

# Democracy North Carolina

1821 Green St., Durham, NC 27705 • 919-489-1931 or 286-6000 • democracy-nc.org

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July 13, 2009

Larry Leake, Chair  
State Board of Elections  
PO Box 27255  
Raleigh, NC 27611

Dear Mr. Leake,

Congratulations on your re-appointment to the State Board of Elections. Now that all the members for the State Board have been appointed, I encourage you to convene a hearing that focuses on possible violations of election law related to the Mike Easley Committee and travel gifts first revealed in newspaper articles this spring. I'm confident the Board staff is conducting a thorough investigation and hope the people involved in that inquiry are cooperating. I look forward to the Board bringing as much sunshine as possible on this matter in the near future.

This letter provides additional details not previously reported in the media. We are particularly concerned about possible election law violations involving a significant number of individuals who are major political donors, who own airplanes or automobile dealerships, and who provided transportation services for the Easley campaign or family. At the end of this letter is a chart showing 11 people who fit this description. Together with their families and close business associates, they donated a total of \$380,000 to Mike Easley's 2000 and 2004 gubernatorial campaigns. Most of them also received appointments to various state boards, making them public officials in one capacity or another.

In addition, based on new information from our research of campaign disclosure reports (see page 3), we are concerned that the NC Democratic Party was apparently used as a conduit for travel-related and other contributions that would violate campaign contribution limits if given directly to the Mike Easley Committee.

In numerous cases, it seems apparent that the donated use of vehicles, corporate jets, and private airplanes was simply not disclosed at all. A lengthy article (May 9, 2009) in *The News & Observer* identified examples where the value of an individual's *unreported travel* donation, plus the value of the same individual's *reported campaign* donation to Easley, would exceed the legal limit that a person may give, or a campaign may accept – i.e., \$4,000 per election. Examples of these apparent violations with regard to travel and campaign donations involved D. McQueen Campbell III, Cameron McRae, Russell Carter, Cress Horne, and V. Parker Overton.

Getting to the bottom of what happened is complicated by a number of factors. For example, in some cases, the cars and airplane travel provided by a particular major donor may be partly disclosed and partly not disclosed on the Easley campaign reports. Curiously, none of the flights McQueen Campbell III provided during the 2004 election are properly disclosed as in-kind donations or expenses; however, the Easley Committee reported paying Campbell's Executive Aircraft Service a total of \$11,077 in February and August 2005, in the months before and after Campbell helped Gov. Easley obtain a position at NC State University for his wife Mary.

A \$400 payment for travel is disclosed to Cameron McRea's Flying Pigs LLC in August 2003, but other flights McRea provided are not reported, and it's not clear if they were paid for by an individual or a business. Of course, contributions by a business to a campaign in any amount violate North Carolina election law. The Easley committee reports some travel on private planes as being supplied by individuals, such as by Jerry Wordsworth of Rocky Mount and Marvin Blount III of Greenville, and reports other travel as being paid to commercial firms, such as Segrave Aviation and Sanford Aircraft Services. However, the possible mixing of personal and business support related to the same donor is apparent from a review of the campaign disclosure reports. For example, the Easley committee reported receiving several in-kind donations of air travel from O.A. Keller III of Sanford as an individual, but in another case the committee reports paying \$920 in February 2004 to the Keller Group, which is a partnership that Keller heads.

The Easley Committee disclosed paying Bleecker Olds Buick GMC \$6,000 during the 2000 campaign, but did not report the campaign's use of another vehicle in 2003 and 2004 until *The News & Observer* revealed that Easley's son was still using the SUV in March 2009. Mike Easley incorrectly told the newspaper that he owned the GMC Yukon, but records show the vehicle was still owned by Robert Bleecker's dealership. Easley finally bought it in early April. The campaign estimated the value of the vehicle's use at \$6,710.64 and filed an amended report in April declaring that amount was a debt the Easley Committee owed the Bleecker dealership; however, from another perspective, the vehicle was an undisclosed gift by a corporation to the campaign and then to the governor, i.e., violations of the state's elections and ethics laws.

The multiple ways travel gifts were used – for the governor's personal and family use, campaign-related activities, and official duties – adds another complication to this inquiry. I won't try to summarize the detailed reporting of *The News & Observer* (March 29, 2009) about the gifts of automobiles and air flights provided to Easley and his family by Rick Hendrick of Charlotte. I would add that our research shows that Hendrick began making significant campaign donations to Easley when Easley was seeking re-election as Attorney General in 1996 and Hendrick was under federal investigation for bribery and fraud in connection with his Honda dealerships. For example, on September 26, 1996, Hendrick and 10 family members and Hendrick executives gave Easley a total of \$18,500. In October 2004, shortly before Easley's last election as governor, Hendrick and associates contributed \$24,000. Any donation of a vehicle or jet travel for the 2004 campaign would have put Rick Hendrick over the \$4,000 limit to Easley.

Another complicating factor is the role of the political party. As you know, parties are *not* subject to the \$4,000-per-election contribution limit. *The News & Observer* (May 9, 2009) identifies one example where the NC Democratic Party provided \$8,417 worth of air travel to the Mike Easley Committee in early 2004, which corresponds to in-kind donations of \$4,100 and \$4,317 the party received from Wendell H. (Dell) Murphy Jr. of Rose Hill and Thomas J. Segrave, owner of Segrave Aviation. Each of those donations would exceed the \$4,000 limit if given directly to the Easley committee. The *N&O* notes that aviation records indicate Murphy provided two flights in December 2003 which were listed on aviation reports as being for Easley campaign fundraisers but they were not disclosed on the year-end 2003 campaign report of the Easley committee. However, our research shows that the Easley committee did list \$8,417 for "In-Kind Air Charter" on its first quarter 2004 report; but rather than naming Dell Murphy or Thomas Segrave as the source, it attributes the in-kind travel as being provided by the NC Democratic Party.

This example highlights a significant problem that goes beyond the issues of a candidate receiving excessive, unreported, and/or business donations: Here we have an explicit case of the

NC Democratic Party apparently being used by a candidate as a conduit to launder earmarked donations that would be illegal if they were given directly to that candidate. We believe state law (e.g., NCGS 163-278.14) forbids the political party from circumventing the law in this manner; the party may receive large donations, but it may not receive earmarked donations to help a candidate bypass the \$4,000 limit on individual donations, nor may it represent itself as the donor of money given by another donor for a specific candidate. Because the level of detail is important in documenting cases of illegal conduits, we conducted further research and found these additional examples related to the 2004 Mike Easley Committee:

- December 31, 2003

On this date, the NC Democratic Party lists a contribution of \$6,000 from Parker Overton and an in-kind expenditure of \$6,000 to the Mike Easley Committee for Air Travel.

On this date, the Mike Easley Committee lists an in-kind contribution of \$6,000 from the NC Democratic Party and an expenditure to the Democratic Party of \$6,000 for In-Kind Air Travel. It seems apparent that Overton's \$6,000 is the money that paid for the Easley committee's travel: Parker Overton → NC Democratic Party → Mike Easley Committee.

- June 30, 2004

On this date, the NC Democratic Party lists a contribution of \$1,500 from McQueen Campbell III and lists an expenditure of \$1,500 to McQueen Campbell III for no given purpose.

On this date, the Mike Easley Committee lists an in-kind contribution of \$1,500 from the NC Democratic Party and an expenditure of \$1,500 to the Democratic Party for "In-Kind Airplane Travel." (Two other Campbell family members donated directly to the Easley campaign this day, but McQueen had reached the \$4,000 limit for the July 20 primary many months earlier.)

- October 16, 2004

On this date, the NC Democratic Party lists two in-kind contributions of \$3,800 from McQueen Campbell and \$1,250 from Cam McRae for no given purpose.

On this date, the Mike Easley Committee lists an in-kind expenditure to the NC Democratic Party of \$5,100 for "In-Kind Travel."

- December 31, 2003

As an example of an apparent earmarked donation not related to travel, on this date the NC Democratic Party lists a contribution of \$3,119.22 from Grace Ramsey of Raleigh. On the same day, the Democratic Party lists an expenditure of \$3,119.22 to the Mike Easley Committee for "In-Kind Holiday Gifts." Ramsey and her husband E. Stephen Stroud (chairman of Carolantic Realty) are Republicans and co-owned the property that developed into Cannonsgate in Carteret County, where Easley bought property. McQueen Campbell was a broker with Carolantic Realty and helped sell properties at Cannonsgate.

On this date, the Mike Easley Committee lists an in-kind contribution of \$3,119.22 from the NC Democratic Party and lists an expenditure of \$3,119.22 for "In-Kind Holiday Gifts."

In conclusion, we are calling for a thorough investigation of two troubling patterns: One pattern involves possible undisclosed, excessive, and/or business contributions given to support travel and related expenses of the Mike Easley Committee. The other involves the possible misuse of the NC Democratic Party as a conduit for earmarked contributions. In the near future, when staff has completed its inquiry, we believe it would serve the public interest for the State Board to convene a hearing to address the mysteries surrounding these activities and bring into sharp focus any violations of the state's elections laws.

From the perspective of Democracy North Carolina, Mike Easley’s “Travel-gate” reveals how candidates in search of campaign support can come to rely heavily on a small circle of donors, and how that dependency can lead to problems for the givers and receivers. A dangerous sense of privilege and entitlement can develop, as well as a pay-to-play attitude that suggests private and public benefits can be exchanged. Fortunately, most donors and political leaders are careful to avoid these pitfalls and many of them strongly support additional reforms to reduce the corrupting influence of the money chase. Individuals mentioned in this letter may have done nothing wrong, but their role as major donors and suppliers of important campaign resources puts them in the limelight.

Campaign reports show that the 11 individuals identified above, along with their families and chief business partners, gave \$380,000 to Mike Easley’s 2000 and 2004 gubernatorial campaigns. In addition, the same individuals gave \$320,000 to the state Democratic Party and \$1.2 million to other North Carolina candidates and committees, including \$190,000 to Republicans. All totaled, they gave \$1.9 million in the past 10 years, 1999 through 2008 and likely raised twice that amount for political candidates and parties.

Here’s a chart of the giving:

<b>Donor/Family</b>	<b>Amount to Mike Easley’s Gubernatorial Campaigns</b>	<b>Amount to All NC Candidates in Past 10 years: 1999-2008</b>
MCQUEEN CAMPBELL III	\$ 40,225	\$130,225
CAMERON MCRAE	\$ 27,548	\$118,629
RUSSELL CARTER	\$ 70,000	\$403,273
CRESS HORNE	\$ 4,500	\$ 40,600
V. PARKER OVERTON	\$ 11,000	\$ 68,448
JERRY WORDSWORTH	\$ 63,000	\$376,850
MARVIN K. BLOUNT III	\$ 13,600	\$ 60,375
O. A. (BUDDY) KELLER III	\$ 23,500	\$ 95,368
ROBERT BLEECKER	\$ 21,000	\$ 52,320
J. RICK HENDRICK III	\$ 81,500	\$282,850
WENDELL H. (DELL) MURPHY JR	\$ 24,500	\$263,573
<b>TOTALS</b>	<b>\$380,373</b>	<b>\$1,892,510</b>

Thank you for your positive leadership of the State Board for so many years. Please let me know if I can provide additional information. This letter presents the truth to the best of my knowledge.

Sincerely,

Bob Hall  
Executive Director

cc: Board Members  
Gary Bartlett, Kim Strach

# Democracy North Carolina

1821 Green St., Durham, NC 27705 • 919-286-6000 or 489-1931 • democracy-nc.org

To: State Board of Elections  
From: Bob Hall  
Date: October 29, 2009  
Re: **Amendment to Complaint Filed on July 13, 2009**

Here are some details about the “Governor’s Fund” within the NC Democratic Executive Committee (Account 1000.75), which indicates how the Party was used as a conduit for the Mike Easley Committee. The income for the Governor’s Fund for 2000 is Exhibit 29. A similar listing from the NC Democratic Party’s “Working NCDP Data” for the 2004 Election has not been provided. Exhibit 29 shows funds donated by individuals, businesses, and the Democratic National Committee that were credited to Account 1000.75 – “The Governor’s Fund.”

**BUSINESS FUNDS:** Most of the funds from individuals and businesses were deposited in the federal rather than the state account of the NC Democratic Party. The list includes \$25,500 from business entities, including money from Don Bell Industries, Maola Milk and Ice Cream Co., Bon Appetit Distribution, Eden Contractors Equipment and Eden Flea Market (Ex. 29). Funds received directly or indirectly from businesses for political campaigns are prohibited in North Carolina; the prohibition includes funds from legal sources released or received because of off-setting business donations. The \$25,500 should be forfeited by the Party with a civil penalty.

**MONEY IN, MONEY OUT:** Our complaint provided several examples of in-kind donations from a single donor that flowed through the Party to the Easley Committee. The Governor’s Fund is merely a more complicated version of the same scheme of earmarking funds for the benefit of the Mike Easley Committee. It allowed the Easley campaign to deposit a variety of donations into the Party’s Governor Fund, without restriction on the contribution’s size, and then have expenses made against this Account for the benefit of the Easley campaign. It creates a second Mike Easley Committee. The one-to-one correspondence of a receipt and expense is not as simple as the in-kind flights and holiday gifts described in our July complaint. But the principle – and overall balancing of income and expense – is the same. It’s an oversimplification of the process, but here’s an example of money in and money out for the Governor’s Fund:

## Received

9/5/2004 \$50,000 Gary Allen, Waxhaw, NC

## Expenses

Richard A. Rogers Jr.	9/6/2004	1,500.00
Reiff & Associates	9/6/2004	11,141.00
McCorkle Policy Consulting	9/22/2004	12,411.05
Adam Lord, payroll	9/30/2004	1,941.75
Eric Fletcher, payroll	9/30/2004	1,055.12
Kathryn Hicks, payroll	9/30/2004	1,754.56
Louisa Whitney, payroll	9/30/2004	2,125.19
Carolantic Realty, rent	10/2/2004	1,500.00
Innovative Res Group LLC	10/8/2004	4,345.00
Reiff & Associates	10/8/2004	11,324.00

Total \$49,097.67

**DIVISION OF LABOR:** Here's one way to dispel the notion that "coordinating campaign" expenses were being paid by the Party while "campaign expenses" were being paid by the Mike Easley Committee. In fact, vendors and employees who worked exclusively for the Mike Easley Committee were being paid by the Governor's Account in the Democratic Party. Below is a list of all the expenses attributed to five employees on the Mike Easley campaign staff during 2003-2004. You see that their salaries were entirely paid by the Governor's Fund in the Party, but every single reimbursable expense was paid by the Mike Easley Committee; i.e., all their day-to-day activity was under the supervision of the Easley Committee, but their basic pay was picked up the Governor's Account in the Party, saving the Easley Committee \$126,546

<b>EXAMPLE OF PERSONNEL ON DEMOCRATIC PARTY PAYROLL (Acct 1000.75), WITH EXPENSES PAID BY EASLEY COMMITTEE</b>							
<b>PAID BY MIKE EASLEY COMMITTEE</b>				<b>PAID BY NC DEMOCRATIC PARTY</b>			
Eric Fletcher	11/10/2004	216.68	Equip Rental Reimb.	Eric Fletcher	9/30/2004	1,055.12	Payroll
Eric Fletcher	11/10/2004	273.80	Mileage Reimb.	Eric Fletcher	10/31/2004	2,248.00	Payroll
Eric Fletcher	11/10/2004	65.00	Office Reimb.	Eric Fletcher	11/30/2004	1,055.13	Payroll
Jason Sulham	9/15/2003	124.94	Telephone Reimb.	Jason Sulham	4/21/2003	91.80	Research
Jason Sulham	10/8/2003	116.94	Telephone Reimb.	Jason Sulham	4/30/2003	1,756.88	Payroll
Jason Sulham	10/23/2003	113.96	Travel Reimb.	Jason Sulham	6/12/2003	200.92	Travel
Jason Sulham	11/19/2003	67.18	Telephone Reimb.	Jason Sulham	8/29/2003	1,962.88	Payroll
Jason Sulham	12/22/2003	20.00	Research Reimb.	Jason Sulham	9/30/2003	1,995.87	Payroll
Jason Sulham	12/22/2003	59.31	Telephone Reimb.	Jason Sulham	10/31/2003	1,995.88	Payroll
Jason Sulham	12/22/2003	61.12	Travel Reimb.	Jason Sulham	11/26/2003	1,995.87	Payroll
Jason Sulham	2/3/2004	128.46	Telephone Reimb.	Jason Sulham	12/24/2003	1,995.88	Payroll
Jason Sulham	3/17/2004	121.44	Telephone Reimb.	Jason Sulham	1/30/2004	1,995.88	Payroll
Jason Sulham	4/28/2004	62.40	Telephone Reimb.	Jason Sulham	2/27/2004	1,995.87	Payroll
Jason Sulham	4/28/2004	51.89	Travel Reimb.	Jason Sulham	3/31/2004	1,995.88	Payroll
Jason Sulham	6/10/2004	30.00	Telephone Reimb.	Jason Sulham	4/30/2004	1,995.87	Payroll
				Jason Sulham	5/28/2004	2,140.49	Payroll
				Jason Sulham	6/30/2004	2,140.49	Payroll
Kathryn Hicks	7/22/2003	326.52	Travel Reimb.				
Kathryn Hicks	9/5/2003	50.70	Decorations Reimb.				
Kathryn Hicks	9/5/2003	274.01	Travel Reimb.	Kathryn Hicks	7/1/2003	456.67	Payroll
Kathryn Hicks	11/19/2003	68.74	Decorations Reimb.	Kathryn Hicks	7/31/2003	1,551.25	Payroll
Kathryn Hicks	11/19/2003	6.08	Event Supplies Reimb.	Kathryn Hicks	8/29/2003	1,579.19	Payroll
Kathryn Hicks	12/22/2003	53.50	Mailing List Reimb.	Kathryn Hicks	9/30/2003	1,930.94	Payroll
Kathryn Hicks	12/22/2003	195.73	Travel Reimb.	Kathryn Hicks	10/31/2003	250.00	Payroll
Kathryn Hicks	3/17/2004	19.14	Postage Reimb.	Kathryn Hicks	10/31/2003	1,579.19	Payroll
Kathryn Hicks	3/17/2004	59.94	Travel Reimb.	Kathryn Hicks	11/26/2003	1,735.44	Payroll
Kathryn Hicks	4/28/2004	249.75	Travel Reimb.	Kathryn Hicks	12/24/2003	1,754.56	Payroll
Kathryn Hicks	6/10/2004	100.25	Event Supplies Reimb.	Kathryn Hicks	1/30/2004	1,754.56	Payroll
Kathryn Hicks	6/10/2004	52.54	Travel Reimb.	Kathryn Hicks	2/27/2004	1,754.57	Payroll

PAID BY MIKE EASLEY COMMITTEE				PAID BY NC DEMOCRATIC PARTY			
Kathryn Hicks	7/14/2004	170.99	Event Supplies Reimb.	Kathryn Hicks	3/31/2004	1,754.56	Payroll
Kathryn Hicks	7/14/2004	52.54	Travel Reimb.	Kathryn Hicks	4/30/2004	1,754.57	Payroll
Kathryn Hicks	10/7/2004	18.45	Postage Reimb.	Kathryn Hicks	5/28/2004	1,754.56	Payroll
Kathryn Hicks	10/7/2004	185.00	Postage Reimb.	Kathryn Hicks	6/30/2004	1,754.57	Payroll
Kathryn Hicks	10/7/2004	326.34	Travel Reimb.	Kathryn Hicks	7/30/2004	1,754.56	Payroll
Kathryn Hicks	11/16/2004	73.98	Travel Reimb.	Kathryn Hicks	8/31/2004	1,754.57	Payroll
				Kathryn Hicks	9/30/2004	1,754.56	Payroll
				Kathryn Hicks	10/31/2004	1,754.57	Payroll
Louisa Whitney	8/15/2003	61.52	Telephone Reimb.	Kathryn Hicks	11/30/2004	945.91	Payroll
Louisa Whitney	8/15/2003	64.75	Travel Reimb.				
Louisa Whitney	9/23/2003	56.82	Telephone Reimb.				
Louisa Whitney	10/9/2003	54.59	Telephone Reimb.	Louisa Whitney	7/1/2003	1,020.12	Payroll
Louisa Whitney	11/19/2003	56.21	Telephone Reimb.	Louisa Whitney	7/31/2003	698.08	Payroll
Louisa Whitney	12/10/2003	55.40	Telephone Reimb.	Louisa Whitney	8/29/2003	1,930.94	Payroll
Louisa Whitney	12/10/2003	23.98	Travel Reimb.	Louisa Whitney	9/30/2003	1,930.94	Payroll
Louisa Whitney	2/3/2004	64.93	Telephone Reimb.	Louisa Whitney	10/31/2003	1,930.94	Payroll
Louisa Whitney	2/3/2004	23.76	Travel Reimb.	Louisa Whitney	11/26/2003	1,930.94	Payroll
Louisa Whitney	2/10/2004	56.19	Telephone Reimb.	Louisa Whitney	12/24/2003	1,930.94	Payroll
Louisa Whitney	3/17/2004	56.17	Telephone Reimb.	Louisa Whitney	1/30/2004	2,237.25	Payroll
Louisa Whitney	4/28/2004	15.00	Event Ticket Reimb.	Louisa Whitney	2/27/2004	2,149.13	Payroll
Louisa Whitney	4/28/2004	56.17	Telephone Reimb.	Louisa Whitney	3/31/2004	2,125.19	Payroll
Louisa Whitney	4/28/2004	10.07	Travel Reimb.	Louisa Whitney	4/30/2004	2,125.19	Payroll
Louisa Whitney	6/10/2004	60.00	Telephone Reimb.	Louisa Whitney	5/28/2004	2,125.19	Payroll
Louisa Whitney	7/14/2004	30.00	Telephone Reimb.	Louisa Whitney	6/30/2004	2,125.19	Payroll
Louisa Whitney	7/14/2004	280.32	Travel Reimb.	Louisa Whitney	7/30/2004	2,125.19	Payroll
Louisa Whitney	8/17/2004	6.30	Office Reimb.	Louisa Whitney	8/31/2004	2,125.19	Payroll
Louisa Whitney	8/17/2004	30.00	Telephone Reimb.	Louisa Whitney	9/30/2004	2,125.19	Payroll
Louisa Whitney	8/17/2004	111.30	Travel Reimb.	Louisa Whitney	10/31/2004	2,306.24	Payroll
Louisa Whitney	9/11/2004	40.00	Telephone Reimb.	Louisa Whitney	11/30/2004	1,161.99	Payroll
Louisa Whitney	9/11/2004	233.99	Travel Reimb.				
Louisa Whitney	9/28/2004	3.42	Supplies Reimb.				
Louisa Whitney	9/28/2004	104.05	Travel Reimb.				
Louisa Whitney	10/19/2004	40.00	Telephone Reimb.				
Louisa Whitney	10/19/2004	467.48	Travel Reimb.				
Louisa Whitney	11/10/2004	70.36	Telephone Reimb.	Meredith Barrett	8/1/2002	2,880.21	Payroll
Louisa Whitney	12/21/2004	1,000.00	Administrative Srvc	Meredith Barrett	8/30/2002	2,880.21	Payroll
				Meredith Barrett	9/30/2002	2,866.21	Payroll
				Meredith Barrett	10/31/2002	2,866.21	Payroll
Meredith Barrett	2/7/2003	62.25	Postage Reimb.	Meredith Barrett	11/26/2002	2,866.21	Payroll
Meredith Barrett	2/7/2003	100.00	Telephone Reimb.	Meredith Barrett	12/31/2002	2,866.21	Payroll
Meredith Barrett	3/14/2003	100.00	Telephone Reimb.	Meredith Barrett	1/31/2003	2,872.96	Payroll
Meredith Barrett	3/14/2003	36.13	Travel Reimb.	Meredith Barrett	2/28/2003	2,872.96	Payroll
Meredith Barrett	5/8/2003	21.90	Meeting Reimb.	Meredith Barrett	3/31/2003	2,872.96	Payroll
Meredith Barrett	5/8/2003	50.00	Telephone Reimb.	Meredith Barrett	4/30/2003	2,872.96	Payroll
Meredith Barrett	6/10/2003	94.98	Office Reimb.	Meredith Barrett	5/30/2003	2,872.96	Payroll
Meredith Barrett	6/10/2003	100.00	Telephone Reimb.	Meredith Barrett	6/30/2003	2,905.33	Payroll

**Total: \$7,495.36**

**Total: \$126,546.74**

**DETAILS OF EXPENSES: What the NC Democratic Party Disclosed as Paid to Mike Easley Committee** From campaign disclosure reports by the Party for 2000 to 2004

**FOR 2000 ELECTION**

<b>Expense-Paid-To</b>	<b>Date</b>	<b>Amount</b>	<b>Purpose</b>
MIKE EASLEY COMM	6/1/2000	0.00	In Kind Contribution - Research 7000.00
MIKE EASLEY COMM	6/6/2000	0.00	In Kind Contribution - Polling 28000.00
MIKE EASLEY COMM	7/3/2000	0.00	In Kind Contriburion - Polling 10000.00
MIKE EASLEY COMM	7/21/2000	0.00	In Kind Contribution - Copies 705.58
MIKE EASLEY COMM	8/21/2000	0.00	43.50
MIKE EASLEY COMM	8/23/2000	0.00	In Kind Contribution - Research 7000.00
MIKE EASLEY COMM	8/31/2000	0.00	InKind Contribution - Reimbursement 130.00
MIKE EASLEY COMM	8/31/2000	0.00	In Kind Contribution - Rent 5000.00
MIKE EASLEY COMM	9/1/2000	0.00	In Kind Contribution - Payroll 500.00
MIKE EASLEY COMM	9/1/2000	0.00	In Kind Contribution - Payroll 500.00
MIKE EASLEY COMM	9/7/2000	0.00	In Kind Contribution - Payroll 582.93
MIKE EASLEY COMM	9/7/2000	0.00	In Kind Contribution - Payroll 375.00
MIKE EASLEY COMM	9/7/2000	0.00	In Kind Contribution - Payroll 582.93
MIKE EASLEY COMM	9/7/2000	0.00	In Kind Contribution - Payroll 250.00
MIKE EASLEY COMM	9/11/2000	0.00	InKind Contribution - Polling 20700.00
MIKE EASLEY COMM	9/14/2000	0.00	In Kind Contribution - Event, Meeti 125.00
MIKE EASLEY COMM	9/21/2000	0.00	In Kind Contribution - Polling 12500.00
MIKE EASLEY COMM	9/21/2000	0.00	In Kind Contribution - Yard Signs - 1563.72
MIKE EASLEY COMM	9/25/2000	0.00	In Kind Contribution - Polling 8200.00
MIKE EASLEY COMM	9/28/2000	0.00	In Kind Contribution - Rent 5150.00
MIKE EASLEY COMM	9/28/2000	0.00	In Kind Contribution - Polling Stat 15700.00
MIKE EASLEY COMM	10/6/2000	0.00	In Kind Contri Polling Memo 15700.00
MIKE EASLEY COMM	10/7/2000	0.00	In Kind Contribution Polling Memo 1500.00
MIKE EASLEY COMM	10/11/2000	0.00	In Kind Contribution Polling Memo 1240.00
MIKE EASLEY COMM	10/13/2000	0.00	In Kind Contribution Payroll Memo 1185.10
MIKE EASLEY COMM	10/13/2000	0.00	In Kind Contribution Polling Memo 15700.00
MIKE EASLEY COMM	10/16/2000	0.00	In Kind Contrib Consulting Memo 12000.00
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution- Phones 5550.00
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Postage 5769.89
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Postage 1454.07
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Direct Mail 9200.00
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Parking 784.00
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Legal Fees 2062.50
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Payroll 1185.10
MIKE EASLEY COMM	11/1/2000	0.00	In-Kind Contribution - Polling 31400.00
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Direct Mail 17402.72
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Postage 3611.56
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Polling 15700.00
MIKE EASLEY COMM	11/1/2000	0.00	In Kind Contribution - Polling 10034.28
MIKE EASLEY COMM	11/7/2000	15,000.00	Contribution
MIKE EASLEY COMM	11/7/2000	22,000.00	Contribution
MIKE EASLEY COMM	12/13/2000	0.00	In Kind Contribution - Consulting 15000.00
MIKE EASLEY COMM	12/20/2000	0.00	In Kind Contribution - Postage 1000.00

**\$329,087.90**

<b>ALSO IN 2000</b>			
Carolantic Realty, Raleigh	7/27/2000	5,000.00	Rent for 225 Hillsborough - Easley
Carol Trevelyn Strategy Group, Oakland, CA	6/1/2000	7,000.00	Research - Easley In-Kind
Carol Trevelyn Strategy Group, Oakland, CA	8/23/2000	7,000.00	Research - Easley In Kind
Cooper & Secrest, Alexandria, VA	6/6/2000	28,000.00	Polling - Easley In-Kind
Cooper & Secrest, Alexandria, VA	7/3/2000	10,000.00	Polling - Easley In-Kind
Cooper & Secrest, Alexandria, VA	9/11/2000	20,700.00	Polling - Easley - In-kind
Cooper & Secrest, Alexandria, VA	9/21/2000	12,500.00	Polling - Easley In Kind
Cooper & Secrest, Alexandria, VA	9/25/2000	8,200.00	Polling - Easley In Kind

**\$98,400.00**

**For 2000, the NC Democratic Party did not show the categorization of expenses on its disclosure report by the Account number, as it did for the 2001-2004 period. Therefore, it is impossible to determine from the disclosure reports even an approximate amount that is attributed to the Governor’s Fund. The 2001-2004 period shows substantially more expenses because of the attribution of expenses to Accounts.**

**FOR 2001-2004** Some expense were specifically attributed to Account 1000.75 in disclosure reports filed by the NC Democracy Party during this period and some were listed as In-Kind expenses to “Mike Easley Committee II” – which is the first set here.

<b>Expense-Paid-To</b>	<b>Date</b>	<b>Amount</b>	<b>Purpose</b>
Mike Easley Committee II	8/15/2001	0.00	In Kind Strategic Consulting 3394.47
Mike Easley Committee II	10/8/2001	0.00	In Kind Strategic Consulting 9000.00
Mike Easley Committee II	11/29/2001	0.00	In Kind Strategic Consulting 3311.32
Mike Easley Committee II	6/30/2003	9,810.00	InKind - Direct Mail 9810.00
Mike Easley Committee II	6/30/2003	55,050.00	InKind - Personnel 55050.00
Mike Easley Committee II	6/30/2003	21,373.00	InKind - Strategic Consulting 21373.00
Mike Easley Committee II	12/31/2003	6,000.00	InKind - Air Travel 6000.00
Mike Easley Committee II	12/31/2003	3,119.22	InKind - Holiday Gifts 3119.22
Mike Easley Committee II	12/31/2003	4,856.25	InKind - Legal Fees 4856.25
Mike Easley Committee II	12/31/2003	41,197.55	InKind - Personnel Expenses 41197.55
Mike Easley Committee II	12/31/2003	1,139.82	InKind - Polling/Research 1139.82
Mike Easley Committee II	12/31/2003	480.00	InKind - Printing 480.00
Mike Easley Committee II	12/31/2003	25,000.00	InKind - Strategic Consulting 25000.00
Mike Easley Committee II	12/31/2003	1,825.00	InKind - Telephone Expenses 1825.00
Mike Easley Committee II	4/17/2004	4,127.50	InKind - Legal Fees 4127.50
Mike Easley Committee II	4/17/2004	377.57	InKind - Office Equipment 377.57
Mike Easley Committee II	4/17/2004	32,512.89	InKind - Personnel Expenses 32512.89
Mike Easley Committee II	4/17/2004	11,401.97	InKind - Research 11401.97
Mike Easley Committee II	10/23/2004	14,552.30	InKind - Legal Fees
Mike Easley Committee II	10/23/2004	42,690.00	InKind - Polling/Research
Mike Easley Committee II	10/25/2004	32,896.00	InKind - Direct Mail
Mike Easley Committee II	10/30/2004	1,500.00	InKind - Office Rent

**The In-Kind items above summarize some expenses listed individually in chart below**

**\$325,614.90**

<b>EXPENSES PAID BY NC DEMOCRATIC PARTY, 2003-2004 FROM ACCOUNT 1000.75</b>					
<b>Vendor/Person Paid</b>	<b>Date</b>	<b>Amount</b>	<b>Purpose</b>	<b>City</b>	<b>St</b>
Adam Lord	7/30/2004	1,941.75	1000.75/Payroll	Durham	NC
Adam Lord	8/31/2004	1,941.75	1000.75/Payroll	Durham	NC
Adam Lord	9/30/2004	1,941.75	1000.75/Payroll	Durham	NC
Adam Lord	10/31/2004	1,941.75	1000.75/Payroll	Durham	NC
Adam Lord	11/30/2004	1,055.12	1000.75/Payroll	Durham	NC
ADP-Depository Payroll Taxes	9/30/2002	4491.37	1000.75/Payroll Taxes	Charlotte	NC
ADP-Depository Payroll Taxes	10/31/2002	1481.79	1000.75/Payroll Taxes	Charlotte	NC
ADP-Depository Payroll Taxes	11/26/2002	1500.00	1000.75/Payroll Taxes	Charlotte	NC
ADP-Depository Payroll Taxes	11/26/2002	-8.75	1000.75/Tax Refund	Charlotte	NC
Brunswick County Dem Party	10/15/2004	1,000.00	1000.75/Contribution	Shallotte	NC
Campaign Connections	10/22/2003	480.00	1000.75/Bumper Stickers	Raleigh	NC
Carolantic Realty	10/2/2004	1,500.00	1000.75/Rent	Raleigh	NC
Carolantic Realty	10/30/2004	1,500.00	1000.75/Rent	Raleigh	NC
Carolantic Realty	2/17/2005	200.00	1000.75/Parking	Raleigh	NC
CES Mail Communications	3/11/2003	760.32	1000.75/Mailhouse Exp	Raleigh	NC
Eric Fletcher	9/30/2004	1,055.12	1000.75/Payroll	Chapel Hill	NC
Eric Fletcher	10/31/2004	2,248.00	1000.75/Payroll	Chapel Hill	NC
Eric Fletcher	11/30/2004	1,055.13	1000.75/Payroll	Chapel Hill	NC
Jason Sulham	4/21/2003	91.80	1000.75/Research	Raleigh	NC
Jason Sulham	4/30/2003	1,756.88	1000.75/Payroll	Raleigh	NC
Jason Sulham	6/12/2003	200.92	1000.75/Travel	Raleigh	NC
Jason Sulham	8/29/2003	1,962.88	1000.75/Payroll	Raleigh	NC
Jason Sulham	9/30/2003	1,995.87	1000.75/Payroll	Raleigh	NC
Jason Sulham	10/31/2003	1,995.88	1000.75/Payroll	Raleigh	NC
Jason Sulham	11/26/2003	1,995.87	1000.75/Payroll	Raleigh	NC
Jason Sulham	12/24/2003	1,995.88	1000.75/Payroll	Raleigh	NC
Jason Sulham	1/30/2004	1,995.88	1000.75/Payroll	Raleigh	NC
Jason Sulham	2/27/2004	1,995.87	1000.75/Payroll	Raleigh	NC
Jason Sulham	3/31/2004	1,995.88	1000.75/Payroll	Raleigh	NC
Jason Sulham	4/30/2004	1,995.87	1000.75/Payroll	Raleigh	NC
Jason Sulham	5/28/2004	2,140.49	1000.75/Payroll	Raleigh	NC
Jason Sulham	6/30/2004	2,140.49	1000.75/Payroll	Raleigh	NC
Josh Kimsey	6/16/2004	2,000.00	1000.75/Research	Winston Salem	NC
Jr. Richard A. Rogers	5/27/2004	2,250.00	1000.75/Rent	Raleigh	NC
Jr. Richard A. Rogers	7/1/2004	1,500.00	1000.75/Rent	Raleigh	NC
Jr. Richard A. Rogers	8/6/2004	1,500.00	1000.75/Rent	Raleigh	NC
Jr. Richard A. Rogers	9/6/2004	1,500.00	1000.75/Rent	Raleigh	NC
Kathryn Kemmer Hicks	7/1/2003	456.67	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	7/31/2003	1,551.25	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	8/29/2003	1,579.19	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	9/30/2003	1,930.94	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	10/31/2003	250.00	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	10/31/2003	1,579.19	1000.75/Payroll	Raleigh	NC

Kathryn Kemmer Hicks	11/26/2003	1,735.44	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	12/24/2003	1,754.56	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	1/30/2004	1,754.56	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	2/27/2004	1,754.57	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	3/31/2004	1,754.56	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	4/30/2004	1,754.57	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	5/28/2004	1,754.56	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	6/30/2004	1,754.57	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	7/30/2004	1,754.56	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	8/31/2004	1,754.57	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	9/30/2004	1,754.56	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	10/31/2004	1,754.57	1000.75/Payroll	Raleigh	NC
Kathryn Kemmer Hicks	11/30/2004	945.91	1000.75/Payroll	Raleigh	NC
LexisNexis	7/17/2003	110.00	1000.75/Research Srvc	Philadelphia	PA
LexisNexis	8/22/2003	150.00	1000.75/Research	Philadelphia	PA
LexisNexis	9/26/2003	150.00	1000.75/Research	Philadelphia	PA
LexisNexis	11/3/2003	150.00	1000.75/Research	Philadelphia	PA
LexisNexis	11/19/2003	150.00	1000.75/Research	Philadelphia	PA
LexisNexis	12/18/2003	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	1/21/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	2/24/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	3/22/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	4/27/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	5/19/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	6/16/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	7/14/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	7/14/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	8/16/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	8/16/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	9/12/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	9/12/2004	300.00	1000.75/Research	Philadelphia	PA
LexisNexis	10/2/2004	90.00	1000.75/Research	Philadelphia	PA
LexisNexis	10/2/2004	90.00	1000.75/Research	Philadelphia	PA
LexisNexis	11/19/2004	345.00	1000.75/Research	Philadelphia	PA
LexisNexis	12/14/2004	345.00	1000.75/Research	Philadelphia	PA
LLC Innovative Research Group	8/16/2004	3,750.00	1000.75/Research	Camden	DE
LLC Innovative Research Group	10/8/2004	4,345.00	1000.75/Research	Camden	DE
Louisa Whitney	7/1/2003	1,020.12	1000.75/Net Payroll	Spartanburg	SC
Louisa Whitney	7/31/2003	698.08	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	8/29/2003	1,930.94	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	9/30/2003	1,930.94	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	10/31/2003	1,930.94	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	11/26/2003	1,930.94	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	12/24/2003	1,930.94	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	1/30/2004	2,237.25	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	2/27/2004	2,149.13	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	3/31/2004	2,125.19	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	4/30/2004	2,125.19	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	5/28/2004	2,125.19	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	6/30/2004	2,125.19	1000.75/Payroll	Spartanburg	SC

Louisa Whitney	7/30/2004	2,125.19	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	8/31/2004	2,125.19	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	9/30/2004	2,125.19	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	10/31/2004	2,306.24	1000.75/Payroll	Spartanburg	SC
Louisa Whitney	11/30/2004	1,161.99	1000.75/Payroll	Spartanburg	SC
McCorkle Policy Consulting	9/22/2004	12,411.05	1000.75/Strategic Consulting	Durham	NC
Meredith Barrett	8/1/2002	2880.21	1000.75/Payroll	RALEIGH	NC
Meredith Barrett	8/30/2002	2880.21	1000.75/Payroll	RALEIGH	NC
Meredith Barrett	9/30/2002	2866.21	1000.75/Payroll	RALEIGH	NC
Meredith Barrett	10/31/2002	2866.21	1000.75/Payroll	RALEIGH	NC
Meredith Barrett	11/26/2002	2866.21	1000.75/Payroll	RALEIGH	NC
Meredith Barrett	12/31/2002	2866.21	1000.75/Payroll	RALEIGH	NC
Meredith Barrett	1/31/2003	2,872.96	1000.75/Payroll	Raleigh	NC
Meredith Barrett	2/28/2003	2,872.96	1000.75/Payroll	Raleigh	NC
Meredith Barrett	3/31/2003	2,872.96	1000.75/Payroll	Raleigh	NC
Meredith Barrett	4/30/2003	2,872.96	1000.75/Payroll	Raleigh	NC
Meredith Barrett	5/30/2003	2,872.96	1000.75/Payroll	Raleigh	NC
Meredith Barrett	6/30/2003	2,905.33	1000.75/Payroll	Raleigh	NC
NCDP - Senate Caucus	10/29/2002	5000.00	1000.75/Contrib Transfer	RALEIGH	NC
Peter D. Hart Research Inc	7/24/2003	129.82	1000.75/Travel	Washington	DC
Peter D. Hart Research Inc	4/28/2004	20,000.00	1000.75/Polling	Washington	DC
Peter D. Hart Research Inc	7/15/2004	31,000.00	1000.75/Polling	Washington	DC
Peter D. Hart Research Inc	9/18/2004	29,000.00	1000.75/Polling	Washington	DC
Peter D. Hart Research Inc	9/22/2004	18,500.00	1000.75/Polling	Washington	DC
Peter D. Hart Research Inc	10/11/2004	31,000.00	1000.75/Polling	Washington	DC
Peter D. Hart Research Inc	10/23/2004	42,000.00	1000.75/Polling	Washington	DC
Reiff & Associates	4/13/2004	3,960.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	5/11/2004	7,114.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	6/5/2004	7,332.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	7/12/2004	25,381.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	8/16/2004	12,283.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	9/6/2004	11,141.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	10/8/2004	11,324.00	1000.75/Strategic Consulting	Raleigh	NC
Reiff & Associates	10/30/2004	20,808.00	1000.75/Strategic Consulting	Raleigh	NC
SelecTel	9/26/2003	325.00	1000.75/Office Equip Srv	Cary	NC
Shorr Johnson Farinella	12/23/2003	25,000.00	1000.75/Strategic Consulting	Philadelphia	PA
Shorr Johnson Klose	3/4/2003	21,373.20	1000.75/Strategic Consulting	Philadelphia	PA
State Office Equipment	3/11/2004	159.75	1000.75/Office Furniture	Raleigh	NC
Sunflower Management Inc.	1/21/2004	2,500.00	1000.75/Research	Raleigh	NC
Sunflower Management Inc.	4/6/2004	2,500.00	1000.75/Research	Raleigh	NC
Sunflower Management Inc.	4/13/2004	2,500.00	1000.75/Research	Raleigh	NC
Sunflower Management Inc.	4/20/2004	5,501.97	1000.75/Research	Raleigh	NC
Sunflower Management Inc.	4/20/2004	-2,500.00	1000.75/Voided check/Lost	Raleigh	NC

Tereck Office Solutions	6/30/2003	80.00	1000.75/Office Equipment	Durham	NC
Tereck Office Solutions	1/21/2004	90.32	1000.75/Office Equipment	Durham	NC
Tereck Office Solutions	3/22/2004	127.50	1000.75/Office Equip Repair	Durham	NC
Tereck Office Solutions	4/27/2004	311.38	1000.75/Office Equipment	Durham	NC
The Strategy Group	3/11/2003	6,300.00	1000.75/Direct Mail	Chicago	IL
TSM South, Inc.	6/16/2004	706.59	1000.75/Phone Srvc Charge	Cary	NC
US Postal Service	2/13/2003	2,100.00	1000.75/Postage	Raleigh	NC
US Postal Service	2/20/2003	650.00	1000.75/Postage	Raleigh	NC
Wallace, Creech & Sarda	9/26/2003	612.50	1000.75/Legal Fees	Raleigh	NC
Wallace, Creech & Sarda	3/5/2004	1,663.75	1000.75/Legal Fees	Charlotte	NC
Wallace, Creech & Sarda	6/5/2004	4,706.25	1000.75/Legal Fees	Raleigh	NC
Wallace, Creech & Sarda	7/14/2004	4,087.50	1000.75/Legal Fees	Raleigh	NC
Wallace, Creech & Sarda	8/16/2004	4,256.25	1000.75/Legal Fees	Raleigh	NC
Wallace, Creech & Sarda	10/8/2004	28,106.25	1000.75/Legal Fees	Raleigh	NC
Wallace, Creech & Sarda	10/23/2004	14,552.30	1000.75/Legal Fees	Raleigh	NC

**\$584,692.97**