



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

September 19, 2023

**VIA EMAIL AND OVERNIGHT MAIL**

Keisha Carter  
Principal Consultant  
Public Service Partners  
1917 Barrett Knoll Circle, NW  
Kennesaw, GA 30152  
[Keisha@publicservicepartners.com](mailto:Keisha@publicservicepartners.com)

RE: MUR 7678  
Keisha Carter

Dear Ms. Carter:

On January 15, 2020, the Federal Election Commission notified you in your personal capacity of a complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint was forwarded to you at that time.

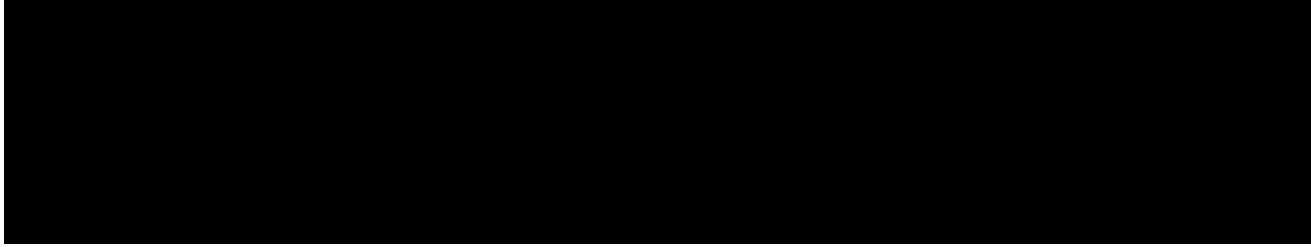
Upon review of the available information, on August 30, 2023, the Commission found reason to believe that you in your personal capacity knowingly and willfully violated 52 U.S.C. 30102(h)(1) and 11 C.F.R. § 103.3 by failing to deposit receipts in or make disbursements from an account at a properly designated campaign depository, and knowingly and willfully violated 52 U.S.C. § 30102(b)(3) and 11 C.F.R. § 102.15 by failing to keep campaign funds segregated from the personal funds of any individual, provisions of the Act and Commission regulations. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is enclosed for your information.

Please note that you have a legal obligation to preserve all documents, records, and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter.<sup>1</sup>

In order to expedite the resolution of this matter, the Commission has authorized the Office of the General Counsel to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Pre-probable cause conciliation is not mandated by the Act or the Commission's regulations but is a voluntary step in the enforcement process that the Commission is offering to you as a way to resolve this matter at an early stage and without the need for briefing the issue of whether or not the Commission should find probable cause to believe that you violated the law.

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<sup>1</sup> See 18 U.S.C. § 1519.



If you are interested in engaging in pre-probable cause conciliation, or have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter, at (202) 694-1604 or [ddillenseger@fec.gov](mailto:ddillenseger@fec.gov), within seven days of receiving this letter. During conciliation, you may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. The Commission has limited the period of pre-probable cause conciliation to 30 days, after which the Commission may proceed to the next step in the enforcement process if a mutually acceptable conciliation agreement cannot be reached.<sup>2</sup> Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding. Pre-probable cause conciliation, extensions of time, and other enforcement procedures and options are discussed more comprehensively in the Commission's "Guidebook for Complainants and Respondents on the FEC Enforcement Process," which is available on the Commission's website at [https://www.fec.gov/resources/cms-content/documents/respondent\\_guide.pdf](https://www.fec.gov/resources/cms-content/documents/respondent_guide.pdf).

This matter will remain confidential in accordance with 52 U.S.C. §§ 30109(a)(4)(B) and 30109(a)(12)(A) unless you notify the Commission in writing that you wish the matter be made public. Please be advised that although the Commission cannot disclose information regarding an investigation to the public, it may share information on a confidential basis with other law enforcement agencies.<sup>3</sup>

We look forward to your response.

On behalf of the Commission,



Dara Lindenbaum  
Chair

Enclosures

Factual and Legal Analysis  


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<sup>2</sup> See 52 U.S.C. § 30109(a), 11 C.F.R. Part 111 (Subpart A).

<sup>3</sup> The Commission has the statutory authority to refer knowing and willful violations of the Act to the Department of Justice for potential criminal prosecution, 52 U.S.C. § 30109(a)(5)(C), and to report information regarding violations of law not within its jurisdiction to appropriate law enforcement authorities. *Id.* § 30107(a)(9).

**FEDERAL ELECTION COMMISSION****FACTUAL AND LEGAL ANALYSIS****RESPONDENT:** Keisha Carter**MUR 7678****I. INTRODUCTION**

This matter stems from allegations that Keisha Carter, the former Finance Director and former treasurer of, John Eaves for Congress and John Eaves in his official capacity as treasurer (the “Committee”), set up and used a separate, unauthorized, and undisclosed bank account for Committee receipts and disbursements, which resulted in various violations of the Act, including the potential commingling of Committee funds with Carter’s personal funds.<sup>1</sup>

Based on the Complaint and available information, the Commission previously found reason to believe that Keisha Carter, in her personal capacity, knowingly and willfully violated 52 U.S.C. §§ 30102(c) and (h) and 30104(b) by failing to keep accurate records and file accurate reports of receipts and disbursements on behalf of the Committee. After receiving notice of this finding, Carter submitted a response, denying that she violated any provisions of the Act in connection with this matter.<sup>2</sup>

As set forth below, based on information available to the Commission, the Commission now finds reason to believe that Keisha Carter in her personal capacity knowingly and willfully violated 52 U.S.C. § 30102(h)(1) and 11 C.F.R. § 103.3 by failing to deposit receipts into, and make disbursements for the Committee from, a properly designated campaign depository account and knowingly and willfully violated 52 U.S.C. § 30102(b)(3) and 11 C.F.R. § 102.15 by commingling campaign funds with personal funds.

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<sup>1</sup> Compl. at 1 (Jan. 13, 2020).

<sup>2</sup> RTB Resp. (Nov. 14, 2022).

1 **II. FACTUAL BACKGROUND**

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3 Congressional candidate John H. Eaves filed a Complaint alleging that Keisha Carter, the  
4 former finance director and former treasurer of Eaves' authorized committee, John Eaves for  
5 Congress,<sup>3</sup> set up and used a separate, unauthorized, and undisclosed bank account for  
6 Committee receipts and disbursements.<sup>4</sup> The Complaint also included an Offense Report from  
7 the Atlanta Police Department documenting Eaves' allegations.<sup>5</sup> Carter filed a response,  
8 denying the allegations in the Complaint.<sup>6</sup>

9 On June 22, 2022, the Commission found reason to believe that Keisha Carter, in her  
10 personal capacity, knowingly and willfully violated 52 U.S.C. §§ 30102(c) and (h) and 30104(b)  
11 by failing to keep accurate records and file accurate reports of receipts and disbursements on  
12 behalf of the Committee.<sup>7</sup> The Reason to Believe letter was emailed to Carter on June 29, 2022.  
13 Carter did not initially respond to the notification, but after the Office of General Counsel made  
14 multiple attempts to contact her, she submitted a response contending that she did not engage in  
15 reporting violations.

16 Subsequent information obtained by the Commission included Wells Fargo bank records  
17 from the Committee's campaign account that was opened by Eaves when Carter became  
18 treasurer, Wells Fargo bank records from Carter's business, Public Service Partners, and Anedot  
19 credit card processing records. This information indicates that, during the approximately nine  
20 months from March 2019 through November 2019, that Carter was the Committee's treasurer,

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<sup>3</sup> John Eaves is the current treasurer of the Committee. Committee, Statement of Organization (Mar. 11, 2020).

<sup>4</sup> Compl. at 1 (Jan. 13, 2020).

<sup>5</sup> *Id.* at 4-5 (including Atlanta Police Department Offense Report).

<sup>6</sup> Resp. (Feb. 26, 2020).

<sup>7</sup> Certification, MUR 7678 (Keisha Carter) (June 22, 2022).

1 tens of thousands of dollars of contributions to John Eaves for Congress were deposited into  
2 Carter’s business account. This account appears to have also received funds from non-federal  
3 campaigns and from other sources. The same account paid for campaign expenses but also was  
4 used to pay for Carter’s personal expenses, such as rent and credit card bills.

5 Analysis of the bank and credit card processing records show that both the Committee’s  
6 and Public Service Partners’ bank accounts were used for campaign deposits and disbursements.  
7 The Committee’s campaign depository reflects deposits of contribution checks and few  
8 disbursements. The records of the Public Service Partners account reflects that it received all of  
9 the contributions to the Eaves campaign processed through Anedot during the period that Carter  
10 acted as treasurer, deposits of contributions for other (non-federal) campaigns, deposits from  
11 unknown sources, transfers to and from the Public Service Partners account to other accounts,  
12 business-related expenses to various vendors, disbursements for Eaves campaign expenses, and  
13 disbursements for what appear to be personal expenses, *e.g.*, food, overseas travel, lodgings, gas,  
14 entertainment (*e.g.*, Netflix), and beauty supplies.

15 **A. Carter’s Response**

16 After receiving notice of the Commission’s finding of reason to believe, Carter filed a  
17 response with the Commission on November 14, 2022, denying the allegations.<sup>8</sup> In her  
18 responses to the Complaint and RTB notification and from other information provided by Carter,  
19 Carter claimed that Eaves was at all times aware of and did not object to any of her activities on  
20 behalf of the Committee.<sup>9</sup> She represented that Eaves without her knowledge changed “account  
21 signatures, Debit card pins, [and] online and mailing information,” for the Committee’s existing

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<sup>8</sup> RTB Resp. (Nov. 14, 2022).

<sup>9</sup> Resp. at 1; RTB Resp. at 4.

1 depository account; that he “refused or forgot” to provide her the information to access the  
2 account; and that she had to open another account to deposit and disburse campaign funds.<sup>10</sup> She  
3 denied the allegations that the account was unauthorized or undisclosed, though she said she  
4 could not recall the name of the account she had been using, and she denied that she commingled  
5 or converted any campaign funds to personal use.<sup>11</sup> Carter also admitted that she neglected to  
6 update the Committee’s filings to disclose the new account. Carter further represented that she  
7 has worked with federal, state and local campaigns and that her firm has internal procedures in  
8 place for recordkeeping and filing.

#### 9 **B. Analysis of Financial Records**

10 A review of the information obtained — including Wells Fargo bank statements for the  
11 Committee and Carter’s Public Service Partners business account, the Anedot credit card  
12 processing information, and the Committee’s disclosure reports for the period March 2019  
13 through December 2019 — confirm that both the campaign depository account and the Public  
14 Service Partners bank accounts were used for campaign deposits and disbursements as well as  
15 personal purposes.

16 Carter deposited credit card contributions for the Committee totaling \$97,214 into the  
17 Public Service Partners account, made transfers totaling at least \$3,463 from the Public Service  
18 Partners account to the Committee account — although the purpose of many payments from the  
19 account cannot be identified — and made at least 11 disbursements totaling \$6,494 that appeared  
20 to relate to the Committee — although, again, many other disbursements from the account may  
21 have been for Committee purposes. The account also included deposits of contributions for

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<sup>10</sup> Resp. at 1.

<sup>11</sup> *Id.* at 2.

1 other (non-federal) campaigns, deposits from unknown sources, transfers to and from the Public  
2 Service Partners account to other accounts, business-related expenses to various vendors, and  
3 disbursements for what appear to be personal expenses, *e.g.*, food, overseas travel, lodgings, gas,  
4 entertainment (*e.g.*, Netflix), and beauty supplies. Finally, as previously discussed, Carter  
5 deposited credit card contributions for the Committee totaling \$97,214 into the Public Service  
6 Partners account and made two transfers totaling \$3,463 from the Public Service Partners  
7 account to the Committee account.

### 8 **III. LEGAL ANALYSIS**

#### 9 **A. Campaign Committees and Their Treasurers Must Establish and Maintain** 10 **One or More Depository Accounts and May Not Commingle Campaign Funds** 11 **and Personal Funds**

12 The Act requires that every political committee designate as its campaign depository one  
13 or more state banks, federally chartered depository institutions, or depository institutions in  
14 which the accounts are insured by the Federal Deposit Insurance Corporation or the National  
15 Credit Union Administration.<sup>12</sup> Each political committee shall maintain at least one checking or  
16 transaction account at one of its depositories, and all receipts received by the committee shall be  
17 deposited in such accounts.<sup>13</sup> All disbursements (except petty cash) must be drawn on such  
18 accounts.<sup>14</sup> Commission regulations further provide that all deposits shall be made within ten  
19 days of the treasurer's receipt.<sup>15</sup> The Act and Commission regulations require that all campaign

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<sup>12</sup> 52 U.S.C. § 30102(h)(1); 11 C.F.R. § 103.3.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> 11 C.F.R. § 103.3(a).

1 funds be “segregated from, and may not be commingled with, the personal funds of any  
 2 individual.”<sup>16</sup>

3 **B. The Commission Finds Reason to Believe that Keisha Carter in Her**  
 4 **Personal Capacity Knowingly and Willfully Failed to Deposit Receipts**  
 5 **into, and Make Disbursements from, an Account at a Designated**  
 6 **Depository Institution and Knowingly and Willfully Commingled**  
 7 **Campaign Funds with Personal Funds**

8 Under the Commission’s *Statement of Policy Regarding Treasurers Subject to*  
 9 *Enforcement Proceedings*, a current or former treasurer may be named as a respondent in his or  
 10 her personal capacity where the available information demonstrates that the treasurer “knowingly  
 11 and willfully violated an obligation that the Act or regulations specifically impose on a treasurer  
 12 or where a treasurer recklessly failed to fulfill duties imposed by law, or where the treasurer has  
 13 intentionally deprived himself or herself of operative facts giving rise to the violation.”<sup>17</sup> A  
 14 violation of the Act is knowing and willful when the “acts were committed with full knowledge  
 15 of all the relevant facts and a recognition that the action is prohibited by law.”<sup>18</sup> This does not  
 16 require proving knowledge of the specific statute or regulation the respondent allegedly  
 17 violated.<sup>19</sup> Rather, it is sufficient to demonstrate that a respondent “acted voluntarily and was  
 18 aware that his conduct was unlawful.”<sup>20</sup> This awareness may be shown through circumstantial

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<sup>16</sup> 52 U.S.C. § 30102(b)(3); *see also* 11 C.F.R. § 102.15.

<sup>17</sup> Statement of Policy Regarding Treasurers Subject to Enforcement Proceedings, 70 Fed. Reg. 3, 4 (Jan. 3, 2005).

<sup>18</sup> 122 Cong. Rec. 12,197, 12,199 (May 3, 1976).

<sup>19</sup> *United States v. Danielczyk*, 917 F. Supp. 2d 573, 578 (E.D. Va. Jan. 9, 2013) (quoting *Bryan v. United States*, 524 U.S. 184, 195 & n.23 (1998) (holding that, to establish a violation is willful, government needs to show only that defendant acted with knowledge that conduct was unlawful, not knowledge of specific statutory provision violated)).

<sup>20</sup> *Id.* (citing jury instructions in *United States v. Edwards*, No. 11-61 (M.D.N.C. 2012), *United States v. Acevedo Vila*, No. 08-36 (D.P.R. 2009), *United States v. Fieger*, No. 07-20414 (E.D. Mich. 2008), and *United States v. Alford*, No. 05-69 (N.D. Fla. 2005)).



1 evidence from which the respondent’s unlawful intent reasonably may be inferred.<sup>21</sup> For  
2 example, a person’s awareness that an action is prohibited may be inferred from “the [person’s]  
3 elaborate scheme for disguising...political contributions.”<sup>22</sup> In prior matters, the Commission  
4 has considered experience with federal political fundraising as indicative of knowledge of the  
5 Act’s prohibitions and limitations when making knowing and willful findings.<sup>23</sup>

6 Information obtained by the Commission, including Committee and Public Service  
7 Partners bank records and Anedot credit card processing data establish that Carter deposited  
8 \$97,145 in Eaves Campaign receipts into her own business account during the approximately  
9 nine months that she acted as the Committee’s treasurer. The Public Service Partners account  
10 also reflects disbursements totaling at least \$6,494.27 for the Committee – where the description  
11 of the disbursement in the bank records makes clear that the payment was for Eaves campaign  
12 activity – but the exact amount of campaign disbursements is difficult to identify because the  
13 purpose of most of the \$357,542 in payments out of the account during the relevant time cannot  
14 be identified.

15 The bank statements of the Committee account show that it continued to operate while  
16 Carter was treasurer and that contribution checks were deposited into it. Further, contribution  
17 checks deposited into the Committee account were reported on Committee disclosure reports

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<sup>21</sup> Cf. *United States v. Hopkins*, 916 F.2d 207, 213 (5th Cir. 1990) (quoting *United States v. Bordelon*, 871 F.2d 491, 494 (5th Cir. 1989)). *Hopkins* involved a conduit contributions scheme, and the issue before the Fifth Circuit concerned the sufficiency of the evidence supporting the defendants’ convictions for conspiracy and false statements under 18 U.S.C. §§ 371 and 1001.

<sup>22</sup> *Id.* at 214-15. As the *Hopkins* court noted, “It has long been recognized that ‘efforts at concealment [may] be reasonably explainable only in terms of motivation to evade’ lawful obligations.” *Id.* at 214 (quoting *Ingram v. United States*, 360 U.S. 672, 679 (1959)).

<sup>23</sup> Factual and Legal Analysis (“F&LA”) at 9, MUR 7027 (R. Carter Pate) (noting that respondent had “significant experience with federal political fundraising and made federal contributions, which strongly suggests that he was aware of the Act’s basic prohibitions and limitations”).

1 filed by Carter, indicating that she continued to have access to that account despite her claim that  
2 she had no access to the account.

3         These bank records establish that Carter used an account other than the Committee’s  
4 account at its named depository. Those same bank statements confirm that contributions for the  
5 Committee were deposited into Carter’s business account, which also contained deposits from  
6 other sources and was used for payments for personal expenses, resulting in a commingling of  
7 Committee funds with personal funds in violation of 52 U.S.C. § 30102(b)(3) and 11 C.F.R.  
8 § 102.15.

9         Carter also has apparently provided false information in her responses. Her assertion that  
10 she had to open a “new” account under the Committee name after Eaves locked her out of the  
11 campaign account is inconsistent with the fact that the Committee account remained open at least  
12 through the end of 2019, and that she disclosed contributions deposited into that account on  
13 Committee disclosure reports. Moreover, the type of account into which the Anedot  
14 contributions were deposited was not a new account opened under the Committee name, as she  
15 claimed, but her own business account under the name Public Service Partners, which appears to  
16 be a long-established account, containing deposits from other sources and disbursements for non-  
17 Committee expenses. Her conflicting explanations are all suggestive of an effort to conceal the  
18 commingling of campaign funds that appears to have occurred.

19         Carter, as an experienced compliance specialist, would know the rules regarding the  
20 establishment of a depository account and the prohibitions against commingling.<sup>24</sup> Moreover,

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<sup>24</sup> Carter is Principal Consultant for Public Service Partners, Limited Co. *See* <https://www.publicservicepartners.com/>. Carter represents that she has “a lot of experience with Federal, State, and local campaigns” has worked in the field “for 18 years” and has “knowledge of FEC policy.” RTB Resp. at 4, 5. *See also* KEISHA CARTER BROWN, <http://www.keishacarterbrown.com> (last visited July 18, 2023). Carter advertises as a “national fundraising, campaigning, public relations, communications, political strategy & public affairs expert” and on her website states that she “has worked on over 70 political campaigns and with 20 non-profit organizations.

1 Carter has repeatedly represented that at no time were Committee funds commingled with the  
2 funds from any other local, state, or federal committee’s funds,<sup>25</sup> establishing that she is aware of  
3 the unlawfulness of her activities.

4       Accordingly, the Commission finds reason to believe that Carter in her personal capacity  
5 knowingly and willfully violated 52 U.S.C. § 30102(h)(1) and 11 C.F.R. § 103.3 by failing to  
6 deposit receipts into, and make disbursements for the Committee from, a properly designated  
7 campaign depository account and knowingly and willfully violated 52 U.S.C. § 30102(b)(3) and  
8 11 C.F.R. § 102.15 by commingling campaign funds with personal funds.

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*Id.* Carter is also named as treasurer for three other House committees and a Hybrid PAC. *See FEC Registered Committees: Filtered Results*, FEC.GOV, [https://www.fec.gov/data/committees/?treasurer\\_name=keisha+Carter](https://www.fec.gov/data/committees/?treasurer_name=keisha+Carter) (last visited July 18, 2023) (reflecting results for treasurers named “Keisha Carter”).

<sup>25</sup> Resp. at 2.