

STATE BOARD OF ELECTIONS

STATE OF ILLINOIS

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EXECUTIVE DIRECTOR
Steven S. Sandvoss

BOARD MEMBERS
Charles W. Scholz, Chairman
Ernest L. Gowen, Vice Chairman
William J. Cadigan
Andrew K. Carruthers
Betty J. Coffrin
John R. Keith
William M. McGuffage
Casandra B. Watson

- AMENDED -
AGENDA
STATE BOARD OF ELECTIONS
BOARD MEETING
Monday, November 16, 2015
10:30 a.m.

2329 S. MacArthur Blvd.
Springfield, Illinois
and via videoconference
James R. Thompson Center – Suite 14-100
Chicago, Illinois

Roll call.

1. Approval of the minutes from the October 9 meeting. (pgs.1-4)
2. Report of the General Counsel
 - a. Campaign Disclosure;
Request for settlement offer
 - 1) *SBE v. Mercer County Democratic Central Committee*, 5164, 14AS009; (pgs.5-6)
 - 2) *SBE v. Bonnie Thomson Carter Committee*, 11881, 15JQ023; (pgs.7-8)
 - 3) *SBE v. Citizens for Judy Fiske*, 18496, 15JQ033; (pgs.9-10)
 - 4) *SBE v. Citizens to Elect Jeffrey A. Schaefer*, 19021, 15JQ036; (pgs.11-12)
 - 5) *SBE v. Friends of Mike Carberry*, 25368, 15DQ102 & 15MQ194; (pgs.13-18)Appeals of campaign disclosure fines – hearing officer recommendation appeals be granted
 - 6) *SBE v. Monroe County Democratic Central Committee*, 1162, 15AJ006; (pgs.19-27)
 - 7) *SBE v. Citizens for Steve Kim*, 13184, 15JQ024; (pgs.28-31)
 - 8) *SBE v. Friends to Elect Toni L. Foulkes*, 20107, 15AJ024; (pgs.32-37)
 - 9) *SBE v. Harper College Adjunct Faculty Association*, 20930, 15AM075; (pgs.38-41)
 - 10) *SBE v. Dianne4Ward40*, 25940, 15MA098; (pgs.42-46)Appeals of campaign disclosure fines – hearing officer recommendation appeals be denied
 - 11) *SBE v. Lisle Township Republican Organization*, 394, 15JQ006; (pgs.47-52)
 - 12) *SBE v. Friends of Marleen Suarez*, 24073, 15JQ083; (pgs.53-55)
 - 13) *SBE v. Friends for Anne Shaw*, 24146, 15AM079; (pgs.56-59)
 - 14) *SBE v. Friends of Thomas McNamara*, 25047, 15AJ030; (pgs.60-64)
 - 15) *SBE v. Citizens to Elect John Clough*, 25541, 15JQ104; (pgs.65-70)
 - 16) *SBE v. Friends of LaShonda “Shonnie” Curry*, 27249, 15JQ136; (pgs.71-75)Appeals of campaign disclosure fines – hearing officer recommendation appeals be granted & denied
 - 17) *SBE v. Citizens for Matt Bogusz*, 21498, 15AJ026; (pgs.76-79)
 - 18) *SBE v. Friends of Steven McClellan*, 27256, 15JQ137; (pgs.80-82)Failure to comply with a board order
 - 19) *SBE v. Friends of Sherman C. Jones*, 22764, 14CD113; (pg.83)

Other campaign disclosure items

20) Payment of civil penalties – informational; (pgs.84-85)

Complaints following closed preliminary hearing – separate packet

21) *Johnson v. Kane County Conservative Coalition*, 15CD102; (pgs.1-50)

22) *Agustin v. Committee to Elect Kathy Hamilton*, 15CD106. (pgs.51-57)

3. Report of the Executive Director
 - a. Presentation of staff service awards;
 - 1) 15 year award – Jason Kilhoffer;
 - 2) 25 year award – Amy Calvin;
 - b. Preparations for the March 15, 2016 General Primary Election;
 - 1) Candidate petition filing staff assignments; (pgs.86-90)
 - 2) Election judge training schools – informational; (pg.91)
 - c. Legislative update; (oral report)
 - d. Senate Bill 172 update; (pgs.92-93)
 - 1) Consideration of HAVA grant proposal; (pgs.92-93)
 - e. Authorization of staff to grant approval of signature imaging systems; (pg.94)
 - f. Consideration of membership to Election Registration Information Center (ERIC); (separate cover)
 - g. Six month review of executive session minutes; (pg.95)
 - h. Two year plan of staff activity for the months of November & December – informational. (pgs.96-98)
4. Follow up. (pg.99)
5. Comments from the general public. (pg.99)
6. Next Board Meeting scheduled for Monday, December 14, 2015 in Chicago and Springfield via videoconference. (pg.99)
7. Executive session. (pgs.100-107)

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100 W. Randolph, Suite 14-100
Chicago, Illinois 60601
312/814-6456

Andy Nauman

Deputy Director, Division of Campaign Disclosure

To: Members of the Board, Ken Menzel, General Counsel

Date: November 12, 2015

Re: Friends of Sherman C. Jones

I reviewed the amended reports that were filed by the Friends of Sherman C. Jones on 11/4/15 with the material that was provided to me in conjunction with 14 CD 113 and it appears the amended reports are getting better but they still do not accurately account for the Committee's financial transactions. No material has been received from the source that performed the audit. The following highlights the major differences between the latest amendments, the bank records that were provided to me, and the invoices that were provided to me in relation to the Friends of Sherman C. Jones:

5/6/10-6/30/10 Semi-Annual Report

The beginning balance went from \$3,000 to \$0

The not-itemized receipts increased by \$2,878 from the last D-2

- The receipts from Darmouth Business Services for \$100 on 4/20/10 was removed from the last D-2

7/1/10-12/31/10 Semi-Annual Report

The not-itemized receipts increased by \$2,895 from the last D-2

The not-itemized expenditures increased by \$111.95 from the last D-2

- A receipt from Broadview Hospitality LLC on 8/17/10 for \$400 was added to this amendment
- An in-kind from Harrell Rahshedah on 8/21/10 for \$300 was added to this amendment

1/1/11-3/31/11 Quarterly Report

No changes were made

4/1/11-6/30/11 Quarterly Report

The not-itemized receipts increased by \$609 from the last D-2

- An expense to Coast to Coast changed from \$2,766.81 to \$2,775.50
- The DBA Tap expense for \$300 is now shown as an expense that went to The Blue Note

7/1/11-9/30/11 Quarterly Report

The not-itemized receipts increased by \$367 from the last D-2

10/1/11-12/31/11 Quarterly Report

No changes were made

1/1/12-3/31/12 Quarterly Report

A loan from David Shaw on 2/20/12 for \$700 was removed from the last D-2 therefore the loan no longer appears as an outstanding Debt

- The bank balance shows a balance of \$3,979.15 as of 1/1/12 however this amendment shows a beginning balance of \$4,614.81

4/1/12-6/30/12 Quarterly Report

- The bank statement shows a deposit of \$635.66 was made on 4/3/12 however this deposit is not accounted for on this amendment (if you add the \$635.66 + \$3,979.15 you get \$4,614.81 – the beginning balance of the prior report)
- + The ending balance on this report matches the balance shown on the bank statement

7/1/12-9/30/12 Quarterly Report

- + The receipts on this amendment are \$400 higher than the bank statement
- + The expenses on this amendment are \$430 higher than the bank statement

10/1/12-12/31/12 Quarterly Report

The not-itemized receipts increased by \$3,144.89 from the last D-2

- Check 1049 for \$430 is not on this amendment (could possibly be the \$430 expenditure from the prior reporting period?)
- + The receipts on this amendment are \$5,604.44 higher than the bank statement
- + The expenses on this amendment are \$1,939.89 higher than the bank statement
- + The ending balance on this report appears to match the bank record however I don't have the November 28 – December 26 bank statement

1/1/13-3/31/13 Quarterly Report

The not-itemized receipts decreased by \$8,323.44 from the last D-2

- Check 1059 for \$300 is not on this amendment
- + The receipts on the this amendment are \$2,112.56 higher than the bank statement
- + The expenses on this amendment are \$2,862.56 higher than the bank statement

4/1/13-6/30/13 Quarterly Report

The not-itemized receipts increased by \$1,794.51 from the last D-2

The not-itemized expenditures increased by \$136 from the last D-2

- Check 1070 for \$550 is not on this amendment
- + The receipts on this amendment are \$1,794.51 higher than the bank statement
- + The expenses on this amendment are \$1,344.51 higher than the bank statement

7/1/13-9/30/13 Quarterly Report

The not-itemized receipts increased by \$686.94 from the last D-2

The not-itemized expenditures increased by \$24 from the last D-2

- + The receipts on this amendment are \$981.94 higher than the bank statement
- + The expenses on this amendment are \$586.94 higher than the bank statement

10/1/13-12/31/13 Quarterly Report

The not-itemized receipts increased by \$240 from the last D-2

- + The receipts on this amendment are \$1,475 higher than the bank statement

1/1/14-3/31/14 Quarterly Report

- An Edmark Press, Inc expense of \$2,500 was added to this amendment
- A Klein, Thorpe, & Jenkins \$2,500 was added to this amendment
- The 1/7/14 \$1,770 deposit is not accounted for on this amendment

4/1/14-6/30/14 Quarterly Report

- A Friends of Henderson Yarbrough Sr. \$200 receipt was added to this amendment because the check was not cashed
- + The ending balance on this report matches the balance shown on the bank statement

7/1/14-9/30/14 Quarterly Report

- The \$8,087.04 Klein, Thorpe & Jenkins expense from the prior D-2 was removed from the D-2
- + The receipts on this amendment are \$1,950 higher than the bank statement

10/1/14-12/31/14 Quarterly Report

The not-itemized receipts increased by \$1,689 from the last D-2

The not-itemized expenditures increased by \$18.95 from the last D-2

- A Hannah Food & Liquor receipt was removed from this amendment
- A Coast to Coast \$1,810.16 expense was added to this amendment
- Two Klein, Thorpe & Jenkins expenses were added to this amendment (\$2,000 & \$5,000)
- The bank statement shows a 10/6/14 \$1,950 deposit that was not accounted for on this amendment
- The Committee received three new bills from Klein, Thorpe & Jenkins for \$1,950, \$1,361.50, and \$2,490.39 during this quarter as per the invoices that were provided and they were all paid during the quarter. This amendment does not show a receipt or an expense for any of these transactions.
- + The receipts on this amendment are \$1,950 less than the bank statement
- + The ending balance on this report matches the balance shown on the bank statement

*****The bank records and invoices that were provided to me only went through the end of 2014.***

1/1/15-3/31/15 Quarterly Report

The itemized receipts increased by \$500 from the last D-2

The itemized expenditures increased by \$5,000 from the last D-2

The 4/1/15-6/30/15 and the 7/1/15-9/30/15 Quarterly Reports did not change from the last D-2 other than the beginning and ending balances that changed because of the amendments

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MEMORANDUM

To: Chairman Scholz, Vice Chairman Gowen, Members of the Board
From: Steven S. Sandvoss, Executive Director
Re: ERIC – Terms of Membership
Date: November 11, 2015

One of the requirements of SB 172 is that the State Board of Elections (SBE) enter into a membership agreement with the Electronic Registration Information Center (ERIC) and submit a \$25,000 membership fee no later than January 1st, 2016. Since the State is currently operating without a FY16 budget, there is no appropriated funds with which to make said payment, and it is becoming increasingly likely that funds will not be available, nor will there be any spending authority to use Help America Vote Act (HAVA) funds by that date.

Given this fiscal dilemma, an inquiry was made to ERIC's leadership regarding a provision in its by-laws that would seem to allow the SBE an option to delay payment of the membership fee. On the following page is an e-mail from John Lindback, the Executive Director of ERIC, setting forth certain terms the SBE must comply with in order to be given the requested modification.

The terms of the modification agreement are fairly straightforward. As I see it, there are two main issues that could be problematic, but unfortunately are out of our control. First, payment of the membership fee by July 1st and payment of the yearly dues by February 1st, (or May 1st, assuming we receive the 90-day extension), is dependent on when a budget is finally enacted. Once a budget is in place, the SBE could either pay the fee with its appropriated funds (the actual receipt of the payment would be significantly delayed, given the large backlog of unpaid bills) or it could use HAVA funds, since the spending authority to use said funds would be provided with the passage of the budget, (with the benefit of prompt payments to ERIC). It should be noted that if a budget is not in place prior to May 1st and the SBE cannot make its payment, it probably would be considered in breach of the terms of the modification agreement and could face expulsion from ERIC. Though expulsion is a possibility, I trust that if a budget is in place, or is likely to be in place on or about the May 1st due date, an accommodation could be reached to avoid such a drastic course of action.

The second issue is that the SBE is required to transmit to ERIC the Illinois voter data and motor vehicles data by February 29th. The motor vehicles data is under the control of the Secretary of State. At this point, we do not know whether the motor vehicle data will be available to transmit by the deadline,

though SBE staff has a meeting scheduled for November 19th with the SOS IT staff to determine what the status is regarding their ability to provide said data. Again, we are hoping that sufficient progress is made to have the required data available by February 29th so as to avoid the above mentioned outcome.

Given the mandate of SB 172 to join ERIC by January 1st, and the fact that the modification agreement would allow the SBE to satisfy this mandate, I recommend the Board authorize the staff to agree to the terms as set forth in said agreement and sign the ERIC membership agreement no later than December 15, 2015.

Respectfully Submitted,

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

Steven S. Sandvoss

Sandvoss, Steve

From: John Lindback <john.lindback@ericstates.org>
Sent: Friday, November 06, 2015 2:00 PM
To: Thomas, Kyle; Sandvoss, Steve; Menzel, Ken; Turner, Kevin; Glazier, Becky
Cc: Sally Steffen; Poser, Gary (OSS)
Subject: Option for joining ERIC

Good afternoon Kyle, Steve, Ken, Kevin and Becky,

I have conferred with ERIC's attorney and the officers of the ERIC Board of Directors regarding the Illinois State Board of Elections' budget issues and your difficulty in paying the \$25,000 membership fee by your statutory deadline of January 1, 2016. You asked if there are any other options available to Illinois.

ERIC's officers have authorized me to discuss an option in which ERIC would delay receipt of the payment until July 1, 2016 but still afford the Illinois Board of Elections with a voting membership in our organization by January 1, 2016.

As you have noted, Article II, Section 4, of the ERIC Bylaws, states:

Section 4. Membership Fee. Upon admission and execution of the membership agreement, each member shall pay a one-time membership fee of \$25,000 to the Corporation. When local governmental units are admitted, and in the event that other local governmental units from the same state or the state as a whole are admitted subsequently, no further membership fee shall be required for that state. The membership fee may be modified or waived by a majority vote of the entire membership.

The ERIC officers can support delayed receipt of the \$25,000 membership fee until July 1, 2016, if the Illinois Board of Elections can take the following actions:

- 1.) The Illinois Board of Elections submits a signed membership agreement no later than Dec. 15, 2015.
- 2.) ERIC will convene a meeting of the ERIC membership between Dec. 21 and Dec. 30, and ERIC leadership will recommend to the membership that it set a due date of July 1, 2016 for receipt of Illinois' \$25,000 membership fee.
- 3.) The chairman of the ERIC Board, after determining the completion of the above 2 steps, signs the membership agreement no later than Dec. 31, 2015.
- 4.) Illinois becomes a voting member of ERIC as of January 1, 2016, thereby meeting the statutory deadline.
- 5.) An invoice for ERIC dues would be issued to the Illinois Board of Elections on January 2, 2015. Deadline for payment will be in 30 days, or Monday, February 1, 2016. If a dues payment is not received by February 2 Illinois, in accordance with the bylaws, is given an additional 90 days to pay, which for Illinois would be Sunday, May 1, 2016. However as I noted in my email of October 12, Illinois will not begin receiving ERIC reports until dues are paid.
- 6.) The Illinois Board of Elections transmits first uploads of complete Illinois voter data and Illinois motor vehicles data no later than Feb. 29. 2015.
- 7.) If the Illinois Board of Elections fails to transmit voter and DMV data no later than February, 29, 2015, or fails to pay its dues in accordance with the bylaws, or fails to pay the membership fee no later than July 1, 2016, the Illinois Board of Elections will be automatically removed from membership in ERIC . Illinois can reapply for membership once all obligations are met.

Please let me know as soon as possible if this option is of interest to you.

Sincerely,
John Lindback
ERIC Executive Director