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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
9 STATE OF CALIFORNIA  
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12 In the Matter of ) FPPC No. 14/046  
13 )  
14 PAUL SCHRADER, ELECT PAUL )  
SCHRADER SHERIFF/CORONER/PUBLIC ) STIPULATION, DECISION and  
15 ADMINISTRATOR 2014, and JUDITH ) ORDER  
SCHRADER, )  
16 Respondents. )  
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18 Complainant, the Enforcement Division of the Fair Political Practices Commission, and  
19 Respondents Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith  
20 Schrader agree that this Stipulation will be submitted for consideration by the Fair Political Practices  
21 Commission at its next regularly scheduled meeting.

22 The parties agree to enter into this Stipulation to resolve all factual and legal issues raised in this  
23 matter and to reach a final disposition without the necessity of holding an administrative hearing to  
24 determine the liability of the Respondent, pursuant to Section 83116 of the Government Code.

25 Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith  
26 Schrader understand, and hereby knowingly and voluntarily waive, any and all procedural rights set  
27 forth in Sections 83115.5, 11503 and 11523 of the Government Code, and in Sections 18361.1 through  
28 18361.9 of Title 2 of the California Code of Regulations. This includes, but is not limited to, the right

1 to personally appear at any administrative hearing held in this matter, to be represented by an attorney  
2 at Paul Schrader's, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014's, and Judith  
3 Schrader's own expense, to confront and cross-examine all witnesses testifying at the hearing, to  
4 subpoena witnesses to testify at the hearing, to have an impartial administrative law judge preside over  
5 the hearing as a hearing officer, and to have the matter judicially reviewed.

6 It is further stipulated and agreed that Respondents Paul Schrader, Elect Paul Schrader  
7 Sheriff/Coroner/Public Administrator 2014, and Judith Schrader violated the Political Reform Act by  
8 accepting a cash contribution in the amount of \$900, in violation of Government Code Section 84300,  
9 subdivisions (a) and (c) (1 count). This count is described in Exhibit 1, which is attached hereto and  
10 incorporated by reference as though fully set forth herein. Exhibit 1 is a true and accurate summary of  
11 the facts in this matter.

12 Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith  
13 Schrader agree to the issuance of the Decision and Order, which is attached hereto. Paul Schrader, Elect  
14 Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader also agree to the  
15 Commission imposing upon them an administrative penalty in the amount of One Thousand Five  
16 Hundred Dollars (\$1,500). A cashier's check from Paul Schrader, Elect Paul Schrader  
17 Sheriff/Coroner/Public Administrator 2014, and Judith Schrader in said amount, made payable to the  
18 "General Fund of the State of California," is submitted with this Stipulation as full payment of the  
19 administrative penalty, to be held by the State of California until the Commission issues its decision  
20 and order regarding this matter. The parties agree that in the event the Commission refuses to accept  
21 this Stipulation, it shall become null and void, and within fifteen (15) business days after the  
22 Commission meeting at which the Stipulation is rejected, all payments tendered by Paul Schrader, Elect  
23 Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader in connection with this  
24 Stipulation shall be reimbursed to Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public  
25 Administrator 2014, and Judith Schrader. Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public  
26 Administrator 2014, and Judith Schrader further stipulate and agree that in the event the Commission  
27 rejects the Stipulation, and a full evidentiary hearing before the Commission becomes necessary,  
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1 neither any member of the Commission, nor the Executive Director, shall be disqualified because of  
2 prior consideration of this Stipulation.

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5 Dated: \_\_\_\_\_  
6 Galena West, Acting Chief of Enforcement  
7 Fair Political Practices Commission  
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9 Dated: \_\_\_\_\_  
10 Paul Schrader, Respondent, individually,  
11 and on behalf of, Elect Paul Schrader Sheriff/Coroner/Public  
12 Administrator 2014, Respondent

13 Dated: \_\_\_\_\_  
14 Judith Schrader, Respondent, individually,  
15 and on behalf of, Elect Paul Schrader Sheriff/Coroner/Public  
16 Administrator 2014, Respondent  
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## **EXHIBIT 1**

### **INTRODUCTION**

Paul Schrader was an unsuccessful candidate for San Bernardino County Sheriff/Coroner/Public Administrator, in the June 3, 2014 election, and Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014 (“Committee”) was his candidate controlled committee. Judith Schrader was the Committee’s treasurer at all times relevant.

This case arose from the Enforcement Division of the Fair Political Practices Commission’s (“Commission”) audit of the Committee, required by the Government Code Section 83123.5 and the County of San Bernardino Campaign Finance Reform Ordinance (the “Ordinance”). The Commission is authorized to be the civil prosecutor of the Ordinance. The audit covered the period January 1, 2013 through June 30, 2014, and the Committee reported \$33,901 in contributions received and \$36,707 in expenditures made for the time period. Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader violated the Political Reform Act (the “Act”)<sup>1</sup> by receiving a cash contribution of \$900.

### **SUMMARY OF THE LAW**

An express purpose of the Act is to ensure that receipts and expenditures in election campaigns are fully and truthfully disclosed, so that voters may be fully informed, and improper practices may be inhibited.<sup>2</sup> The Act therefore establishes a campaign reporting system designed to accomplish this purpose of disclosure.

#### **Contributions Not Drawn on the Contributor’s Bank Account**

No contribution of \$100 or more shall be made or received in cash.<sup>3</sup> All contributions of \$100 or more must be made in the form of a written instrument containing the name of the contributor and drawn from the account of the contributor.<sup>4</sup>

#### **Liability of Committee Treasurers**

Every committee must have a treasurer.<sup>5</sup> It is the duty of a committee’s treasurer to ensure that the committee complies with all of the requirements of the Act concerning the receipt

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<sup>1</sup> The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18109 through 18997 of Title 2, California Code of Regulations. All regulatory references are to Title 2, Division 6, of the California Code of Regulations, unless otherwise indicated.

<sup>2</sup> Section 81002, subdivision (a).

<sup>3</sup> Section 84300, subdivision (a).

<sup>4</sup> Section 84300, subdivision (c).

<sup>5</sup> Section 84100.

and expenditure of funds and the reporting of such funds.<sup>6</sup> A committee's treasurer may be held jointly and severally liable with the committee for any reporting violations.<sup>7</sup>

## **SUMMARY OF THE FACTS**

The Enforcement Division's audit found that Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader, by in large, complied with the Act and the Ordinance's campaign reporting requirements. However, the audit revealed that Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader received and deposited into the campaign bank account a cash contribution of \$900 from Peymon Mottahedeh, on or about March 03, 2013.

## **VIOLATION**

### Count 1: Receiving Contribution Not Drawn From the Bank Account of the Contributor

Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader received a cash contribution of \$900 from Peymon Mottahedeh, on March 03, 2013.

By receiving cash from a contributor as described above, Paul Schrader, Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014, and Judith Schrader violated Government Code Section 84300, subdivisions (a) and (c).

## **CONCLUSION**

This matter consists of one count of violating the Act, which carries a maximum administrative penalty of \$5,000.

In determining the appropriate penalty for a particular violation of the Act, the Commission considers the typical treatment of a violation in the overall statutory scheme of the Act, with an emphasis on serving the purposes and intent of the Act. Additionally, the Commission considers the facts and circumstances of the violation in context of the factors set forth in Regulation 18361.5, subdivision (d): 1) the seriousness of the violations; 2) the presence or lack of intent to deceive the voting public; 3) whether the violation was deliberate, negligent, or inadvertent; 4) whether the Respondent demonstrated good faith in consulting with Commission staff; 5) whether there was a pattern of violations; and 6) whether, upon learning of the violation, the violator voluntarily provided amendments to provide full disclosure.

The Commission also considers penalties in prior cases involving similar violations. A recent similar case involving the acceptance of a contribution not in the form of a written instrument drawn from the account of the contributor is:

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<sup>6</sup> Section 84100 and Regulation 18427, subd. (a).

<sup>7</sup> Sections 83116.5 and 91006.

- In *the Matter of Dan Hamburg, Dan Hamburg for Supervisor 2010, and Geoffrey Baugher*, FPPC Nos. 10/751 and 10/981. Hamburg made two contributions totaling \$1,500 to the committee by money order on or about November 8, 2010. On April 25, 2013, the Commission approved a penalty of \$1,500 for the violation.

In mitigation, the contribution was timely reported on the campaign statement for the reporting period ending June 30, 2013. The Committee eventually refunded the contribution after notifications during the audit. The Schraders and Elect Paul Schrader Sheriff/Coroner/Public Administrator 2014 have not previously violated the Act.

### **PROPOSED PENALTY**

After review of the facts of this case, including consideration of the factors of Regulation 18361.5, the imposition of a penalty of \$1,500 for Count One is recommended.