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February 15, 2021

Karen Brinson Bell
State Board of Elections
430 N. Salisbury St., 3rd Floor, Dobbs Building
Raleigh, NC 27603

Dear Ms. Bell,

Last week, I was asked by a Raleigh *News & Observer* reporter to review several odd campaign expenses disclosed on the reports of the Mark Robinson for NC committee: a \$2,400 expense labeled “cash withdrawal,” a \$4,800 payment to Yolanda Hill (Mark Robinson’s wife) described as “reimbursement for campaign apparel,” a few “medical” expenses totaling \$186, and several payments to Lake Gaston Outfitters in Littleton for “campaign clothing and accessories.”

After reviewing those and other expenses, and also reviewing contributions from the committee’s 3,100 donors who gave over \$50, I am finding a significant number of problems and apparent violations of North Carolina’s campaign finance laws. Taken together, I believe they raise serious concerns and I encourage the State Board to conduct a comprehensive audit to obtain proper explanations and documentation of insufficiently described expenses and also to conduct an investigation into possible wrongdoing by the committee and/or its donors that may require forfeiture of campaign funds or other action. Here are my findings and observations, which I shared with the reporter:

- The “cash withdrawal” of \$2,400 reported on 12/26/2019 is clearly prohibited by NCGS 163-278.8(d). The address given for that expense is an office of the State Employees Credit Union in High Point. There is another apparent cash withdrawal of \$160 from a SECU office in Kinston on 12/2/2019; this one has “cash” identified as the purpose of the expense.

- Given the prohibition in NCGS 163-278.16B against using campaign funds for the personal benefit of the candidate or candidate’s family, the five expenditures totaling \$2,375 to Lake Gaston Outfitters in Littleton and the \$4,500 reimbursement to Ms. Hill for “campaign apparel” may be legitimate, but they need more clarification and documentation. Likewise for the expenses identified with a purpose of “medical” – how are they necessitated because of Mr. Robinson’s campaign for office? As I told the reporter, it’s one thing for Mark Robinson, fresh on the campaign trail, to spend a total of \$510 for “campaign clothing” at three different stores in the Asheville area on the same day (10/19/2019), but spending \$2,375 at an outfitters store is very odd and needs explanation.

- I count at least 25 expenditures that do not list anything for their Purpose, in apparent violation of NCGS 163-278.11. Some seem to be refunds of contributions; a couple are media expenses (WLHC-FM aka Woolstone Corp and WHIG-TV); some are to stores – for what?

The credit card payment of \$130 to Bank of America on 11/16/2020 needs an explanation – is it for cash or what? It's also unclear how the campaign makes a \$500 payment on 12/1/2019 to the campaign itself (payee: "Mark Robinson for NC") for "2 electric guitars" used in a raffle – was this actually a reimbursement to Mr. Robinson for buying the guitars or what?

- There are more than 1,400 contributions from individuals giving over \$50 that do not have information about the donor's occupation, including about 250 contributions of \$500 to \$5,400. This disturbing pattern of omission, particularly for so many large donors, apparently violates NCGS 163-278.11 and clearly prevents the public from having important information about the candidate's financial support.

- There is a \$10,800 contribution from Kirk Eskridge on 7/22/2020 that apparently violates the contribution limit set forth in NCGS 163-278.13. There are also two donations of \$5,400 each on the same day (9/25/2020) from Mary Vande Guchte, which together would exceed the contribution limit. Linda Hendrick is listed as donating \$1,000 on 9/14/2020 and \$5,400 on 10/15/2020, for a total of \$6,400 which violates the limit of \$5,400 per election in 2020. I do not see refunds to any of these individuals on the committee's expenditure reports. I believe the committee, at a minimum, should pay the amounts exceeding the \$5,400 limit to the Civil Penalty and Forfeiture Fund, pursuant to NCGS 163-278.34.

- There are two contributions of \$5,400 each from federal PACs that are not identified with an address, that are not registered to make contributions in North Carolina, and that are therefore not authorized to donate to the Robinson campaign in accordance NCGS 163-278.7A – Gun Owners of America and the Huck PAC (which is the PAC of Mike Huckabee in Arkansas). Two more contributions are from entities not registered to donate in NC, as best I can tell – \$1,000 from Friends of Mia Love PAC in Maryland and \$500 from the NYS Rifle & Pistol Association PVF in New York. I think the State Board will identify others, such as Liberty First Grass Roots PAC IE giving \$200, with no address.

- There's an entry on 7/7/2020 for \$1,410 in the form of "Cash" with the donor listed as "Unknown." There's also an entry on 8/28/2020 for \$100 in the form of a check listed with the donor listed as "Unknown." Donations of cash in such large amounts and donations from anonymous donors are prohibited by NCGS 163-278.14.

- There's a \$4,000 contribution from an apparent business entity, "Murphy Ventures," which would violate NCGS 163-278.19. The address is the home address in Duplin County used in various documents by Jeffery B. Turner. Mr. Turner is executive vice president of Murphy Family Ventures LLC, which is a management company for several companies owned by the extended family of hog baron Wendell H. Murphy Sr. and others. There are also four donations of \$4,000 each, given on the same day, from Murphy family members (Harry Murphy, Wendell Murphy Jr., "Mrs. Murphy" and Kelly Crumpler); no occupational information is provided for them, but the four are each sometimes listed with "Murphy Family Ventures" in other candidates' reports, and the PO Box 1113, Wallace, address is used by some Murphy family companies. Because of the family's history with illegal donations and the pattern of these donations totaling \$20,000, I believe it is vital to investigate the possible illegal use of business funds to make these five contributions.

- There's at least one other donation listed to a company – \$100 on 6/14/2020 from Industrial Lighting & Controls in Thomasville, NC.

• There are also at least 15 donors giving \$100 or more who are not identified with an address, more apparent violations of NCGS 163-278.11. All of these donors purportedly made their donation in the form of a check, and checks usually have address information. The lack of address information on the disclosure report raises the question of whether these are illegal cash donations in violation of NCGS 163-278.14. There are also some donors who gave \$100 or more who are listed without a complete name, such as “Brenda L.” in Grovetown, Georgia and “J W” in Fuquay-Varina.

Finally, adding all the donations in the campaign reports appears to total about \$1,383,000 but the final summary page of the committee shows a total of about \$1,300,000. I also get a different figure for expenses from the summary page, but I know it’s not uncommon for such differences to occur and then get corrected during the State Board’s auditing process.

Please let me know if I can be of assistance in your investigation and please notify me about actions the Board will be taking regarding this complaint.

Sincerely,

Bob Hall

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STATE OF NORTH CAROLINA
COUNTY OF _____

The undersigned, being first duly sworn, hereby certifies that he is a registered voter in North Carolina and that the information in this letter is true and correct to the best of his knowledge and belief.

Signature

Date

Sworn to (or affirmed) and subscribed before me, this ____ day of _____, 2021.

Signature of Notary Public

Printed Name of Notary Public

(NOTARY STAMP OR SEAL)

My commission expires: _____