

THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CAMPAIGN & POLITICAL FINANCE

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June 30, 2009

Representative Eugene O'Flaherty
87 Warren Avenue
Chelsea, MA 02150

Re: CPF-07-04

Dear Representative O'Flaherty:

This office has completed its review of financial activity undertaken by the O'Flaherty Committee during the period 2004 -2008. The Committee provided all requested documentation to facilitate the review and fully cooperated with OCPF.

Based on the findings of our review, which included an analysis of bank statements and a reconciliation of the campaign finance reports to the Committee's bank statements and other documentation, the Committee has now filed amended reports. These amendments, as clearly as possible, accurately disclose all of the Committee's financial activity.

The Committee has acknowledged that its original reports did not accurately disclose its activity and believes that the errors may have begun as early as 2002. The Committee's bank statement as of December 31, 2008 was more than \$10,000 in excess of what the Committee originally disclosed on its 2008 year end report. A one time adjustment to the 2008 year end campaign finance report has been made to reconcile the bank statements and the campaign finance report.

We have concluded that the Committee's activity did not comply with Section 2, 5, and 18 of M.G.L. c. 55. Sections 2 and 5 require committees to retain records demonstrating the source of all contributions. Section 18 requires disclosure of all contributions, expenditures, and liabilities. While OCPF has determined that the errors made by the Committee were inadvertent in nature and did not involve any personal use of campaign funds, the Committee, as well as OCPF, has indicated its concern that all subsequent reports provide accurate and complete disclosure. To ensure such disclosure, the Committee has agreed to the following enhanced reporting schedule for the period beginning January 1, 2009 through December 31, 2011:

Filing Period	Type of Report	Due Date
1/1/09 - 6/30/09	Paper Report	7/31/09
7/1/09 - 9/30/09	Paper Report	10/31/09
1/1/09 - 12/31/09	Electronic Report	1/20/10



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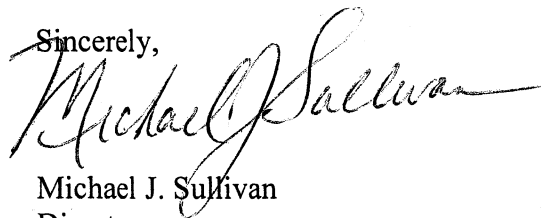
1/1/10 – 4/30/10	Paper Report	5/31/10
1/1/10 - 8/27/10	Electronic Report	9/7/10
8/28/10 – 10/15/10	Electronic Report	10/25/10
10/16/10 – 12/31/10	Electronic Report	1/20/11
1/1/11 – 4/30/11	Paper Report	5/31/11
5/1/11 – 8/31/11	Paper Report	9/30/11
1/1/11 – 12/31/11	Electronic Report	1/20/12

In addition to the enhanced reporting above, the Committee will provide OCPF with copies of its bank statements, expenditure checks, deposit tickets and all contributor checks received and deposited with each report. The O'Flaherty Committee will also provide any further documents requested by OCPF within 10 business days. The Committee has further indicated that it will retain a CPA to certify that all official reports filed with OCPF accurately reflect Committee activity.

To resolve this matter, the Committee has made a \$1,000 civil forfeiture to the Commonwealth for its non-compliance with the campaign finance law and will purge \$4,000 of the \$10,000 mentioned above to a charity of the Committee's choice. The Committee will also pay \$2,000 to the Commonwealth for costs incurred during OCPF's review. Finally, the Committee has agreed to a \$5,000 suspended forfeiture – if the Committee's reports are substantially accurate for calendar years 2009 through 2011, the Committee will not have to purge this amount to the Commonwealth.

In accordance with an opinion from the Supervisor of Public Records, this letter is a public record. If you have any questions regarding this matter or on any issues of future compliance with the campaign finance law, please contact the office.

Sincerely,



Michael J. Sullivan
Director