

June 26, 2019

VANDERBURGH ELECTION OFFICE

FILED

JUN 26 2019

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JUN26 10:37 AM

To: The Election Board of Vanderburgh County

I wish to file a complaint against Evansville candidate for City Council, Alex Schmitt after reading the campaign watchdog article (attached) that was published in the Courier Press. The story included an attached ALEX campaign oversight pdf surrounding his previous campaign.

Highlight paragraphs from this news story:

...A lack of aggressive enforcement may help explain how Vanderburgh County found itself last week still accepting a two-and-a-half-year-old report that left more than \$20,000 in spending of campaign donations unaccounted for.

...Alex Schmitt, a candidate for a county commissioners seat in 2016, filed a report in January 2017 stating that his campaign had more than \$25,600 on April 9, 2016 and that he spent \$20,194.53 during the course of the year — every penny of it in amounts less than \$100. Expenditures of less than \$100 don't have to be itemized."

...Reporting 100 percent of expenditures as unitemized — and thus beyond the reach of campaign finance reporting requirements — theoretically would allow a candidate to spend campaign cash in any number of illegal ways without consequence.

...There was more that demanded investigation. Schmitt reported his campaign received no money at all in the traditionally frenzied month before primary election day. Schmitt, who was then engaged in a pitched battle with fellow Republican Cheryl Musgrave, also would have raised zero dollars afterward. His report covered April 9-December 31, and it stated that he raised "\$0.00."

...What about Schmitt's report claiming that he spent more than \$20,000 in amounts that didn't have to be itemized? Someone would have to file a complaint, Perry said. "I mean, you can try it, but if somebody files (a complaint), though, they're going look into it further," she said.

In light of further news reporting regarding a lawsuit settled against Schmitt for unethical billing in his law practice (article attached) I am asking for an audit of his reports and I would like this action placed on the board's next meeting agenda.

I have included a pdf spreadsheet summarizing his committee filings and there are many questions to be asked.

1. When his campaign organized on 12/17/15 Schmitt was listed as his own treasurer and listed the committee's phone number as 812-437-0200 which is the main switchboard number for Bingham Greenebaum Doll, a law firm which terminated his employment in March 2016. Was Schmitt's use of the firm's switchboard for his campaign authorized by the firm?

2. On 1/25/16 Schmitt filed an amended CFA-1 naming Derek J. Adams as his treasurer. He lists a new committee address and phone number, which belong to BKD CPAs & Advisors. BKD Evansville is led by Managing Partner David Tate, 502-581-0435. Was Schmitt's use of the firm's phone number and P.O. Box authorized?

3. On 4/9/16, Schmitt filed a one-page financial report, CFA-4. The news reporting also includes emails between Schmitt and John Gerard, who tried to collect amendments to this filing from Schmitt until he left office in June 2018 and died shortly after. At this point, I assume Schmitt felt he was off the hook. The June 3rd amended filing was precipitated by a news reporter's investigation of current candidates' financial reports. The amended report shows expenses to cover the previously unitemized \$20k, but with no treasurer on record to verify, who knows? I would like an audit of Schmitt's reporting.

4. On that April 9, 2016 filing (and the subsequent June 3, 2019 amendment) Schmitt wrote in UNAVAILABLE where the treasurer's name should be. As of June 2019, Derek Adams is still listed as a CPA at BKD. What can he tell us about Schmitt's campaign finances during that time? Why and when did he discontinue his role as Schmitt's treasurer?

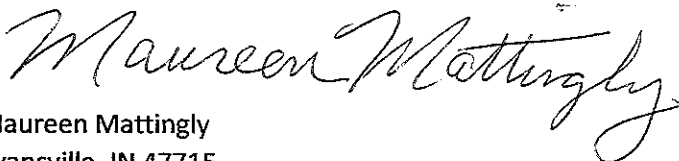
BKD's address is 400 Cross Pointe Boulevard, P.O. Box 628, Evansville, IN 47704-0628 812-428-6500

A fine levied is the result I'm looking for (dating back to April 9, 2016). Candidates whose reports are deemed "defective" under state law may be fined \$10 per day up to \$100, plus investigative costs, for failing to correct the report in the time prescribed.

This is more than just a few errors in reporting. Schmitt has shown a blatant disregard for his responsibility for years. This has been reported publicly in the news. We must send a message here. If there is no deterrent to this behavior then it will only get worse and more brazen.

Let's encourage responsible behavior by candidates.

Regards,



Maureen Mattingly
Evansville, IN 47715

Attachments: Campaign_Watchdog_article; Schmitt_billing_lawsuit_article; Committee_summary

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