

1 **BEFORE THE FEDERAL ELECTION COMMISSION**
2 SECRETARIAT

3 In the Matter of

4 2004 OCT 25 A 9:41

5 Harrah's Entertainment, Inc.)
6 Atlantic City Showboat, Inc.)
7 Marina Associates)
8 Herbert Wolfe)
9 David Jonas)
10 Joseph R. Jingoli, Jr.)
11)

SENSITIVE

MUR 5020

12
13
14 **GENERAL COUNSEL'S REPORT #3**

15
16
17 **I. ACTIONS RECOMMENDED**

18 Enter pre-probable cause conciliation with Harrah's Entertainment, Inc., Atlantic City
19 Showboat, Inc., Marina Associates, Herbert Wolfe, and David Jonas; approve the attached
20 conciliation agreements; admonish Joseph Jingoli, Jr. and close the file as to him; and approve
21 the appropriate letters.
22

23 **II. BACKGROUND**

24 MUR 5020 involves an allegation that two executives of two casinos facilitated the
25 making of \$35,275 in contributions to the Gormley for Senate Primary Election Fund (the
26 "Committee") in 2000.¹ The Commission found reason to believe that Harrah's Entertainment,
27 Inc. ("Harrah's"), its subsidiaries, Atlantic City Showboat, Inc ("Showboat") and Marina

¹ This Office continues to investigate other events associated with this matter, and we anticipate that these events and respondents will, in addition to the Committee, be addressed in a subsequent report. Previously, the Commission took no further action as to several respondents associated with one of these events, a fundraiser held at Donald Trump's personal residence. See GCR #2 (July 29, 2003)

All of the facts recounted in this matter occurred prior to the effective date of the Bipartisan Campaign Reform Act of 2002 ("BCRA"), Pub L 107-155, 116 Stat. 81 (2002). Accordingly, unless specifically noted to the contrary, all citations to the Act are prior to the effective date of BCRA and all citations to the Commission's regulations are to the 2002 edition of Title 11, Code of Federal Regulations, published prior to the Commission's promulgation of any regulations under BCRA.

1 Associates (“Marina”),² and officers Herbert Wolfe and David Jonas violated 2 U.S.C. § 441b(a)
2 of the Federal Election Campaign Act of 1971, as amended (the “Act”). Based on Respondents’
3 joint response to the reason to believe finding, and in light of the undisputed nature of the
4 material facts, this Office believes that conciliation is an appropriate resolution. *See*
5 Attachments 1-3. A review of the underlying facts and basis for this recommendation as to each
6 Respondent, and the proposed conciliation, is discussed below.

7 The Commission also found reason to believe that Joseph R. Jingoli, Jr. violated 2 U.S.C.
8 § 441a(a) by making an excessive in-kind contribution to the Committee in connection with
9 Jingoli’s payment for the airfare for himself, William Gormley, the candidate, and a third person
10 to attend a February 9, 2000 Gormley fundraiser in Las Vegas. The Commission also authorized
11 pre-probable cause conciliation with Jingoli and approved an agreement. *See* GCR #2 (July 29,
12 2003). At the Executive Session meeting on August 12, 2003, this Office advised the
13 Commission that it intended to interview Jingoli prior to sending him any conciliation
14 agreement;³ based on the recommendations in this Report, we have not provided Jingoli with a
15 conciliation agreement.

² Marina is a legal partnership composed of two corporations Harrah’s Atlantic City, Inc and Harrah’s New Jersey, Inc. In the joint response, Attachment 1 at 12 fn. 1, Respondents raise the issue of whether Marina Associates, a partnership, can be deemed to have violated the Act because “no portion of a partnership contribution was made from the profits of a corporate partner” *See* 11 C.F.R. § 110.1(e). However, as discussed below, resources of the corporate partners of the partnership were used to facilitate the contributions involved. Because the partners are corporations, and because a contribution from a partnership is attributed to the partners, the partnership would be prohibited under the Act from making contributions in connection with a Federal election and would continue to share liability for the acts of its subsidiary corporations and their officers when they facilitated the making of contributions. *See* 2 U.S.C. § 441b(a) and 11 C.F.R. § 110.1(e), AO 1992-17 (prohibiting a partnership of corporations from making contributions but permitting corporations to pay establishment, administrative, and solicitation costs of a partnership’s SSF without contribution consequences).

³ Jingoli was not notified of the initial complaint and was generated as a respondent based on the Committee’s response to the complaint. Jingoli is the Chief Executive Officer of Joseph Jingoli & Sons, Inc., a New Jersey corporation.

1 **III. FACTS AND ANALYSIS**

2 **A. Harrah’s Entertainment *et al.***

3 1. Facts

4 In or about February 2000, the candidate, Gormley, contacted Wolfe, General Manager of
5 Showboat, and asked him to raise funds for the Committee at Showboat. Wolfe agreed to
6 Gormley’s request and then approached Jonas, the General Manager of Marina, and asked him
7 also to raise funds for the Committee at Marina. Jonas agreed. Attachment 1 at 16-21;
8 Attachments 2 and 3.

9 Wolfe and Jonas then solicited contributions from employees at Showboat and Marina,
10 respectively, advising employees they could deliver contribution checks to their office suites.
11 According to Jonas, because Jonas was “unfamiliar with fundraising law,” he advised his
12 supervisor, Tim Wilmott, of his plans; he also “sought advice from Harrah’s corporate counsel,”
13 and was “informed that [his] plans were appropriate and within the law.” *Id.* at 4, 14, 20.

14 On March 15, 2000, Jonas circulated a memorandum on Harrah’s letterhead addressed to
15 “Management Team Members” from himself and his supervisor. *See* Attachment 4. Both also
16 signed the memorandum. It states:

17 As you know, State Senator Bill Gormley has been the leading advocate for the
18 gaming industry at the state level for over the past ten years. He is currently
19 running for the Republican candidacy for the U.S. Senate and has asked the
20 gaming industry to contribute to his campaign. We both feel it is extremely
21 important that we support Senator Gormley and would like each of you to
22 consider making a donation to his campaign.

23
24 *Id.* After reciting the various contribution limitations, the memorandum states:

25 Checks should be made payable to ‘Gormley for Senate.’ We would like to hand
26 deliver all the checks to Senator Gormley and are requesting that all checks be

1 dropped off at [Jonas’] office by Wednesday, March 29, 2000. Any help would
2 be greatly appreciated.⁴

3
4 *Id.* At the bottom of the memorandum, there is the notation “DJ:jm,” indicating that another
5 person, possibly Jonas’ secretary, typed the memorandum for Jonas. *Id.* Jonas states in his
6 affidavit that he did not personally collect the contributions, but he allowed contributors to leave
7 them at his office for later pick up by the Committee. Attachment 1 at 21. According to his
8 counsel, Jonas thinks people gave the checks to his secretary in an envelope. Meanwhile,
9 although Wolfe did not solicit contributions at Showboat in writing like Jonas did at Marina,
10 according to Wolfe’s counsel, he assertedly took time out of a weekly “executive meeting”
11 which he directed as General Manager of the casino and solicited employees at Showboat then.
12 In his affidavit, Wolfe states that he “told interested persons that, if they wished to do so, they
13 could leave donations in my office.” *Id.* at 17. He also states that he did not personally collect
14 or see the contribution checks. *Id.* According to his counsel, the checks were delivered to and
15 left with Wolfe’s secretary.⁵

16 On or about March 29, 2000, the Committee sent an agent to Jonas’ casino office to pick
17 up the contribution checks from Marina and Harrah’s employees. Attachments 1 at 2-3; 2 at 2, 3
18 at 2. The Committee sent an agent to Wolfe’s casino office to pick up contribution checks that

⁴ Counsel for Jonas believes that Harrah’s corporate counsel and not Jonas wrote the memorandum. He said he thinks this because the memorandum lists the legal limitations on contributions and he does not believe that Jonas would have had such knowledge. See Attachment 4.

⁵ Respondents also state that solicited employees were given the Committee’s address and told they could mail their contributions to the Committee. Attachment 1 at 13. Respondents add that neither Wolfe nor Jonas provided any envelopes or postage stamps to employees, and that some employees may have mailed their contributions directly to the Committee. *Id.* at 5, 13. However, there is no information at least in Jonas’ solicitation memorandum that employees were ever informed that they could mail contributions directly to the Committee. See Attachment 4.

1 had been left there by Showboat employees.⁶ *Id.* According to counsel for the Committee, the
2 agent may have been Gormley’s brother, Gerald Gormley.

3 From the copies of contribution checks that the Committee produced during our
4 investigation, it appears that the Committee deposited all of the Showboat employees’ and
5 Marina employees’ checks in groups, on March 23 and March 30, 2000, respectively, suggesting
6 that the contributions were not mailed separately but forwarded to the Committee in bundles.
7 Attachment 5. In total, it appears that the Committee deposited 55 contributions from employees
8 of Marina and Harrah’s, totaling \$24,275, and 26 contributions from employees of Showboat or
9 spouses of employees, totaling \$13,000.⁷ Attachment 5 at 1.

10 2. Analysis

11 The Act prohibits a corporation from making a “contribution” or expenditure in
12 connection with any election for federal office, 2 U.S.C. § 441b(a), and prohibits any officer or
13 director of any corporation from consenting to any such contribution. A “contribution” includes

⁶ The initial response to the complaint said that the agent attempted to pick up contribution checks from Wolfe on or about March 30, 2000. However, the Committee reported that it received the contributions from employees of Showboat on March 23, 2000.

⁷ After notice of the complaint, Wolfe and Jonas each filed conduit reports with the Commission. See GCR #1 (Sept 27, 2001) (Attachments 7-9), 11 C.F.R. § 110.6(c). These reports appear to list most contributions that each had collected and forwarded to the Committee. According to Jonas’ report, he collected 55 contributions from employees of Marina and Harrah’s, totaling \$24,275. See GCR #1 (Attachment 8). The Committee reported that on March 30, 2000 it received only 41 contributions from employees of Marina and Harrah’s, totaling \$21,300. The apparent discrepancy of 14 contributions is explainable using Jonas’ conduit report, which lists ten contributions, each below the \$200 reporting threshold, totaling \$975. The remaining four contribution checks totaling \$3,000 were signed by a spouse of a Marina employee on joint accounts, and attributed to the spouses in the Committee’s reporting. See Attachment 5 at 2-3. Thus, we believe that Jonas reported all of the contributions he collected.

According to Wolfe’s report, he collected 17 contributions from employees of Showboat, totaling \$10,750. See GCR #1 (Attachment 9). While the Committee deposited \$10,750 in contributions that matched Wolfe’s conduit report on March 23, 2000, it also deposited \$2,250 in contributions from nine other individuals. We have been able to identify some but not all of the nine previously undisclosed contributors as Showboat employees or spouses of Showboat employees. See Attachment 5 at 1. Several of the nine additional contributions were also below the Committee’s itemization threshold. We will confirm during conciliation whether the total Showboat collected was, as suspected, \$13,000.

1 “anything of value” to any candidate or campaign committee, in connection with a federal
2 election. 2 U.S.C. § 441b(b)(2).

3 While the Act permits a corporation and its officers to make partisan communications to
4 its stockholders and executive or administrative personnel and their families, 2 U.S.C.
5 § 441b(b)(2)(A), if the activity goes beyond communication to “facilitating the making of a
6 contribution,” other than to the separate segregated fund of the corporation, it becomes a
7 prohibited contribution by the corporation. 11 C.F.R. § 114.2(f)(1). Facilitation means using
8 corporate resources or facilities to engage in fundraising activities in connection with any federal
9 election. *Id.* A non-exhaustive list of examples of facilitating the making of contributions
10 include officials of the corporation directing subordinates or support staff to assist in the
11 fundraising as a part of their work responsibilities using corporate resources, unless the
12 corporation receives advance payment for the fair market value of such services. 11 C.F.R.
13 § 114.2(f)(2). Exceptions to the general prohibition against corporate facilitation of
14 contributions include soliciting contributions to be sent directly to candidates if the solicitation is
15 directed to the corporation’s restricted class or soliciting contributions which are to be collected
16 and forwarded by the corporation’s separate segregated fund in accordance with 11 C.F.R.
17 § 110.6. 11 C.F.R. §§ 114.2(f)(3) and (4).

18 The facts show that the Respondents used corporate resources and facilities to raise funds
19 for Senator Gormley, and hence facilitated corporate contributions, in violation of 2 U.S.C.
20 § 441b(a). Jonas directed an employee with the initials “jm,” possibly his secretary, to type the
21 memorandum on Harrah’s letterhead and the memorandum was then copied and distributed to
22 “Management Team Members.” Attachment 4. In the memorandum, Jonas told potential
23 contributors to leave contributions at his office suite and according to Jonas’ counsel, Jonas

1 believes that the checks were delivered to his secretary. Jonas then presumably directed his
2 secretary to receive and hold contributions from Marina employees until a representative from
3 the Committee picked them up. And while Jonas made his solicitation in writing, Wolfe made
4 his solicitation at a corporate management meeting over which he presided, and told potential
5 contributors that they could leave their contributions in his office. According to Wolfe’s
6 counsel, checks were delivered to Wolfe’s secretary, where she held them for pick-up by the
7 Committee, presumably on Wolfe’s instructions. Respondents admit “that executive offices
8 served as temporary depositories for certain contribution checks” and that an agent of the
9 Committee retrieved those collected contributions from those corporate offices. Attachment 1 at
10 13; *see* 11 C.F.R. § 114.4(c)(2)(iii). Indeed, Jonas and Wolfe presumably wanted to “hand
11 deliver all the checks to Senator Gormley” in bundled fashion so Gormley would give credit to
12 Harrah’s for the fundraising. Attachment 4. Respondents’ use of corporate resources and
13 facilities to engage in fundraising for Senator Gormley’s election campaign, including corporate
14 officials directing subordinates or support staff to assist in the fundraising activity as part of their
15 work responsibilities, constitutes corporate facilitation. *See* 11 C.F.R. § 114.2(f)(2).

16 Respondents attempt to invoke an exception to the prohibition against corporate
17 facilitation by jointly asserting that Wolfe and Jonas only solicited employees who belonged to
18 the “restricted class” of each casino. *See* Attachment 1 at 4; 11 C.F.R. §§ 114.1(b); 114.2(f)(1)
19 (excluding from the definition of facilitation a solicitation to members of the restricted class of a
20

1 corporation for its separate segregated fund).⁸ However, the exception to prohibited corporate
2 facilitation does not turn on the restricted class issue alone. Prohibited corporate facilitation
3 occurs whenever a corporation or its officers collect and forward contributions to a federal
4 candidate, even if the contributions come from members of the restricted class. *See* MURs 5208
5 (Amboy Nat’l Bank); 5337 (First Consumers Nat’l Bank); *cf.* 11 C.F.R. §§ 114.2(f)(1)
6 (prohibiting facilitation by a corporation outside of its separate segregated fund) and
7 114.2(f)(2)(iii) (listing the soliciting of earmarked contributions that are collected and forwarded
8 by the corporation as an example of prohibited facilitation). Moreover, even if the contributions
9 were confined to the restricted class, Respondents do not contend that the solicitation in issue
10 involved a separate segregated fund, and they admit that the campaign received the bulk, if not
11 all, of the contributions solicited and collected by the corporations at the corporate sites; the
12 contributions were not sent directly to the campaign by the individual contributors. *See*
13 11 C.F.R. § 114.2(f)(4)(ii) (exempting contributions sent directly by the contributing member of
14 the restricted class to the candidate from the definition of facilitation). Therefore, the exception
15 relied on by Respondents does not apply to the circumstances of this matter

16 Respondents contend, however, that even if this was a case of facilitation, “[t]his use [of
17 corporate offices] was isolated and incidental and should come within the exception to the
18 prohibition against the use of corporate resources.” Attachment 1 at 13; *see* 11 C.F.R.
19 § 114.9(a)(1). The Commission’s regulation, however, specifically exempts only isolated or

⁸ The Respondents devote several pages to the issue of whether the solicited employees were within the restricted class and provide an affidavit from a Harrah’s regulatory compliance specialist. *See* Attachment 1 at 6-12, 26-31. The affidavit states job descriptions for thirteen of the employees who contributed to the Committee and respondents argue that these persons were within the restricted class criteria of 11 C.F.R. § 114.1(b)(1)-(2). *Id.* at 6-12, 26-31. Most of the job descriptions were helpful in identifying most solicited employees as members of the restricted class. In separate declarations attached to the joint response, Wolfe and Jonas also assert that they told employees that their contributions were voluntary and there was no expectation of any kind that employees had to make any contributions, maintaining, “[s]ome of those contacted chose not to contribute.” Attachment 1 at 5.

1 incidental use of a corporation for individual volunteer activity, and activity by corporate
2 employees does not become either individual or voluntary merely because it is occasional,
3 isolated or incidental. The circumstances and information here do not support the conclusion
4 that Wolfe’s and Jonas’ solicitations were the individual, voluntary projects of two corporate
5 executives who were pursuing merely a personal interest in a federal election. In the solicitation
6 memorandum, senior management at the casino, namely Jonas and his supervisor, wrote that
7 Gormley was “the leading advocate for the gaming industry,” that he “has asked the gaming
8 industry to contribute to his campaign,” and “we both feel it is extremely important that we
9 support Senator Gormley.” *Id.* (emphasis added). Thus, the memorandum plainly indicates that
10 senior casino management wanted employees to contribute to Gormley because Gormley will
11 help the casino industry and hence, Harrah’s.⁹ Though an individual’s personal interests may
12 coincide with their professional interests, the fact that senior management expressed no reason
13 other than Gormley’s support of the corporation’s industry indicates that the solicitation was
14 intended to be a corporate, not individual, effort.

15 Moreover, Harrah’s facilitation went beyond the use of the corporate offices to collect the
16 checks, and included using time during an executive meeting to make the solicitation, the use of
17 corporate stationary for the solicitation memorandum, and the copying and distributing of the
18 memorandum. Additionally, the facilitation included instructing support staff to type the
19 solicitation memorandum, as evidenced by the typist’s initials “jm” at the bottom of Jonas’
20 memorandum, and assignment to corporate secretaries of the responsibility to hold contribution
21 checks for retrieval by the Committee. There is no assertion that this activity was individual or

⁹ Harrah’s SSF, Harrah’s Entertainment, Inc Employees’ PAC, also gave the Committee its maximum allowable amount of \$5,000. The PAC check was deposited by the Committee on the same date and in the same bundle as those of the other Harrah’s employees

1 voluntary on the part of the secretaries. For these reasons, the “individual volunteer activity”
2 exemption does not apply.¹⁰

3 Accordingly, Respondents Harrah’s Entertainment, Inc., by and through its subsidiaries
4 Atlantic City Showboat, Inc. and Marina Associates, violated 2 U.S.C. § 441b(a) by facilitating
5 the making of \$37,275 in contributions. Herbert Wolfe and David Jonas, as corporate officers of
6 Showboat and Marina, respectively, also violated 2 U.S.C. § 441b(a) by consenting to the
7 facilitation.

8 3. Conciliation

9 Respondents have requested that the Commission enter pre-probable cause conciliation.
10 Attachment 1 at 2. This Office recommends that the Commission enter into pre-probable cause
11 conciliation collectively with the corporate entities involved, Harrah’s Entertainment, Inc.,
12 Atlantic City Showboat, Inc., and Marina Associates (Attachment 6), and separately enter pre-
13 probable cause conciliation with Herbert Wolfe (Attachment 7) and David Jonas (Attachment 8).

14
15
16
17
18
19
20

¹⁰ Respondents mistakenly cite *FEC v Friends of Jane Harmon*, 59 F Supp 2d 1046, 1054 (C D Ca 1999), for the proposition that where a corporate employee merely collects checks from individuals, those contributions are not corporate because they did not come from the corporate treasury Attachment 1 at 12 However, that opinion held that Friends of Jane Harmon violated the Act by accepting contributions from Hughes Aircraft Company personnel sent to an employee who was a conduit for the collection and transmission of contributions 59 F Supp 2d at 1046

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

B. Joseph R. Jingoli, Jr.

1. Facts

In Jingoli’s response to the reason to believe finding, he admitted that he had already contributed the maximum campaign contribution under 2 U.S.C § 441a(a) to the Committee prior to his February 4, 2000 credit card purchase of three airline tickets for himself, Gormley and a “third person” to attend a Committee fundraiser in Las Vegas. Attachment 9 at 1. According to Jingoli’s response, “immediately upon becoming aware that a violation of the Act had taken place,” Jingoli contacted the Committee, “anticipating that a refund of the excess contribution would be refunded to him, thereby rectifying the matter.” *Id.* at 2. However, the response asserts that Jingoli, despite his efforts to contact Committee representatives, is not aware that he has received a refund of his excessive contribution to the Committee. *Id.* The response also requested pre-probable cause conciliation. *Id.*

After receiving Jingoli’s response, this Office interviewed Jingoli by telephone to supplement the information concerning his payment for the airline tickets for the fundraiser. *See* Attachment 10. According to Jingoli, he learned of the Las Vegas fundraiser while on a ski trip in Colorado. He stated that he discussed the fundraiser casually with several friends and

1 associates, and was part of a group who decided to travel together to Las Vegas. The rest of the
2 group on the plane to Las Vegas included, among others, Gormley, Gormley’s son Sean and
3 brother Jerry, and Gerald Corcoran. Jingoli told us that the “third person” he had purchased an
4 airline ticket for was Corcoran. When asked if Corcoran had any formal role with Gormley’s
5 campaign, Jingoli said that he did not think so.¹¹ He identified Corcoran as a friend who also had
6 done work for his company in the past, described Sean and Jerry Gormley as friends, and stated
7 that he had met the candidate about a decade before through “political and social involvement.”
8 Other than the candidate, Jingoli could not recall if any there were any Committee staff on the
9 same airplane or that attended the fundraiser. *Id.*

10 Jingoli stated that he bought the tickets for the candidate and Corcoran because he
11 arranged to purchase his ticket first and asked the other two if they wanted him to get their
12 tickets at the same time. Jingoli asked his Executive Assistant at Jingoli & Sons, Inc to purchase
13 the three tickets, which she did using Cary Travel, a company he also used for business travel.
14 Jingoli stated that the credit card used to purchase the plane tickets was a personal credit card,
15 but that he also sometimes used it for business. *Id.* At the time of its reason to believe
16 recommendations, this Office only had one page of Jingoli’s credit card statement, which had
17 been provided by the Committee; that page reflected a purchase of three plane tickets at a cost of
18 \$1,615 each. During the interview, however, Jingoli stated that his party downgraded the first
19 class tickets to coach class, and that he later received a credit for the difference Attachment 10
20 Subsequent to the interview, Jingoli provided a more complete copy of his credit card statement

¹¹ In view of Jingoli’s uncertainty about Corcoran’s role, if any, with the Committee, this Office also contacted Corcoran See Attachment 11 He indicated that he did not have a relationship with the Committee and that he attended the fundraiser since he had never been to Las Vegas and wanted to see the new resort as well as meet the featured celebrity at the fundraiser He also stated that he has been a friend and colleague of Gormley for over 25 years, and he identified Jingoli and his firm as business clients *Id.* Corcoran said that “[Gormley] had no staff” at the fundraiser *Id.* When asked if he attended the fundraiser acting on behalf of the Committee, Corcoran replied, “Absolutely, positively not there as Gormley’s staff” *Id.*

1 reflecting the purchase of these tickets. Attachment 12. The statement confirms these credits
2 and that each ticket actually cost \$723.¹² *Id.* at 6-8.

3 Jingoli stated that he conducted no company business on the trip and that the travel was
4 “personal.” Attachment 10. In addition, he stated that he did not solicit any contributions
5 relating to the Las Vegas fundraiser. *Id.* He also stated that he neither requested nor received
6 any reimbursement for the airline tickets he purchased at that time. Jingoli stated, however, that
7 after the Commission activated this matter, and the Committee made him aware that his payment
8 for the ticket might constitute an excessive contribution, he had written the Committee asking for
9 a reimbursement of the ticket he purchased.¹³ *Id.* Jingoli further stated that he expected
10 Corcoran to reimburse him, but did not think he had.¹⁴

11 2. Analysis

12 Based on the interview, and despite counsel’s failure to raise these defenses, it now
13 appears that Jingoli traveled to the fundraiser merely as a friend and contributor. Accordingly,
14 the cost Jingoli incurred in purchasing his own plane ticket to attend the fundraiser does not
15 constitute an in-kind contribution on behalf of the candidate or to the Committee. Furthermore,
16 there is no information indicating that Corcoran did any work on behalf of Gormley while at the
17 fundraiser, and he has specifically denied it. Therefore Jingoli’s purchase of Corcoran’s ticket to
18 attend the fundraiser also does not constitute an in-kind contribution on behalf of the candidate
19 or to the Committee. Thus, it appears that Jingoli’s violation was limited to the making of an

¹² Each ticket cost \$709 and had a \$14 flight insurance charge bringing the total per ticket to \$723. Although the statement shows a fourth charge of \$723 (\$708 + \$14) for an airline ticket to Jingoli’s account, it also reflects a corresponding credit for \$723. Attachment 12 at 6

¹³ Despite several requests to Jingoli’s counsel for a copy of this communication, it has not been provided

¹⁴ In this Office’s interview with Corcoran, he recalled that Jingoli paid for the airline tickets, but had no clear memory of reimbursing Jingoli for the expense of these tickets, adding, “I should have paid him back.” See Attachment 11 at 3

1 excessive in-kind contribution of \$723 in connection with his purchase of the single airplane
2 ticket for Gormley.¹⁵

3

4

5

6

7

8

9

10

11

12

While this Office therefore

13 does not recommend pursuing pre-probable cause conciliation with Jingoli, it recommends that
14 the Commission send him an admonishment letter in connection with his excessive
15 contribution.¹⁶

16 Based on the above, this Office now recommends the Commission admonish Jingoli and
17 close the file as to him. This Office plans to make appropriate recommendations concerning the
18 Committee's role in this and other fundraising activities in MUR 5020 in a subsequent report
19 As such, this Office makes no recommendations as to the Committee or other Respondents at
20 this time.

¹⁵ The Committee's acceptance of this excessive in-kind contribution will be addressed in a subsequent report

¹⁶

Jingoli has demonstrated a pattern of making excessive contributions. Jingoli was also a respondent in another recent matter, MUR 5356, involving a contribution of \$4,000 to Bob Franks for U S Senate, Inc for his general election in 2000. \$3,000 of this contribution was excessive and constituted three times the permissible limit. In that matter, the Commission found reason to believe that Jingoli violated 2 U S C § 441a(a)(1)(A) and 11 C F R § 110 I(b)(1) but took no further action as a matter of prosecutorial discretion.

1 **V. RECOMMENDATIONS**

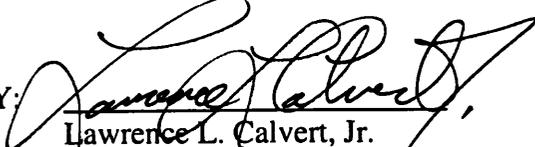
- 2 1. Enter into pre-probable cause conciliation with Harrah’s Entertainment, Inc., Atlantic
3 City Showboat, Inc., and Marina Associates, and approve the attached conciliation
4 agreement.
5
6 2. Enter into pre-probable cause conciliation with Herbert Wolfe, and approve the
7 attached conciliation agreement.
8
9 3. Enter into pre-probable cause conciliation with David Jonas, and approve the attached
10 conciliation agreement.
11
12 4. Admonish Joseph R. Jingoli, Jr. and close the file as it pertains to him.
13
14 5. Approve the appropriate letters.
15

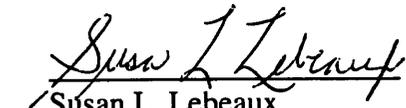
16 Lawrence H Norton
17 General Counsel

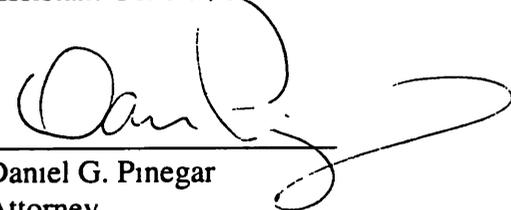
18 Rhonda J. Vosdingh
19 Associate General Counsel
20 for Enforcement

21
22
23
24 10/22/04
25 Date

26 BY:


27 Lawrence L. Calvert, Jr.
28 Deputy Associate General Counsel
29 for Enforcement


30 Susan L. Lebeaux
31 Assistant General Counsel


32 Daniel G. Pinegar
33 Attorney

34
35
36
37
38
39
40
41 **Attachments:**

- 42 1. Response to RTB finding – Harrah’s (jointly, Feb. 4, 2002)
43 2. Response to RTB finding – Wolfe Affidavit (Feb 1, 2002)
44 3. Response to RTB finding – Jonas Affidavit (Feb. 4, 2002)
45 4. Harrah’s Solicitation Memorandum (March 15, 2000)

- 1 5. Chart – Contributions Facilitated by Wolfe and Jonas
- 2 6. Conciliation Agreement – Harrah’s *et al.*
- 3 7. Conciliation Agreement – Herbert Wolfe
- 4 8. Conciliation Agreement – David Jonas
- 5 9. Response to RTB finding – Joseph R. Jingoli, Jr. (September 18, 2003)
- 6 10. Report of Investigation – Joseph R. Jingoli, Jr (October 6, 2003)
- 7 11. Report of Investigation – Gerald Corcoran (January 14, 2004)
- 8 12. Ltr. with American Express Credit Card Statement (December 11, 2003)

11/11/03 10:00 AM

(Facilitated by Herbert Wolfe)

Name	Occupation	Check Date	Date Reported	Amount	Cmte. Batch
Ashman, George	Manager	2/18/00	3/23/00	\$500 00	185
Blumberg, Jil	Vice-President	2/17/00	3/23/00	\$1,000 00	186
Carlhidge, Elizabeth	Executive	2/10/00	3/23/00	\$1,000 00	186
Colasante, Nicholas	Director	2/18/00	3/23/00	\$500 00	186
Costo, John	Marketing	2/18/00	3/23/00	\$500 00	185
Green, Thomas	Director	2/18/00	3/23/00	\$500.00	186
Hoffman, Andrew	Director	2/18/00	3/23/00	\$250.00	185
Joyce, William	Director	2/24/00	3/23/00	\$250 00	185
Krawiec, Gregory	Vice-President	2/21/00	3/23/00	\$1,000 00	186
Lewis, Kearn	Director	2/17/00	3/23/00	\$500 00	186
Lifshin, Rosalyn	Vice-President	2/16/00	3/23/00	\$1,000 00	186
McClinton, Doris	Director	2/18/00	3/23/00	\$250 00	185
Perkins, Harvey	Executive	3/8/00	3/23/00	\$1,000 00	186
Sausto, James	Director	2/25/00	3/23/00	\$500 00	186
Scaffidi, Victoria R	Marketing	2/17/00	3/23/00	\$500.00	186
Surkin, Hershey	Executive	2/18/00	3/23/00	\$500 00	186
Wolfe, Herbert	President	3/10/00	3/23/00	\$1,000 00	186

17 contributors listed in complaint and conduit report

\$10,750.00

Williams, Shelley	Unknown	2/20/00	3/23/00	\$150 00	186
Webster, Janet	Homemaker	2/18/00	3/23/00	\$1,000 00	186
Chandler, Paul	Showboat	2/22/00	3/23/00	\$50 00	185
Richard, Victoria	Showboat	2/18/00	3/23/00	\$200 00	185
DaGrosa, George	Showboat	2/19/00	3/23/00	\$200 00	185
Endsley, Louis	Unknown	2/25/00	3/23/00	\$100 00	185
Cohen, Gary	Unknown	2/22/00	3/23/00	\$100 00	185
Cassidy-Hayes, Mary Ann	Unknown	2/17/00	3/23/00	\$200 00	185
Chen, Stacie	Unknown	2/18/00	3/23/00	\$250 00	185

9 contributors not listed in conduit report

\$2,250.00

TOTAL:

\$13,000.00

**Contributions from "Harrah's Atlantic City" (Marina) Employees
(Facilitated by David Jonas)**

Name	Occupation	Check Date	Date Reported	Amount	Cmte. Batch
Ambrosio, William W	Executive	3/27/00	3/30/00	\$500.00	219
Booker, Michael	Manager	3/24/00	3/30/00	\$300 00	215
Boxer, Christine	Manager	3/24/00	3/30/00	\$500 00	216
Byrnes, James	Director	3/16/00	3/30/00	\$500 00	216
Campano, Holly	Manager	3/21/00	3/30/00	\$250 00	215
Chiaradio, Jeanne	Manager	3/23/00	3/30/00	\$500.00	216
Ciallella, Anthony	Manager	3/25/00	3/30/00	\$500.00	216
Cleary, James	Vice-President	3/24/00	3/30/00	\$1,000 00	214
Cook, Thomas	Vice-President	3/23/00	3/30/00	\$1,000 00	214
Cunningham, Glenford	Manager	3/15/00	3/30/00	\$500 00	215
Denafo, Alfred J	Manager	3/29/00	3/30/00	\$500 00	215
Fetcho, Lucretia	Director	3/24/00	3/30/00	\$250 00	214
Gullo, Gaye Rose	Marketing	3/17/00	3/30/00	\$1,000 00	214
Guzman, Arlene	Manager	3/15/00	3/30/00	\$250 00	214
Herman, Donna	Manager	3/24/00	3/30/00	\$250 00	214
Holloman, Ronald	Director	3/27/00	3/30/00	\$250.00	214
Jonas, David	Vice-President	3/21/00	3/30/00	\$1,000 00	214
Kashuda, Mark	Manager	3/28/00	3/30/00	\$500 00	215
King, Karen	Controllor	3/23/00	3/30/00	\$250 00	214
Kotzen, Susan	Director	3/27/00	3/30/00	\$250 00	215
Mallett, Mark	Director	3/25/00	3/30/00	\$250 00	214
McFadden, Charles	Director	3/24/00	3/30/00	\$500 00	215
Miller, Janet	Manager	3/16/00	3/30/00	\$500 00	215
Myers, Gail	Controllor	3/22/00	3/30/00	\$250 00	214
Naranjo, Mylka	Executive	3/30/00	3/30/00	\$250 00	219
O'Hanley, Ross	Executive	3/22/00	3/30/00	\$250.00	215
Paludi, Louis	Executive	3/15/00	3/30/00	\$500 00	214
Pappas, Luann	VP, Marketing	3/23/00	3/30/00	\$1,000 00	214
Peditto, Linda	Director	3/23/00	3/30/00	\$250 00	215
Presha, Jeanne	Manager	3/27/00	3/30/00	\$250 00	215
Quigley, Frank	Vice-President	3/20/00	3/30/00	\$1,000 00	216
Ranere, John	Manager	3/25/00	3/30/00	\$250 00	215
Richter, Patricia	Director	3/28/00	3/30/00	\$250 00	214
Rocco, Patricia	Director	3/24/00	3/30/00	\$500 00	215
Rodio, Anthony	Vice-President	3/19/00	3/30/00	\$1,000 00	214
Sanderson, Charles	Manager	3/23/00	3/30/00	\$500 00	214
Slickmeyer, Tina	Manager	3/16/00	3/30/00	\$250 00	214
Starrett, Mark	Manager	3/16/00	3/30/00	\$250 00	215
Strauss, Allen	Marketing	3/24/00	3/30/00	\$250 00	215
Wheller, Stephanie	Vice-President	3/23/00	3/30/00	\$1,000 00	216
Wilmont, Timothy	President (Harrah's Eastern Divison)	3/27/00	3/30/00	\$1,000 00	214
41 contributors listed in complaint and conduit report				\$20,300.00	

**Contributions from "Harrah's Atlantic City" (Marina) Employees
(Facilitated by David Jonas)**

Name	Occupation	Check Date	Date Reported	Amount	Cmte. Batch
Baumann, Lanna (spouse of Baumann, Ronald)	Vice-President	3/23/00	3/30/00	\$1,000 00	214
Carlucci, Anthony	Beverage Mgr	3/27/00	(Below Threshold)	\$100 00	216
Bowman, Karen Curley	Convention Services Mgr	3/28/00	3/30/00	\$500 00	216
Evrensel, Doris	Mgr	3/27/00	(Below Threshold)	\$100 00	214
Evrensel, Berk	EVS Mgr	3/27/00	(Below Threshold)	\$100 00	214
Grahslar, Kimberly	Mgr	3/27/00	(Below Threshold)	\$75 00	216
Holl, Wendy	Executive Asst	3/21/00	(Below Threshold)	\$100 00	216
Merrick, Paul	Stage Mgr	3/27/00	(Below Threshold)	\$100 00	216
Simpson, William	Chief Engineer	3/27/00	(Below Threshold)	\$100 00	216
Walsh, Michael	Housekeeping Mgr	3/27/00	(Below Threshold)	\$150 00	216
Ward, Donna	Director Hotel	3/25/00	(Below Threshold)	\$50 00	216
Barna (Wilmott), Anastasia (same check as Wilmott, Tim)	Medical Doctor (wife)	3/27/00	3/30/00	\$1,000 00	214
Witmer, Patricia (spouse of Witmer, John)	Director of Engineering &	3/27/00	3/30/00	\$500 00	214
Zappas, John	Director of Restaurant Services	3/27/00	(Below Threshold)	\$100 00	216
14 contributors not listed in complaint				\$3,975.00	

TOTAL: \$24,275.00