I discussed those with the Kent County Clerk's Elections Department in July and followed the Kent County Clerk's office instructions to rectify those errors. Communications were made by me to the Kent County Clerk's office by phone conversation in July and early August, and actions were taken in July and August, probably both before and after the complaints of July 29. Following are the details, which include my following the recommendations made to me by the Kent County Elections Department as to how to best resolve the situation.

In summary, I followed instructions given to me by the Kent County Clerk's office to resolve the issues, talked directly with them twice (last on August 7, 2020), and sent the requested (corrected) paperwork and late fine that they said was due. This was sent via USPS certified mail on August 7, 2020, and was received by the Kent County Clerk's office on August 11, 2020, via the USPS tracking number 70200090000190513904. The Kent County Clerk's office had instructed me on what to do to make the corrections, and I followed those and paid the late fine before August 17, 2020, which they explained was the final date for receiving the information. Following are the details. The Kent County Clerk ELECTIONS web site then showed that everything had been amended per their instructions.

128934 - COMMITTEE TO ELECT TOM MCDONALD

Document	Received	Due	Pages
Pre-Election Stmt - 08/04/2020 Primary Election (Amended)	08/11/20	08/17/20	3 View
Error and Omission	08/04/20	-	2 View
Pre-Election Stmt - 08/04/2020 Primary Election	08/03/20	07/24/20	2 View
Stmt of Organization (Amended)	08/03/20	-	1 View
Stmt of Organization	04/16/14	-	1 View

DETAILS

I received no donations from any sources and paid for expenditures and sent the itemized list for these per instructions provided by the Kent County Clerk's office. I paid for the web site, which I created. This was \$118 for 36 months through BlueHost.com and I reported this cost with all other expenditures per the process recommended to me by the Kent County Clerk's office. Initially I did not expect to spend over the waiver amount of \$1,000 listed on the "Statement of Organization Form For Local Candidate Committees Filed With A County Clerk," but realized that I would exceed that amount after later deciding to also use mail services (which I alone created and paid for). Names that I put on the web site referenced in your letter included Tom McDonald, Jim Koessel, Sue Slater, Rob Beahan, Ken Peirce, and John Shipley. These are all people I have worked with and learned from on the Cascade Township Board, and I created the web site at my discretion and expense. I decided to include their names and information on my web site because of their dedication to Cascade Township and because there is no difference in cost having one name or 100 names on a web site. I note that your letter listed all of the aforementioned names on the complaint excluding John Shipley. I'm not sure why Mr. Shipley's name was left off the complaint while the other Board members' names were listed. Perhaps he has a personal relationship with some of the complainants. Perhaps leaving off Mr. Shipley's name was an oversight.

I realized long after creating the web site that I would exceed \$1,000, so I called Kent County to explain the situation and to ask for the best steps to follow. I explained that I had used a committee name of "Cascade Election Trustee Committee" for mailing and said that I thought I should file that name and pay the late filing fee, which would have resolved the situation based on reading that "A committee that fails to file a statement of organization shall pay a late filing fee of \$10 per business day" Since I had used "Cascade Election Trustee Committee" for the mailing, this process seemed to be the resolution. It was clearly my mistake.

However, the Kent County Elections Department looked up my information and said that I already had a registered committee called "Committee to Elect Tom McDonald" (registered in 2014). The Kent County Elections Department instead recommended that I just file my expenditures under "Committee to Elect Tom McDonald," and to do this I needed to submit an Amended Statement of Organization Form and to check the "No" box to not apply for a waiver. They said that in the future I should use "Committee to Elect Tom McDonald" for future mailings. This was in July, and I soon received the form (Amended Statement of Organization) from the county and answered "No" regarding applying for the Reporting Waiver. I filled out the form and included a letter on July 28 to the County Clerk Elections Department listing my expenditures in the letter. The Kent County Clerk's office received that letter and the Itemized Contributions Schedule 1A (the letter I sent is on their web site under Committee ID# 128934) and they amended my Statement of Organization.

The county web site wouldn't allow me to print a copy of Itemized Expenditures Schedule 1B from the county web site, which is why I had sent a list of my expenditures in the letter on July 28 (and I explained that the county had instructed me to send in the Amended Statement under Committee ID# 128934). After the county received my Amended Schedule 1A, the county mailed me a Schedule 1B and instructed me to fill that out. I immediately filled that out and discussed it with them before mailing it in. I talked with the Kent County Elections Department again on August 7, went through the "Itemized Expenditures Schedule 1B" with Erin to ensure it was correct (I spoke with Erin in July and August), got the amount needed for the late fine, and submitted the paperwork and check via certified mail. I noticed in early August there had been an "error or omission" note on the Kent County web site under "Committee to Elect Tom McDonald," but after the county received my paperwork and check for the late fine, that "error" was amended on 8/11/20 per the instructions from the Elections Department.

Therefore, I followed the County Election Department's advice and recommendation for resolving the errors, submitted all paperwork accordingly, and paid a late fine for filing the expenditures after July 24 to the Committee ID they recommended that I use. I saw that the filings had been listed as "Amended." I have not received any further communication from the Kent County Clerk's office, so I considered that everything was resolved. If it had not been resolved, I assumed that they would have contacted me immediately. Please let me know of any other action that is necessary.

Thank you.

Jeff Dionne

From: Jeff Dionne <jeff-dionne@cascade-trustee.com>
Sent: Friday, October 23, 2020 9:42 AM
To: 'disclosure@michigan.gov'
Cc: 'elections@michigan.gov'
Subject: RE: Attn Mr. Adam Fracassi - Rebuttal to Response by Mr. Tom McDonald, et al (Complaint No. 2020-07-107-21)

Dear Mr. Fracassi:

Below is my response to Dionne v. McDonald, et al. – Campaign Finance Complaint – No. 2020-07-107-21.

More than adequate information has been provided to the Michigan Elections Bureau to establish that (1) there is no material factual dispute in this case, and (2) Mr. Tom McDonald et al. violated multiple sections of the Michigan Campaign Finance Act (MCFA).

The most basic requirements of Michigan's Campaign Finance Act state that:

- (1) every candidate for public office who spends over \$500 must form a campaign committee by filing proper papers with his county clerk;
- (2) that candidate must file a "Statement of Organization" for that campaign committee;
- (3) every candidate who produces printed materials relating to an election must include "Paid for by [name and address of the person who paid for the item]"; and
- (4) printed items include both paper brochures mailed to constituents and internet sites endorsing candidates.

In this case, multiple complainants provided the Bureau of Elections with evidence that established the facts below. Notably, Mr. McDonald did not offer any evidence that disputed the accuracy of the facts below, nor did he deny them. Instead, he detailed how he attempted to start following the most basic aspects of Michigan's campaign finance law after the complaint exposing his violations had been filed. His after-the-fact details are irrelevant as to whether he violated basic campaign finance laws.

The undisputed evidence shows the following:

As a candidate for Cascade Township Trustee, Mr. McDonald personally created thousands of color brochures encouraging residents to vote for himself, Jim Koessel, Robert Beahan, and Ken Peirce. In his brochures, Mr. McDonald touted the four candidates' many qualifications and accomplishments, and among other things, stated: "EXPERIENCE matters" [in bold]. He gave each candidate roughly equal space and text on the postcards.

At the bottom of the brochure, Mr. McDonald wrote that the brochure was "Paid for by the Cascade Election Trustee Committee."

Mr. McDonald mailed thousands of these brochures to thousands of Cascade residents on at least two separate occasions in the weeks before the August 4, 2020, primary election.

It follows that Mr. McDonald knew that he was representing to thousands of voters in his district that the brochure was "Paid for by the Cascade Election Trustee Committee" both the first time he mailed them and the second time he mailed them.

In the postcard, Mr. McDonald urged voters to visit " " to learn more about those four candidates' experience, leadership skills, and qualifications.

He created the website " ". In the website, he added more information about the same candidates, plus two more. Nowhere on the website did Mr. McDonald list who or what Committee paid for the website. It follows that the thousands of residents who received the postcard and visited that website would have no way of knowing who or what Committee paid for that website.

Subsequent forms, all filed after the complaints were made, showed that Mr. McDonald personally spent (not through his actual candidate committee nor through the nonexistent "Cascade Election Trustee Committee") \$4,126 on the printed materials (\$118 on April 22 for the website, \$1,154 on June 22 for the first round of postcards, and \$2,856 on July 20 for the second round of postcards). However, he led residents to believe that a "Cascade Election Trustee Committee" paid for and mailed the postcards and gave residents no way to find out how much money was spent on them.]

Printouts of the " " were also attached to the candidates' yard signs throughout Cascade.

The above-undisputed facts clearly establish that Mr. McDonald and the other three candidates endorsed on both the brochure and the website violated multiple sections of the Michigan Campaign Finance Law by:

(1) Spending \$1000+ on both postcards and a website that endorsed themselves while never filing anything with State regarding the "Cascade Election Trustee Committee." It did not exist when the thousands of residents received and read the postcards the first time Mr. McDonald mailed them. It did not exist the second time thousands of residents received and read the postcards the second time Mr. McDonald mailed them. It does not exist today.

(2) Never filing a "Statement of Organization" for a "Committee to Elect Cascade Trustees."

(3) Using a false committee name on the brochures and not disclosing who paid for the postcards and the website.

Mr. McDonald responded to the allegations by stating that he realized his mistakes in July and worked with the Kent County Clerk's Office to correct the "mistake." This is disingenuous for several reasons.

First, if he realized his mistakes in July, why did he not correct them in July? His own filings show that the earliest attempt to follow the law occurred on August 3, five days after the Bureau of Elections received the complaints. In fact, he spent \$2,856 sending out thousands of postcards on July 22, telling residents they were "Paid for by the Cascade Election Trustee Committee."

Second, Mr. McDonald (and the other three candidates) are all public officials with years of experience, and this is not their first election cycle. Mr. McDonald himself created the "Committee to Elect Tom McDonald" back in 2014. He ran for the same trustee position in 2016, and as a candidate received the same courtesy notices all local candidates receive from the Kent County Clerk's Office reminding him of upcoming filing requirements at least 5 times in the past. Those reminders were mailed to the "Committee to Elect Tom McDonald" at his home address. The same address he listed on the brochures. He ignored every single one of those courtesy reminders when he knowingly printed that a nonexistent "Cascade Election Trustee Committee" paid for all of the postcards.

Mr. McDonald offered zero explanation of: (1) why he did not use his actual name on the postcards; (2) why he did not use his candidate committee name, and (3) why he chose to state that the brochures were paid for by a committee that did and does not exist.

Third, Mr. McDonald says that he included the other three officials "because of their dedication to Cascade Township." Assuming they naively relied on Mr. McDonald's knowledge of fundamental finance law and knew nothing about the nonexistence of his "Cascade Election Trustee Committee," Mr. McDonald recklessly and unnecessarily exposed them to legal penalties.

Lastly, Mr. McDonald's statements made directly to Cascade residents the day after the complaints were filed contradict what he says in his response to this Bureau and his own campaign committee filings. These contradictory statements, included below, cast doubt on Mr. McDonald's statements that he had no knowledge that his actions violated any campaign finance laws.

In response to the facts above being made public on a local website "Nextdoor" in Cascade, screenshot displayed below, Mr. McDonald wrote:

"[t]here was simply a change in filing with the committee name to include my name. This has been discussed with and cleared up with the Kent County Clerk's office... Let's get to real issues and stop the negativity and misinformation. We should be beyond that as leaders run on accomplishments and qualifications."

Contrary to what he publicly told the same residents to whom he twice mailed the postcards, it was not "simply a change in filing with the committee name to include [his] name. None of that is true, and at the time, he wrote that he had not filed anything other than his 2014 Statement of Organization for his "Committee to Elect Tom McDonald." There was no change in filing at all, and nothing was filed to include his name - nothing was ever filed regarding the nonexistent Committee. If he genuinely realized his mistake in July as he now claims, why did he continue making misrepresentations to residents?

Campaign finance laws exist to allow for public scrutiny of political advertising and financing. Mr. McDonald's blatant violation of the most basic finance laws took away the public's opportunity to scrutinize his political advertising and financing. His focus on following the Kent County Clerk's recommendations after the fact are irrelevant and misleading. The Kent County Clerk's Office does not determine or enforce violations. The Michigan Bureau of Elections does that.

Consistent enforcement of campaign finance laws is the only tool available to keep candidates honest and accountable to all residents, and it is essential in maintaining the public's trust and the government's integrity. If candidates and officials know they can break the most basic campaign finance laws, they have no incentive to follow them.

Given the undisputed facts, in this case, more than adequate information has been provided to establish that Mr. McDonald et al. violated basic campaign finance laws and knowingly misled thousands of residents by doing so.



General

I will be voting Tuesday for Grace Ilesperance Supervisor, Jewel Gruchow Treasurer, Jeff Dinion, Jeremiah Gruchow, John Shipley, and myself Timmy Noo... See more

1 hr ago

Reply



Courtney Blostein · Cascade

Alana for Trustee!

47 min ago

Thank

Reply



Tom McDonald · Thornapple River Dr SE

Grace, There was simply a change in filir with the committee name to include my name. This has been discussed with and cleared up with the Kent County Clerk's office. I have created a web site (www.ResultsForCascade.com) in order to highlight actual accomplishments made for the community. Let's get to real issues and stop the negativity and misinformation. We should be beyond

I ran for office in Cascade Township to put an end to these ongoing practices. This fictitious Committee illegally pooled advertising funds to garner a broader market share and win re-election – which they did by a minimal margin. What I documented above in my complaint should have severe repercussions. The Cascade citizens and I have been cheated out of a fair election process losing equitable representation within our township for another four years. This fraud upon the people cannot stand – please see that Michigan law is upheld and take action to make this right!

Sincerely,



Jeff Dionne

Candidate for Cascade Township Trustee

Email:

Phone: 616-443-4308

Mail:

Committee to Elect Jeff Dionne

2984 Thornapple River Dr. SE

Grand Rapids, MI 49546

Fracassi, Adam (MDOS)

From: SOS, Elections
Sent: Monday, August 24, 2020 11:34 AM
To: Fracassi, Adam (MDOS)
Subject: FW: Attn: Mr. Fracassi | Complaint No. 2020-07-107-21

From: jbanker1 <jbanker1@aol.com>
Sent: Monday, August 24, 2020 10:47 AM
To: SOS, Elections <Elections@michigan.gov>
Subject: Attn: Mr. Fracassi | Complaint No. 2020-07-107-21

CAUTION: This is an External email. Please send suspicious emails to abuse@michigan.gov

Re: Dionne v. McDonald et al.
Campaign Finance Complaint
No.2020-07-107-21

Dear Mr. Fracassi

This letter is in response to the above referenced complaint and your letter dated August 13, 2020 (received August 20, 2020).

I concur with the statements contained in Mr. Tom McDonald's email to you dated August 19, 2020 and Mr. Tom McDonald's letter to you dated August 19, 2020. Mr. McDonald created a web site to demonstrate many of the positive results that the Cascade Township has achieved. I assumed that the correct filing procedures had been followed by Mr. McDonald for the expenditures he was incurring. I did not receive any contributions nor have any expenses for the election more than \$1,000.00 as stated in my Statement of Organization form amended dated August 28, 2008.

Please consider this letter as my response to the above referenced complaint.

If you have any questions or require additional information, please contact me.

Please acknowledge receipt of this email !!!!!

Jim Koessel
jbanker@aol.com

Sent from my Verizon, Samsung Galaxy smartphone



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

October 9, 2020

Jeffrey Dionne
2984 Thornapple River Drive SE
Grand Rapids, MI 49546

Dear Mr. Dionne:

The Department of State received a response to the complaint you filed against Tom McDonald, Rob Beahan, Jim Koessel, Ken Peirce, Sue Slater, and Cascade Election Trustee Committee, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi".

Adam Fracassi
Bureau of Elections
Michigan Department of State

c: Tom McDonald
Rob Beahan
Jim Koessel
Ken Peirce
Sue Slater
Cascade Election Trustee Committee



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

June 10, 2022

Tom McDonald
7287 Denison SE
Grand Rapids, MI 49546

Rob Beahan
3148 Thomapple River Dr.
Grand Rapids, MI 49546

Jim Koessel
1540 Hillsboro Ave SE
Grand Rapids, MI 49546

Ken Peirce
1979 Talamore Ct SE
Grand Rapids, MI 49546

Sue Slater
7885 30th St.
Grand Rapids, MI 49546

Cascade Election Trustee Committee
7287 Denison SE
Grand Rapids, MI 49546

Dear Mr. McDonald, Mr. Beahan, Mr. Koessel, Mr. Peirce, Ms. Slater, & Cascade Election Trustee Committee:

The Department of State (Department) has finished investigating the campaign finance complaints filed against you by Jeffrey S. Dionne and others alleging violations of the Michigan Campaign Finance Act (MCFA). This letter concerns the disposition of those complaints.

The complaints allege that Mr. McDonald made expenditures advocating for the reelection of Mr. McDonald, Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater. These expenditures were identified as being made by the Cascade Township Trustee Committee (Cascade Committee). Mr. McDonald failed to form and register such a committee with the Kent County Clerk's office. The complaints further allege that, because the Cascade Committee did not exist, the website resultsforcascade.com (Website) and certain paper mailers (Mailers) failed to contain a proper paid for by statement indicating the true source of the funds used to create the materials.

Mr. McDonald responded to the complaint. Mr. McDonald admitted to creating the Website. Mr. McDonald also admitted to purchasing "mail services," which the Department understands to be the Mailers included in the complaint. Mr. McDonald states that he has not received any contributions, and that all expenditures were paid for with personal funds.

Mr. McDonald indicates that he did not properly form or file a statement of organization with the Kent County Clerk for the Cascade Committee prior to creating the Website or the Mailers. Mr. McDonald's response seems to indicate that he believed he was not required to formally organize

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the Cascade Committee because he planned to spend less than \$1,000, and thus qualified for a reporting waiver. It is unclear from Mr. McDonald's response whether (1) Mr. McDonald believed that he was not obligated to file a statement of organization on behalf of the Cascade Committee so long as the Cascade Committee did not spend more than \$1,000 or (2) Mr. McDonald believed that he was making expenditures on behalf of his own candidate committee, which he had previously formally organized and for which he had properly filed a statement of organization with the Kent County Clerk and for which he had properly requested a reporting waiver.

Regardless of Mr. McDonald's beliefs regarding the expenditures and the obligation to file a statement of organization for the Cascade Committee, Mr. McDonald states that once he spent more than \$1,000 he contacted the Kent County Clerk to request guidance on his obligations. Mr. McDonald reports that he was instructed to re-file his statement of Organization for his candidate committee to indicate he no longer qualified for the waiver, and that he was under the impression that, so long as future materials properly indicated they were paid for by Mr. McDonald's candidate committee, he would be in compliance with the MCFA.

Mr. Pierce and Mr. Koessel have also responded to the complaint. Both Mr. Pierce and Mr. Koessel state that Mr. McDonald created the website in question, that Mr. Pierce and Mr. Koessel believed that Mr. McDonald had followed proper filing procedures at the time the website was created, and that Mr. Pierce and Mr. Koessel did not receive contributions or make expenditures in excess of \$1,000. Neither Mr. Pierce and Mr. Koessel's responses addressed the mailers created by Mr. McDonald.

Ms. Slater and Mr. Beahan did not respond to the complaint.¹

Mr. Dionne made a rebuttal statement, in which he stated that Mr. McDonald admitted to the facts of the complaint and knowingly misled voters by failing to properly follow disclosures mandated under the MCFA.

In Michigan, organizations that make contributions or expenditures in an "attempt[] to influence the action of the voters for or against the nomination or election of a candidate" are committees regulated by the MCFA. MCL 169.203(4). Committees are formed when their aggregate contributions or expenditures intended to "influence the actions of voters" surpass \$500 in a

¹ For the purposes of this determination, the Department assumes that Ms. Slater and Mr. Beahan were situated similarly to Mr. Pierce and Mr. Koessel – they were informed that Mr. McDonald would be producing materials advocating for their election, but they believed they had no campaign finance responsibilities associated with those materials.

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calendar year. *Id.* Committees are required to file a statement of organization with the appropriate filing official within 10 days of formation. MCL 169.224(1). Committees must report their contributions and expenditures to the appropriate filing official on a specific schedule. MCL 169.233(1) – (3). While committees that receive less than \$1,000 in contributions or make expenditures less than \$1,000 may request a waiver excusing the committee from reporting its activity, MCL 169.233(6), that waiver *does not* excuse the committee from filing a statement of organization. A person who fails to file a statement of organization is subject to a civil fine of up to \$1,000. MCL 169.215(15). A person who knowingly omits or underreports expenditures required to be disclosed by the MCFA is subject to a civil fine of not more than \$1,000 or the amount of the expenditures omitted or underreported, whichever is greater. MCL 169.233(11).

Additionally, the MCFA prohibits candidate committees from either making contributions to other candidate committees or making expenditures on behalf of another candidate committee. MCL 169.244(2). A person who knowingly uses a candidate committee's funds to make a contribution to another candidate committee or make an expenditure on behalf of another candidate committee is guilty of a misdemeanor offense punishable by a fine up to \$1000.00, imprisonment for up to 93 days, or both. MCL 169.244(5). A candidate acting in their personal capacity, however, *may* make a contribution to a committee of another candidate. *Interpretive Statement issued to Peter Coughlin, March 24, 1978.*

Finally, the MCFA and corresponding administrative rules require a person who produces printed material that relates to an election include the phrase "Paid for by [name and address of the person who paid for the item]." MCL 169.247(1), R 169.36(2). A knowing violation of this requirement constitutes a misdemeanor offense punishable by a fine up to \$1000.00, imprisonment for up to 93 days, or both. MCL 169.247(6).

The Department has reviewed the evidence submitted in the matter. The Department finds that the evidence submitted supports the conclusion that there may be reason to believe that Mr. McDonald's actions constitute several potential violations of the MCFA.

First, Mr. McDonald's apparent belief that he was operating the Cascade Committee, coupled with his failure to file a statement of organization on behalf of the Cascade Committee with the Kent County Clerk, constitutes reason to believe that the MCFA has been violated. Mr. McDonald indicates that he made more than \$500 of expenditures on the Website and Mailers in his role as the putative treasurer of the Cascade Committee. Mr. McDonald was obligated to file a statement of organization within 10 days of passing the \$500 expenditure threshold, but he failed to fulfill that obligation.

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Alternatively, Mr. McDonald may have created the Website and Mailers using funds from his candidate committee, rather than the Cascade Committee. In his response, Mr. McDonald seemed unclear on the difference between the Cascade Committee and his candidate committee, but his later reporting of the expenditures as being made by his candidate committee makes this possibility more likely.² If Mr. McDonald created the Website and Mailers using his candidate committee, then to the extent that the Website and Mailers advocated for the election of candidates other than Mr. McDonald, there is reason to believe that those expenditures may be impermissible candidate committee-to-candidate committee contributions and thus violate the Act. Additionally, if Mr. McDonald paid for the Website and Mailers using his candidate committee rather than through the Cascade Committee, the "paid for by" statements on those materials should have indicated that the materials were paid for by Mr. McDonald's candidate committee as well as the candidate committees of Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater.³

The Department also finds that the evidence submitted supports the conclusion that Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater may create reason to believe that Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater violated the Act. In particular, Mr. Koessel and Mr. Peirce indicated that they were aware of and approved of Mr. McDonald's creation of the Website and the Mailers as joint election materials advocating for the election of all five respondents. As explained above, the candidate committees of Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater were prohibited from accepting a contribution from Mr. McDonald's candidate committee. If the Website and Mailers were expenditures made by Mr. McDonald's candidate committee, Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater's candidate committees were obligated to pay for a fraction of the cost of the Website and Mailers equal to the fraction of the Website and Mailers advocating for each candidate's election. Additionally, a proper "paid for by" statement

² The Department acknowledges that Mr. McDonald appears to have acted in good faith in following what he understood to be the Kent County Clerk's directions to file the expenditures under his candidate committee, and that Mr. McDonald may have originally intended to form the Cascade Committee separate of his candidate committee.

³ The Department acknowledges the possibility that Mr. McDonald may have purchased the Website and Mailers using personal funds and categorized those expenses, not as improper candidate committee-to-candidate committee contributions, but rather as permissible personal contributions to the candidate committees of Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater. In this circumstance, the only violation of the MCFA would be the improper "paid for by" statement. Whether or not the Website and Mailers were impermissible candidate committee-to-candidate committee contributions or were permissible personal contributions depends on facts that have not been provided to the Department. The evidence supplied equally supports the possibility that the contributions may have been impermissible candidate committee-to-candidate committee contributions or permissible personal contributions. Because the standard for a determination at this stage is "whether or not there may be reason to believe that a violation of [the MCFA] has occurred," MCL 169.215(10), where two scenarios are equally probable, one of which would be a violation of the MCFA and one of which would be permissible, the Department concludes that "there may be reason to believe that a violation of [the MCFA] has occurred."

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is required on both the Website and the Mailers for each committee that expended funds on the material. ⁴

After reaching this conclusion, the MCFA requires the Department to “endeavor to correct the violation or prevent a further violation by using informal methods” if the Department finds that “there may be a reason to believe a violation . . . has occurred[.]” MCL 169.215(10). The objective of an informal resolution is to “correct the violation or to prevent a further violation[.]” *Id.*

Given this, the Department concludes that a formal warning is a sufficient resolution to the complaint and is hereby advising Mr. McDonald that that MCL 169.226 requires him to file timely statements of organization for any committee that he organizes in the future. The Department also issues a formal warning to Mr. McDonald, Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater that MCL 169.244 prohibits any candidate from using their candidate committee to make expenditures advocating the election of other candidates and that MCL 169.247(1) and R 169.36(2) require all committees to print a complete and accurate identification statement on all campaign materials, consisting of the phrase “paid for by” followed by the full name and address of the committee making the expenditures.

Please be advised that this notice has served to the respondents of their obligations under the Act to file proper statements of organization, to refrain from making improper candidate committee-to-candidate committee contributions or improper expenditures from a candidate committee advocating for the election of a candidate other than the candidate controlling the committee, and to identify printed matter and to file timely and accurate campaign statements. This notice may be used in future proceedings as evidence that tends to establish a knowing violation of the Act. A knowing violation of the paid for by requirement is a misdemeanor offense and may merit referral to the Attorney General for enforcement action. MCL 169.247(6), 215(10). A knowing violation of the accurate campaign statement requirement may result in a civil fine of up to

⁴ The Department acknowledges that, if the Website and Mailers were contributions from Mr. McDonald to each candidate made in Mr. McDonald’s personal capacity, rather than an expenditure made by Mr. McDonald’s candidate committee, Mr. Beahan, Mr. Koessel, Mr. Peirce, and Ms. Slater might have accrued no reporting requirements under the MCFA if their candidate committees had properly applied for the reporting waiver. Whether or not the Website and Mailers were impermissible candidate committee-to-candidate committee contributions or were permissible personal contributions depends on facts that have not been provided to the Department. The evidence supplied equally supports the possibility that the contributions may have been impermissible candidate committee-to-candidate committee contributions or permissible personal contributions. As explained in footnote 3, because both scenarios are equally plausible based on the evidence supplied in this case, the Department concludes “there may be reason to believe that a violation of [the MCFA] has occurred.”

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\$1,000 or the amount of the contributions or expenditures underreported, whichever is greater.
MCL 169.233(11).

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Fracassi", written over a horizontal line.

Adam Fracassi
Bureau of Elections