



COMPLAINT FOR VIOLATION OF THE CAMPAIGN FINANCE AND PUBLIC DISCLOSURE ACT

10 SEP 30 AM 10:35

CAMPAIGN FINANCE & PUBLIC DISCLOSURE BOARD

All information on this form is private and confidential until a finding is issued by the Board.

Name of person/entity being complained about

Name of complaint filer		Mike Dem, Common Cause Minnesota
Address		2323 E Franklin Ave
City, state, zip	Daytime telephone no.	Minneapolis, MN 55106 612-77605-7978

Name of person/entity you are complaining about

Name of person/entity being complained about		Minnesota's Future, LLC
Address		7300 Hudson Blvd. Suite 270
City, state, zip		Saint Paul, MN 55128
Title of respondent (if applicable)		
Board/Department/Agency/District # (if legislator)		

9/30/10

Signature of person filing complaint

Date

Send completed form to: Campaign Finance & Public Disclosure Board
Suite 190, Centennial Building
658 Cedar Street
St. Paul, MN 55155

If you have questions call: 651/296-1721; 800/657-3889; or
for TTY/TDD communication contact us through the Minn. Relay Service at 800/627-3529
Board staff may also be reached by e-mail at: cf.board@state.mn.us.

This document is available in alternative formats to individuals with disabilities by calling 651/296-5148; 800/657-3889; or through the Minnesota Relay Service at 800/627-3529.

Give the statute cite of the portion of Chapter 10A, or Minn. Rules you believe has been violated.

You will find the complete text of Minn. Stat. §10A and Minn. Rules Chapters 4501 - 4525 on the Board's website at www.cfboard.state.mn.us .

Explain your Allegations

Explain in detail why you believe the respondent has violated Chapter 10A, the Campaign Finance and Public Disclosure Act. Attach an extra sheet of paper if necessary. Attach any documents, materials, minutes, resolutions or other evidence to support your allegations.

Minn. Stat. 10A.02, subd 11 - Violations; enforcement.

The board shall investigate any alleged violation filed in writing with the board. For an alleged violation of sections 10A.25 (expenditure limits) or 10A.27 (additional limits) the board shall either enter into a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of the filing of the complaint. For alleged violations of all other sections, the board shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred.

The deadline for action may be extended by a majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations.

Any hearing or action of the board concerning a complaint or investigation shall be confidential until the board makes a public finding concerning probable cause or enters into a conciliation agreement.

Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report that finding to the appropriate law enforcement authorities.

**COMPLAINT FOR VIOLATION OF
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE ACT
SUBMITTED BY COMMON CAUSE MINNESOTA**

Common Cause Minnesota ("Common Cause") files this complaint against Minnesota Future, LLC for violating Minn. Stat. §§ 10A.14, 10.20, 10A.27 subdivision 15, and 10A.29.

Minnesota Future, LLC violated Minnesota law by failing to register as a political committee with the Minnesota Campaign Finance Disclosure Board ("CFB") as soon as it received a contribution or made expenditure in excess of \$100. Because Minnesota Future, LLC failed to properly register as a political committee, it subsequently violated a series of other state statutes. In particular, Minnesota Future, LLC failed to: (1) file a report detailing its contributions and expenditures; and (2) obtain an original-source disclosure from its major contributor, the Republic Governors Association, a 527 organization that is not registered with the CFB. Minnesota Future, LLC's actions can only have been intended to circumvent the registration and reporting requirements that apply to political committees and unregistered associations under Chapter 10A, which is a separate and additional violation of Minnesota law.

Relevant Documents Attached to This Complaint

1. Attachment A – *Report of Receipts and Expenditures* filed by the Minnesota's Future political committee on September 22, 2010, which was obtained from the CFB's web site. The Report includes the *Disclosure Statement for Corporations and other Unregistered Associations Contributed to Independent Expenditure Committees and Funds*, which was completed by Minnesota Future, LLC.
2. Attachment B – Minnesota's Future registration as a political committee or political fund, which was obtained from the CFB's web site.
3. Attachment C – Articles of Organization for Minnesota Future, LLC.
4. Attachment D – IRS 527 organization registration for Minnesota Future obtained from the IRS' web site listing of registered 527 organizations.
5. Attachment E – Printout from the RGA web site describing its mission and activities.
6. Attachment F – IRS 527 organization registration for RGA obtained from the IRS' web site listing of registered 527 organizations.

Factual Background

1. The Interested Parties.

A. Minnesota's Future.

Minnesota's Future is registered with the CFB as an independent expenditure political committee or fund. (Attachment B).

B. Minnesota Future, LLC.

Minnesota Future, LLC is a Minnesota limited liability company that was formed on August 11, 2010. In its articles of organization, Minnesota Future, LLC states that it "will be operated within the meaning of section 527 of the Internal Revenue Code of 1986" and

will have the primary purpose to accept contributions and make independent expenditures to directly or indirectly influence the selection, nomination, election or appointment of any individual to public office, together with related purposes implied there from.

(Attachment C.) Minnesota's Future, LLC is not registered with the CFB as a political committee or political fund.

An organization called "Minnesota Future" with the same address as Minnesota's Future, LLC is also registered with the IRS as a Section 527 organization. (Attachment D.)

C. The Republican Governor's Association.

The Republican Governors Association ("RGA") is an organization based in Washington, D.C. (Attachment E). Like Minnesota Future, LLC, the RGA is registered with the IRS as a Section 527 organization. (Attachment F). However, the RGA has not registered with the CFB as a political committee or political fund.

2. The Relationship Between the Interested Parties.

In the months of August and September, 2010, the RGA made significant financial contributions to Minnesota Future, LLC, which in turn made significant contributions to the Minnesota Future's political committee. In fact, it appears that Minnesota Future, LLC was formed to funnel contributions from the RGA to the Minnesota's Future political committee and avoid otherwise applicable disclosure requirements. The basis for this conclusion is as follows:

On September 22, 2010, the Minnesota's Future political committee filed a *Report of Receipts and Expenditures* ("Report") with the CFB. The Report shows that Minnesota's Future only source of funds consists of three contributions, as follows:

\$390,000 on August 25
\$9,500 on September 2
\$30,000 on September 14
\$429,500 total

Attached to the Report filed by Minnesota's Future is a *Disclosure Statement for Corporations and other Unregistered Associations Contributed to Independent Expenditure Committees and Funds* ("Disclosure Statement"). The Disclosure Statement was completed by Minnesota Future, LLC. The Disclosure Statement reports that Minnesota Future, LLC received contributions from two sources on two dates, as follows:

\$428,000 from the Republic Governors Association, apparently on August 25
\$1,500 from Jeff Larson, apparently on September 14
\$429,500 total

After diligent investigation, Common Cause has been unable to find evidence of any activity of Minnesota Future, LLC, aside from the receipt of contributions (overwhelmingly from the RGA) and transfer of funds to the Minnesota's Future political committee.

VIOLATIONS OF MINNESOTA LAW

1. Minnesota Future, LLC Has Failed to Register as a Political Committee.

A "political committee" is an association whose major purpose is to influence the nomination or election of a candidate or to promote or defeat a ballot question, other than a principal campaign committee or a political party unit. Minn. Stat. § 10.01, subd. 27. Upon receiving a contribution or making expenditures in excess of \$100, a political committee must register with the CFB. Minn. Stat. § 10A.14, subd. 1. In order to violate Minnesota's political committee registration requirement, an entity must: (1) have a primary purpose of influencing elections in Minnesota, (2) receive a contribution or make an expenditure in excess of \$100, and (3) fail to register with the CFB. Minnesota Future, LLC satisfies all three of these prongs.

A. Minnesota Future, LLC has a major purpose of influencing elections in Minnesota.

Minnesota Future, LLC has a primary purpose of influencing elections in Minnesota. In its articles of organization, the LLC concedes that it is a 527 political organization that has

the primary purpose to accept contributions and make independent expenditures to directly or indirectly influence the selection, nomination, election or appointment of any individual to public office, together with related purposes implied there from.

(Attachment C).

An "analysis of an association's purpose may begin with statements that the association makes about itself." CFB Advisory Opinion 405. Here, Minnesota's Future, LLC states that its primary purpose is to accept contributions, make independent expenditures, and influence elections. (Attachment C). Clearly, the LLC meets the primary purpose prong of the political committee test.

Minnesota Future, LLC's decision to organize under section 527 of the Code is also significant:

An association electing Section 527 status is voluntarily self-identifying itself as a "political organization." A political organization is an association "organized and operated primarily for the purpose of ... directly or influencing or attempting to influence the selection, nomination, election or appointment" of a person to federal, state, or local office.

CFB Advisory Opinion 405.

B. Minnesota Future, LLC received contributions and made expenditures in excess of \$100

Minnesota Future, LLC, as an organization with a major purpose of influencing elections in Minnesota, was required to register as a political committee within fourteen days of receiving a contribution or making an expenditure of \$100 or more. Minn. Stat. § 10A.14, subd. 1. On August 25, 2010, Minnesota Future, LLC received a contribution from the RGA of \$428,000. (Attachment A, Disclosure Statement.) On that same day, Minnesota Future, LLC turned around and contributed \$390,000 to the Minnesota's Future political committee. (Attachment A, Report.) Thus, Minnesota Future, LLC was required to register as a political committee no later than September 8, 2010.

An organization like Minnesota Future, LLC — whose major purpose is to influence elections — may not avoid registration as a political committee by simply availing itself of the more limited reporting for unregistered associations under Minn. Stat. 10A.27, subd. 15. To read the statutes otherwise would render the definition and regulatory framework for political committees meaningless. The canons of statutory construction presume that the legislature intends the entire statute to be effective and certain. Minn. Stat. § 645.17(2). Moreover, as the CFB stated in Advisory Opinion 405, “the state’s interest in regulating the political activity of an association whose major purpose is to influence the state’s elections is significantly stronger than the state’s interest in regulating intermittent political activity of an association that exists for other purposes.” Accordingly, an organization like Minnesota’s Future, LLC, whose major purpose is to influence elections, is a political committee that must register with the CFB and report all of its receipts and contributions.

C. Penalty

By not registering as a political committee with the CFB, Minnesota Future, LLC violated Minn. Stat. § 10A.12 subd. 1a. If a person fails to register within ten business days after the registration is due, the CFB may impose a late filing fee of \$ 5 per day, not to exceed \$100. The CFB must send a notice to the person that has failed to register within ten days after the registration is due, and an individual who fails to file within seven days of that notice is subject to a civil penalty of up to \$1,000. Minn. Stat. § 10A.14, subd. 4 (as amended by 2010 Minn. Laws Ch. 327, sec. 12).

The Board should require Minnesota Future, LLC to register as a political committee and impose a fine of \$5 per day.

2. Failure to file Report of Receipts and Expenditures

Political committees must report all of their receipts and expenditures. Minn. Stat. § 10A.20, subd. 2(c). A review of the 42-day Pre-General Election Reports of Receipts and Expenditures that were filed with the CFB on September 22 (on the CFB’s web site) shows that Minnesota Future, LLC did not file its report. Because Minnesota Future, LLC is a political committee, it has violated Minnesota law by failing to report its receipts and expenditures.

The CFB must send a notice by certified mail to any individual who fails to file the required disclosure of receipts or expenditures. If an individual fails to file a statement due before the election within three days after the date due, regardless of whether the individual has received any notice, the CFB may impose a late filing fee of \$50 per day, not to exceed \$1,000, commencing on the date the statement was due. Minn. Stat. § 10A.20, subd. 12 (as amended by 2010 Minn. Laws Ch. 397, sec. 9).

The Board should impose the late filing penalty of \$50 per day.

3. Accepting a contribution from RGA without the proper disclosure statement.

Minnesota Future, LLC, as a political committee, was required to obtain a disclosure of the original source the \$428,000 contribution it received from the RGA, an association that is not registered with the CFB as a political committee or fund.

An association not registered with the CFB, if not prohibited by other law, may contribute revenue from membership dues or fees or from contributions received by the association to an independent expenditure political committee, but only if the association provides the recipient's treasurer with a written statement disclosing the original source of the contributed funds. Minn. Stat. § 10A.27, subd. 15 (added by 2010 Minn. Laws Ch. 397, sec. 11).

The information that must be disclosed by the association includes the name, address, and amount attributable to each individual or association that paid dues or fees to the association or made contributions to the association that, in total, aggregate \$1,000 or more of the contribution. The disclosure statement also must identify the total amount of the contribution received from individuals or associations not subject to itemization. Minn. Stat. § 10A.27, subd. 15 (2010 Minn. Laws Ch. 397, sec. 11.) The treasurer of an independent expenditure political committee that files a report without including the statement required under subdivision 15 is subject to penalties. Minn. Stat. § 10A.27, subd. 17 (2010 Minn. Laws Ch. 397, sec. 13).

Here, Minnesota Future, LLC appears to be an independent expenditure political committee. Its Disclosure Statement identifies a \$428,000 from the RGA, but it does not include a disclosure statement from the RGA as required under Minn. Stat. § 10A.27, subd. 15. Although Minnesota Future, LLC has the authority to accept contributions from unregistered associations like the RGA, it is statutorily obligated to obtain a disclosure statement from such associations under Minn. Stat. § 10A.27, subd. 15. By failing to obtain the necessary disclosure statement from the RGA, Minnesota Future, LLC has violated Minnesota law.

The treasurer of a political committee that files a report without including the disclosure statement required under Minn. Stat. § 10A.27, subd. 15 is subject to a civil penalty of up to four times the amount of the contribution for which disclosure was not filed, but not to exceed \$25,000 unless the violation was intentional. Minn. Stat. § 10A.27, subd. 17 (2010 Minn. Laws Ch. 397, sec. 13). Here, the activity of Minnesota Future, LLC, the Minnesota's Future political committee, and the RGA demonstrates an intentional scheme to avoid compliance with the disclosure requirements of Minn. Stat. § 10A.27, subd. 15. Accordingly, the CFB should impose the maximum penalty of four times the amount of the contribution, for a total penalty of \$1,712,000.

4. Circumvention of Minnesota's Disclosure law.

By incorporating as a limited liability company, not registering as a political committee, receiving contributions from the RGA and then immediately transferring them to the Minnesota's Future political committee, Minnesota Future, LLC has materially contributed to the circumvention of Chapter 10A. The statutes prohibit the circumvention of Chapter 10A by redirecting a contribution through, or making a contribution on behalf of, another individual or association. Minn. Stat. § 10A.29. The penalty for circumvention is gross misdemeanor and a civil penalty imposed by the CFB of up to \$3,000. *Id.*

As noted above, Minnesota Future, LLC was formed on August 11, 2010, and its primary purpose is to "accept contributions and make independent expenditures to directly or indirectly influence the selection, nomination, election or appointment of any individual to public office." (Attachment C). On August 25, 2010 – just two weeks after it was formed – Minnesota Future, LLC received a contribution from the RGA of at least \$399,500. It immediately contributed \$390,000 of those funds to the Minnesota's Future political committee. On September 2 and 14, respectively, Minnesota Future, LLC contributed an additional \$9,500 and \$30,000 to the Minnesota's Future political committee.

Had the RGA contributed funds directly to the Minnesota's Future political committee, rather than funneling its contribution through Minnesota Future, LLC, then the RGA would have had to file the disclosure statement required under Minn. Stat. § 10A.27, subd. 15. Among other things, the RGA would have had to disclose the original source of the contributed funds.

By acting as conduit in this manner, Minnesota Future, LLC facilitated the circumvention of the original-source disclosure requirements of Minn. Stat. § 10A.27, subd. 15. But for the cooperation of Minnesota Future, LLC, the disclosure requirements of Minn. Stat. § 10A.27 would not have been violated. The CFB should find that Minnesota Future, LLC has materially contributed to the circumvention of Chapter 10A and impose the maximum penalty of \$3,000 on the LLC.

Requested Actions

1. Expedited Consideration

The issues raised in this complaint involve the interpretation of laws that could have widespread application and a material impact on the conduct of the upcoming election by independent organizations. Accordingly, the CFB should consider this complaint on an expedited basis.


2. Penalties

In sum, Common Cause Minnesota respectfully requests that the CFB find Minnesota Future, LLC has violated Minn. Stat. §§ 10A.14, 10.20, 10A.27 subd. 15, and 10A.29, and it urges the CFB take the following remedial actions:

- Send notice by certified mail to Minnesota Future, LLC of its obligation to register a political committee and file the associated reports of receipts and expenditures;
- Assess the daily late filing penalties for registering and filing reports of receipts and expenditures late.;
- Assess a civil penalty of \$1,712,000 for violating Minn. Stat. § 10A.27, subd. 15 by accepting a contribution from the RGA without the required original source disclosure because it was an intentional violation to avoid disclosure; and
- Impose a civil penalty of \$3,000 for circumvention of Chapter 10A pursuant to Section 10A.29.

Considering the nature of the scheme and the intent of the parties to create a shell company in order to hide the source of contributions, we encourage the CFB to seek the maximum penalties and send a clear message that attempts to avoid disclosure will not be tolerated.

Common Cause Minnesota



by Mike Dean

2323 E Franklin Ave

Minneapolis, MN 55406

Phone - 612-605-7978

mdean@commoncause.org

Minnesota
**Campaign Finance and
 Public Disclosure Board**



10 SEP 22 PM 1:41

Sub 100 - Central Office Building - 635 Cedar Street - St. Paul MN 55101-1000 - www.cbboard.state.mn.us
 Email at: cfboard@state.mn.us

CAMPAIGN FINANCE &
 PUBLIC DISCLOSURE BOARD

**Report of Receipts and Expenditures for
 Independent Expenditure Committees and Independent Expenditure Funds**

Period covered: January 1 through September 14, 2010

REPORT DUE DATE IS September 21, 2010

FILING INSTRUCTIONS

- This report may be emailed to cfb.reports@state.mn.us or faxed to (651) 296-1722; (800) 357-4114
- All information on this form or report is public information and may be published on the Board's website at www.cbboard.state.mn.us
- It is unlawful to use this information for commercial purposes.
- Do not use pencil or red ink.
- Board staff may also be reached by phone at (651) 282-6894 or (800) 657-3889 or by email at cf.board@state.mn.us

COMMITTEE OR FUND INFORMATION

Committee or fund name MINNESOTA'S FUTURE	Registration number 40989
Treasurer name JOE DROOGSMA	Treasurer email address tyndro692@aol.com
Treasurer address 128 E. Golden Lk. Ln.	
Treasurer city, state, zip Circle Pines, MN. 55014	Treasurer telephone (optional) 763-360-7603

REPORT OPTIONS

Check one of the boxes below *only if applicable* and provide the requested information.

No change statement Check this box *only if* your committee or fund received *no* contributions and made *no* expenditures since your last reporting period. Do not use this statement if there was any monetary change. If there was no change:

Provide the current cash balance: \$ _____, and sign here:

I, the treasurer or deputy treasurer (check one) _____ Date _____
 certify there has been no change.

Amendment Check this box if your committee or fund is filing this report to amend a previously filed report for this period.

Termination Check this box if your committee has dissolved. A committee may not dissolve unless it has settled all its debts and disposed of all its assets in excess of \$100.

This document is available in alternative formats to individuals with disabilities by calling (651)296-6148; (800)657-3888; or through the Minnesota Relay Service at (800)627-3329.

C	For office use only
<input checked="" type="checkbox"/> Checked in	<input type="checkbox"/> Scanned <input type="checkbox"/> Data entered

COMMITTEE OR FUND TRANSACTION SUMMARY

1	Beginning cash balance 1/1/10 (should be the same as the 12/31/09 ending cash balance)		\$891.26			
A	RECEIPTS:		Cash (Col. 1)	Blank (Col. 2)	In-kind (Col. 3)	Total (Col. 4)
2	Total contributions received from individuals and registered committees	Sch. A1 - IR	\$ 0		\$ 0	\$ 0
3	Total contributions received from unregistered associations that was derived from business revenue	Sch. A1 - BR	\$ 0		\$ 0	\$ 0
4	Total contributions received from unregistered associations that was derived from fees, dues, and contributions.	Sch. A1 - UA	\$429.50		\$ 0	\$429.50
5	Receipts from loans payable	Sch. A2 - LP	\$ 0			\$ 0
6	Miscellaneous income	Sch. A2 - MISC	\$ 0			\$ 0
7	TOTAL RECEIPTS	Sum #2 thru #6	\$430,391.26		\$ 0	\$430,391.26
B	DISBURSEMENTS:		Cash (Col. 1)	Unpaid bills (Col. 2)	In-kind (Col. 3)	Total (Col. 4)
8	Expenditures	Sch. B1 - EXP	\$271.12	\$ 0	\$ 0	\$271.12
9	Contributions to Independent Expenditure Committees and Funds	Sch. B2 - IND PAC	0	0	0	0
10	Independent expenditures See required form on page 18	Sch. B2 - IND	\$399,897	\$10,022.00	0	\$409,919.00
11	TOTAL EXPENDITURES	Sum #8 thru #10	\$399,168.12	\$10,022.00	\$ 0	\$409,190.12
12	Ending cash balance 9/14/10	#1 + #7 - #11	\$51,223.14			

LOANS SUMMARY

Total of all loans owed by your committee as of September 14, 2010, including all previous years.	\$ 0
Total of all loans owed to you committee as of September 14, 2010, including all previous years.	\$ 0

CERTIFICATION

I, JOE DROOGSMA, certify that this report is complete, true, and correct.
 (print or type name)

[Signature] _____ Date 9/21/10

Signature of treasurer or deputy treasurer (check one) _____ Date

Any person who signs and certifies to be true a report or statement which the person knows contains false information, or who knowingly omits required information, is subject to a civil penalty imposed by the Board of up to \$3,000 and is subject to criminal prosecution for a gross misdemeanor.

SCHEDULE B1 - EXP - EXPENDITURES

Make photocopies of this page if additional space is needed.

Date	Name and full address of payee, including third party payee	specific purpose of expenditure	1 Cash	2 Contrib. to Federal and local securities	3 Unpaid bills	4 In-kind (net item & fair market value)	5 Total Cash & In-kind
4/14	Postmaster Circle Pines, MN SPIN	P.O. Box Rentar	56.00				56.00
7/8		POSTAGE	10.00				10.00
7/21		POSTAGE	10.00				10.00
9/30	JCA BANK 201 WATSONVILLE AVE MPLS, MN. 55401	Deposit stamps & checks	33.10				33.10
8/25		WIRE TRANSFER fee	15.00				15.00
8/27		WIRE TRANSFER fee	25.00				25.00
9/12		WIRE TRANSFER fee	15.00				15.00
Total of non-itemized expenditures							
TOTALS							
			Add totals of col. 1 & 2 To pg. 3, line 8, col. 1		To pg. 3, line 6, col. 2	To pg. 3, line 6, col. 3	To pg. 3, line 6, col. 4

It is unlawful to use this information for commercial purposes.

13

SCHEDULE B1 - EXP - EXPENDITURES

Make photocopies of this page if additional space is needed.

Date	Name and full address of payee, including third party payee	Specific purpose of expenditures	1 Cash	2 Contrib. to federal and local committees	3 Unpaid bills	4 In-kind (net item & fair market value)	6 Total Cash & In-kind
9/3	TCP BANK	WIRE TRANSFER Fee	\$ 25.00	\$	\$	\$	\$ 25.00
9/7		WIRE TRANSFER Fee	\$ 25.00	\$	\$	\$	\$ 25.00
9/10		WIRE TRANSFER fee	\$ 25.00	\$	\$	\$	\$ 25.00
9/14		WIRE TRANSFER Fee	\$ 15.00	\$	\$	\$	\$ 15.00
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$
		Total of non-itemized expenditures	\$ 17.02	\$	\$	\$	\$ 17.02
		TOTALS	\$ 271.12	\$	\$	\$	\$ 271.12
			Add totals of col. 1 & 2 To pg. 3, line 8, col. 1		To pg. 3, line 6, col. 2	To pg. 3, line 8, col. 3	To pg. 3, line 6, col. 4

It is unlawful to use this information for commercial purposes.

INSTRUCTIONS FOR SCHEDULE B3 - IND

Use this schedule to itemize independent expenditures made by your committee or fund to advocate the election or defeat of a state legislative, judicial or constitutional office candidate only.

Independent expenditure definition:

- An independent expenditure is an expenditure that advocates the election or defeat of a clearly identified candidate that is made without the express or implied consent, authorization, cooperation of, and not in concert with, or at the request or suggestion of any candidate, candidate's treasurer, or candidate's agent.

Reporting instructions for Independent Expenditures

- List independent expenditures alphabetically by the last name of the candidate that the expenditure was for or against.
- In the vendor column, list the name and address of the vendor paid. Use additional rows for multiple independent expenditures affecting the same candidate.
- Itemize an expenditure to a particular vendor only if your committee spent more than \$100 with the vendor on independent expenditures. For example, if your committee purchased a \$50 advertisement for candidate A and another advertisement worth \$60 for candidate B you would list the vendor for each candidate because total independent expenditures with the vendor exceeds \$100. You only need to provide the address of a vendor the first time you list the vendor on schedule B3.
- If you do not spend more than \$100 with a vendor on independent expenditures you do not itemize the expenditures to that vendor under any candidate's name. Instead you include the amount in the Non-Itemized Independent Expenditure total at the bottom of the schedule.
- Be sure to indicate if each itemized expenditure was for or against the candidate.
- If your committee makes an independent expenditure that lists more than one candidate you must allocate the cost of the expenditure between the candidates and report the allocated amount under each candidate's name.
- Return a completed Affidavit of Independent Expenditures (on the bottom of this page) with your report.

AFFIDAVIT OF INDEPENDENT EXPENDITURES

USE THIS FORM ONLY IF YOUR COMMITTEE MADE INDEPENDENT EXPENDITURES RELATED TO STATE LEGISLATIVE, JUDICIAL, OR CONSTITUTIONAL OFFICE.

State of Minnesota, County of Anoka as

I, the undersigned treasurer, being first duly sworn, states as follows:

1. The Minksova's Future

Name of committee or fund

made independent expenditures as described on schedule B3-Ind of the report which this affidavit accompanies. The independent expenditures made by the committee or fund were not made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of any candidate, any candidate's principal campaign committee or agent.

Notarization

Sworn to and subscribed before me this 21st day of SEPT 2010

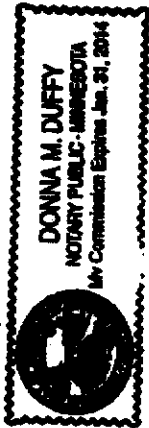
9/21/10
Date signed

[Signature]
Treasurer

Donna M. Duffy

Signature of notary public or other officer empowered to administer oaths

Notary Seal



SCHEDULE B3 - IND - INDEPENDENT EXPENDITURES

Make photocopies of this page if additional space is needed.

FOR STATE LEGISLATIVE, CONSTITUTIONAL AND JUDICIAL OFFICE CANDIDATES ONLY
 LIST INDEPENDENT EXPENDITURES FOR LOCAL CANDIDATES ON SCHEDULE B1 - EXPENDITURES

Name of candidate affected and office sought (List last name, first name)	15 8 3 3 3 3	10 9 9 9 9 9	Check One Candidate Expenditure is For	Vendor (Name and Address of Vendor Party)	Specific purpose of expenditure	1 Cash	2 Unpaid bills	3 Total
DAYTON, MARK GOVERNOR	1688	9/8	✓	CHRISTIAN MEDIA P.O. Box 1330 STONE, VT 05672	PRODUCTION OF TV. COMMERCIAL	16,000	10,027	26,027.00
DAYTON, MARK GOVERNOR	1688	9/9	✓	CHRISTIAN MEDIA P.O. Box 1330 STONE, VT 05672	SHIPPING OF TV. COMMERCIAL	897.00	—	897.00
DAYTON, MARK GOVERNOR	1688	8/27	✓	NATIONAL-MEDIA DIS SLATERS LN. ALEXANDRIA, VA 22314	TV. & CABLE MEDIA BUY	369,000	—	369,000
DAYTON, MARK GOVERNOR	688	9/3	✓	TARGETED VIDEO 66 Canal Center Alexandria, VA 22314	WEB/online MEDIA	22,000	—	22,000
Total of non-itemized expenditures								
TOTALS						398,897	10,027	408,924.00
						<small>Top 3, line 10, col 1</small>	<small>Top 3, line 10 col 2</small>	<small>Top 3, line 10, col 4</small>

It is unlawful to use this information for commercial purposes.



**Disclosure Statement for Corporations and other Unregistered Associations
 Contributing to Independent Expenditure Committees and Funds**

Filing Instructions

- This statement must be provided to independent expenditure committees and funds prior to the date on which the recipient committee or fund initially reports the contribution to the Board.

Donor Information

Unregistered association name Minnesota Future, LLC	Name of donor responsible for this statement Jeff Larson
Address 7300 Hudson Blvd. Suite 370	Employer of donor
City, state, zip Saint Paul, Minnesota 55128	Telephone print number of donor (651) 999-0249

Information on Contribution to Independent Expenditure Committee or Fund

Recipient independent expenditure committee or fund name Minnesota's Future	Date of contribution 8/25 and 9/14
Address P.O. Box 310	Amount of contribution \$429,500.00
City, state, zip Circle Pines, Minnesota 55014	For all other contributions, please refer donor name to the donor or source given.

Statement Options

Check one of the boxes below. If both the first and second check boxes apply to your contribution check only the first box.

- Only business revenue was used to fund the contribution. Check this box if only business revenue was used for the contribution. Only this page of the statement is provided to the recipient if the contribution was derived from business revenue.
- The donor has not contributed \$5,000 or more to independent expenditure committees or funds this calendar year. Check this box if the donor has contributed less than \$5,000 in aggregate to all independent expenditure committees and funds in Minnesota in 2010. Only the disclosure information on this page of the statement is provided to the recipient if aggregate contributions are less than \$5,000.
- The donor used membership fees, membership dues, or contributions received from individuals or other corporations and associations to fund the contribution. Check this box if aggregate contributions to independent expenditure committees and funds in Minnesota equal \$5,000 or more, and business revenue was not used as the source of funding for the contribution. Schedule A1 of this statement must be completed and provided to the recipient committee.

CERTIFICATION

I, Jeff Larson, certify that this report is complete, true, and correct.
(print or type name)

Signature of officer

Date

Any person who signs and certifies to be true a statement which the person knows contains false information, or who knowingly omits required information, is subject to a civil penalty imposed by the Board of up to \$3,000 and is subject to criminal prosecution for a gross misdemeanor.

This document is available in alternative formats to individuals with disabilities by calling (651)298-5148; (800)657-3888; or through the Minnesota Relay Service at (800)927-3629.

Schedule A1 - Source of Funding for Contribution

Make photocopies of this page if additional space is needed

Instructions of Back

Name and full address of itemized source of funding.	Amount
Republican Governors Association 1747 Pennsylvania Avenue NW Washington, D.C. 20006	\$428,000.00
Jeff Larson 7300 Hudson Blvd. Suite 270 Saint Paul, Minnesota 56128	\$1,500.00
	\$
	\$
	\$
	\$
	\$
	\$
	\$
Line A - Total of itemized sources of funding.	\$
Line B - Amount of the contribution that is attributable to underlying sources that are not required to be itemized.	\$
Line C - Amount of contribution derived from business revenue.	\$
Line A + Line B + Line C = TOTAL AMOUNT OF CONTRIBUTION	\$429,500.00

It is unlawful to use this information for commercial purposes.

Political Committees and Political Funds Registration Information

Registration Number: 40989

Committee Name: Minnesota's Future

Address: PO Box 310
Circle Pines, MN 55014

Daytime Phone: (612)834-1919

Website:

Chair: Chris Tiedeman

Address: PO Box 310
Circle Pines, MN 55014

Daytime Phone: (612)834-1919

Email:

Treasurer Name: Joe Droogsma

Address: 128 E Golden Lake Ln
Circle Pines, MN 55014

Daytime Phone: (763)360-7603

Email: lyndro692@aol.com

Depository(ies) TCF National Bank
Information:

801 Marquette Ave
Minneapolis, MN 55402

Dpty Treas(if any): Chris Tiedeman

Address: PO Box 310
Circle Pines, MN 55014

Daytime Phone: (612)834-1919

Email:

State of Minnesota

SECRETARY OF STATE

Certificate of Organization

I, Mark Ritchie, Secretary of State of Minnesota, do certify that: Articles of Organization, duly signed, have been filed on this date in the Office of the Secretary of State, for the organization of the following limited liability company, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

This limited liability company is now legally organized under the laws of Minnesota.

Name: Minnesota Future, LLC

Charter Number: 3946330-2

Chapter Formed Under: 322B

This certificate has been issued on 08/11/2010.



Mark Ritchie
Secretary of State.

WECOR

**ARTICLES OF ORGANIZATION
OF
MINNESOTA FUTURE, LLC**

The undersigned, of full age, for the purpose of forming a limited liability company under and pursuant to the provisions of Chapter 322B, Minnesota Statutes and all amendments thereto (the "Act"), hereby adopts the following Articles of Organization:

**ARTICLE I.
NAME**

The name of the Company shall be: *Minnesota Future, LLC.*

**ARTICLE II.
REGISTERED OFFICE**

The location and post office address of the Company's registered office in the State of Minnesota shall be 7300 Hudson Boulevard, Suite 270, Saint Paul, Minnesota 55128.

**ARTICLE III.
ORGANIZER**

The name and address of the organizer of the Company are as follows:

Tammera R. Diehm
Winthrop & Weinstine, P.A.
Suite 3500
225 South Sixth Street
Minneapolis, MN 55402

**ARTICLE IV.
AUTHORIZED MEMBERSHIP UNITS**

Subject to any restrictions in any member control agreement governing the Company, the Board of Governors may act by resolution to (a) establish one or more classes or series of membership interests and (b) fix the relative rights and preferences of each such class and series. In the event the Board of Governors creates membership interests with rights or preferences not set forth in any member control agreement governing the Company, the Board of Governors must comply with the procedures set forth in Section 322B.40, Subd. 6 of the Act.

**ARTICLE V.
PURPOSES AND POWERS**

The Company will be operated within the meaning of section 527 of the Internal Revenue Code of 1986 (the "Code") (or the corresponding provision of any subsequent law). Without limiting the generality of the preceding sentence, the Company will have as a primary purpose to accept contributions and make independent expenditures to directly or indirectly influence the selection, nomination, election or appointment of any individual to public office, together with related purposes implied therefrom.

ARTICLE VI.
TERM

The Company shall have perpetual duration.

ARTICLE VII.
DISSOLUTION

The Company shall not be dissolved or required to be wound up upon the occurrence of any event set forth in Section 322B.80, Subd. 1(5) of the Act, as the same may be amended or restated, and such events shall not trigger dissolution of the Company.

ARTICLE VIII.
MANAGEMENT BY BOARD OF GOVERNORS

The business and affairs of the Company are to be managed by or under the direction of a Board of Governors. Except as authorized by the Board of Governors, no member is an agent of the Company or has the authority to make any contracts, enter into any transactions or make any commitments on behalf of the Company.

ARTICLE IX.
LIMITATION OF LIABILITY

The personal liability of the governors of the Company is hereby eliminated to the fullest extent permitted by Section 322B.663 of the Act, as the same may be amended or restated. If the Act is amended after this Article becomes effective to authorize company action further eliminating or limiting the personal liability of governors, then the liability of a governor of the Company shall be eliminated or limited to the fullest extent permitted by the Act, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a governor of the Company existing at the time of such repeal or modification.

ARTICLE X.
WRITTEN ACTION OF THE BOARD

Any action required or permitted to be taken at a meeting of the Board of Governors of the Company may be taken by a written action signed, or counterparts of a written action signed in the aggregate, or consented to by authenticated electronic communication, by all of the governors and, if the action does not require member approval, it may be taken by a written action signed, or counterparts of a written action signed in the aggregate, or consented to by authenticated electronic communication, by the number of governors that would be required to take such action at a meeting of the Board of Governors at which all governors are present.

ARTICLE XI.
PREEMPTIVE RIGHTS; CUMULATIVE VOTING

The members of the Company shall not have preemptive rights to subscribe for or acquire securities or rights to purchase securities of any kind, class or series of the Company. The members of the Company shall not have the right of cumulative voting.


ARTICLE XII.
DISSENTERS' RIGHTS: AMENDMENT OF ARTICLES OF ORGANIZATION

Dissenters' rights of members of the Company resulting from or arising out of an amendment to these Articles of Organization are hereby eliminated to the fullest extent permitted by § 322B.383 of the Act, as the same may be amended or restated.

ARTICLE XIII.
WRITTEN ACTION OF THE MEMBERS

Any action required or permitted to be taken at a meeting of the members of the Company may be taken by a written action signed, or counterparts of a written action signed in the aggregate, or consented to by authenticated electronic communication, by the members who own voting power that would be required to take the same action at a meeting of the members at which all members were present.

IN WITNESS WHEREOF, the undersigned has executed these Articles as of this 11th day of August, 2010.



Tammera R. Diehm, Organizer

5404065v1

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
AUG 11 2010
Tina J. Kelly
Secretary of State



Form **8871**

(Rev. July 2003)

Department of the Treasury
Internal Revenue Service

Political Organization Notice of Section 527 Status

OMB No. 1545-1693

Part I General Information

1 Name of organization
Minnesota Future

Employer identification number
27 - 3219111

2 Mailing address (P.O. box or number, street, and room or suite number)
7300 Hudson Blvd Suite 270

City or town, state, and ZIP code
Oakdale, MN 55128

3 Check applicable box: Initial notice Amended notice Final notice

4a Date established
08/11/2010

4b Date of material change

5 E-mail address of organization
no@email

6a Name of custodian of records
Jeff Larson

6b Custodian's address
7300 Hudson Blvd Suite 270
Oakdale, MN 55128

7a Name of contact person
Jeff Larson

7b Contact person's address
7300 Hudson Blvd Suite 270
Oakdale, MN 55128

8 Business address of organization (if different from mailing address shown above). Number, street, and room or suite number
7300 Hudson Blvd Suite 270

City or town, state, and ZIP code
Oakdale, MN 55128

9a Election authority

9b Election authority identification number

NONE

Part II Notification of Claim of Exemption From Filing Certain Forms (see instructions)

10a Is this organization claiming exemption from filing Form 8872, Political Organization Report of Contributions and Expenditures, as a qualified state or local political organization? Yes No

10b If 'Yes,' list the state where the organization files reports:

11 Is this organization claiming exemption from filing Form 990 (or 990-EZ), Return of Organization Exempt from Income Tax, as a caucus or associations of state or local officials? Yes No

Part III Purpose

12 Describe the purpose of the organization

accept contributions and make expenditures to directly or indirectly influence elections

Part IV List of All Related Entities (see instructions)

13 Check if the organization has no related entities.....

14a Name of related entity	14b Relationship	14c Address
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Part V List of All Officers, Directors, and Highly Compensated Employees (see instructions)

15a Name	15b Title	15c Address
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Jeff Larson	President and Treasures	7300 Hudson Blvd Suite 270 Oakdale, MN 55128
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Under penalties of perjury, I declare that the organization named in Part I is to be treated as a tax-exempt organization described in section 527 of the Internal Revenue Code, and that I have examined this notice, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that I am the official authorized to sign this report, and I am signing by entering my name below.

Jeff Larson

08/13/2010

Sign Here



Name of authorized official



Date

RGa REPUBLICAN GOVERNORS ASSOCIATION

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About

About

The Republican Governors Association is the key to a GOP Comeback. Our primary mission is to help elect Republicans to governorships throughout the nation, but we are also dedicated to providing our governors with the resources to help them govern effectively.

The RGA is the most innovative and disciplined political committee in the country. Our political team has experience running state parties and winning gubernatorial campaigns. As a r



esult, we understand that governors' races take unique strategies and a comprehensive approach. The RGA runs political campaigns that go far beyond simply running negative TV ads in the last few weeks before the election. We reach voters everywhere they get their news, from TV and radio to direct mail and the internet. We embrace new technology and the latest campaign practices, allowing us to run cost-effective campaigns that break through the political clutter. Most importantly, every dollar

9/29/2010

About « Republican Governors Associati...

we raise between now and the end of 2010 will go towards electing more Republican governors. Review our winning efforts in New Jersey and Virginia by clicking [HERE](#).

We know that getting elected is only the first step in transforming a state and the nation. Our governors are able to apply conservative principles to solve problems and implement reform policies that serve as models for the rest of the nation. That's why we organize forums and other avenues through which governors can share ideas and best practices. We have compiled a more than 350 page book outlining our governors' best ideas. Learn



more about our policy initi
[HERE](#).

atives and the best practices book by clicking

While our focus is on the future, we are extremely proud of our history. The RGA was founded in 1963 and some of America's best leaders have served as our chairman. Ronald Reagan was chairman from 1968-1970, Tommy Thompson led the RGA in 1991-1992, and John Engler served in 1995-1996. Reagan went on to become one of the greatest Presidents in history, while Thompson and Engler were two of the governors most responsible for developing and implementing historic welfare reform that helped spur the Republican Revolution in the mid-1990's.

Over the past 15 years Republican governors have led the way by enacting tort reform, cutting taxes, raising educational standards, providing new energy solutions and implementing other conservative principles.

Today a new generation of Republican governors like Bobby Jindal, Linda Lingle, Rick Perry, Tim Pawlenty and Haley Barbour are bringing conservative solutions to the challenges facing their states. It's this next generation of Republican governors who will lead our party and nation to greatness in the future.

Press:

Mike Schrimpf

Telephone: 202-662-4147

E-mail: mschrimpf@rga.org

Contact:

Republican Governors Association

1747 Pennsylvania Avenue NW, Suite 250

Washington, DC 20006

Telephone: 202-662-4140

E-mail: info@rga.org

Contact Us**Name ***

First

Last

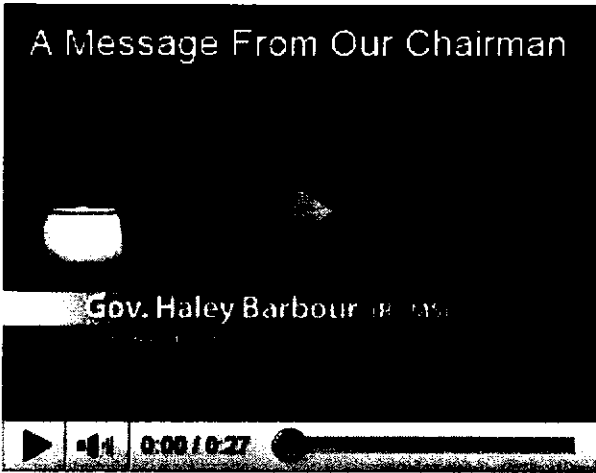
Email ***Question or Comment *****Why Join?**

- [1New Jersey and Virginia](#)*What the wins mean*
- [237 Races in 2010](#)*The biggest election cycle in Party history*
- [3Redistricting](#)*Keep Democrats from stopping The Comeback*
- [4The GOP Comeback](#)*Why it begins with governors*
- [5Ready!](#)*Join today to lead The Comeback*

RGA Must Reads

- [Mayor Tom Barrett: Jim Doyle's Third Term, Only Worse](#)
- [RGA Releases New Michigan Ad](#)
- [New RGA Ad: Sunshine](#)
- [Deval Patrick Hasn't Delivered](#)

RGA Video




Why RGA

"Nothing is more evident of the RGA's good work than the fact that after the two most vicious election cycles for Republicans in my lifetime, we're at the same number of Republican Governors now as we were in 2006. Now it's time to go on offense."

— Governor Sonny Perdue


Next quote »




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Rich



Robert



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Your name

9/29/2010

About « Republican Governors Associati...

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Form

8871

(Rev. July 2003)

Department of the Treasury
Internal Revenue Service**Political Organization
Notice of Section 527 Status**

OMB No. 1545-1693

Part I General Information**1 Name of organization**

Republican Governors Association

Employer identification number

11 - 3655877

2 Mailing address (P.O. box or number, street, and room or suite number)

1747 Pennsylvania Ave NW Suite 250

City or town, state, and ZIP code

Washington, DC 20006

3 Check applicable box: Initial notice Amended notice Final notice**4a Date established**

10/04/2002

4b Date of material change

05/07/2010

5 E-mail address of organization

madams@rga.org

6a Name of custodian of records

Michael G. Adams

6b Custodian's address1747 Pennsylvania Ave NW Suite 250
Washington, DC 20006**7a Name of contact person**

Michael G. Adams

7b Contact person's address1747 Pennsylvania Ave NW Suite 250
Washington, DC 20006**8 Business address of organization (If different from mailing address shown above). Number, street, and room or suite number**

1747 Pennsylvania Ave NW Suite 250

City or town, state, and ZIP code

Washington, DC 20006

9a Election authority

NONE

9b Election authority identification number**Part II Notification of Claim of Exemption From Filing Certain Forms (see instructions)****10a Is this organization claiming exemption from filing Form 8872, Political Organization Report of Contributions and Expenditures, as a qualified state or local political organization? Yes No** **10b If 'Yes,' list the state where the organization files reports:****11 Is this organization claiming exemption from filing Form 990 (or 990-EZ), Return of Organization Exempt from Income Tax, as a caucus or associations of state or local officials? Yes No** **Part III Purpose****12 Describe the purpose of the organization**

To assist in the solution of significant national public policy problems; to enable the Republican governors to take their proper position in expressing, developing and preserving the philosophy of the Republican party within the national party framework; to assist in the election of Republican gubernatorial candidates and the reelection of incumbent Republican Governors; to speak out on public issues.

Part IV List of All Related Entities (see instructions)

13 Check if the organization has no related entities.....

14a Name of related entity	14b Relationship	14c Address
Republican Governors Public Policy Committee	Connected	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006

Part V List of All Officers, Directors, and Highly Compensated Employees (see instructions)

15a Name	15b Title	15c Address
Angela Danhof Meyers	Finance Director	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006
Michael G. Adams	General Counsel	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006
Paul Bennecke	Deputy Executive Director	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006
James N. Ayers	Executive Director	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006
Governor Tim Pawlenty	Vice Chairman	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006
Governor Haley Barbour	Chairman	1747 Pennsylvania Ave NW Suite 250 Washington, DC 20006

Under penalties of perjury, I declare that the organization named in Part I is to be treated as a tax-exempt organization described in section 527 of the Internal Revenue Code, and that I have examined this notice, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that I am the official authorized to sign this report, and I am signing by entering my name below.

Michael G. Adams

05/07/2010

**Sign
Here**

Name of authorized official

Date