

**FEDERAL ELECTION COMMISSION**

Washington, D.C. 20463

May 26, 2023

BY EMAIL AND CERTIFIED MAIL

Saurav Ghosh, Esq.
Campaign Legal Center
1101 14th Street, NW, Suite 400
Washington, DC 20005
sghosh@campaignlegalcenter.org

RE: MUR 8073
Vista Pacifica Enterprises, Inc.

Dear Mr. Ghosh:

The Federal Election Commission has considered the allegations contained in the above referenced complaint from the Campaign Legal Center dated September 28, 2022.

On April 18, 2023, the Commission found that there was reason to believe Vista Pacifica Enterprises, Inc., violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a). Further, the Commission found no reason to believe Stop Socialism in OC violated the Federal Election Campaign Act of 1971. On May 24, 2023, the Commission entered into a conciliation agreement with Vista Pacifica Enterprises, Inc. Accordingly, the Commission closed the file in this matter. The Factual and Legal Analyses which explain these findings and the executed conciliation agreement are enclosed.

The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8). Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016), effective September 1, 2016.

If you have any questions, please contact Jake Tully, the attorney assigned to this matter, at (202) 694-1404.

Sincerely,

Mark Shonkwiler

Mark Shonkwiler
Assistant General Counsel

Enclosures

Vista Pacifica Enterprises, Inc., Factual and Legal Analysis
Stop Socialism in OC Factual and Legal Analysis
Conciliation Agreement

**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

Respondent: Vista Pacifica Enterprises, Inc.

MUR 8073

I. INTRODUCTION

This matter was generated by a Complaint alleging that Vista Pacifica Enterprises, Inc. (“Vista Pacifica”), a health care services company and federal government contractor, made one contribution of \$100,000 to Stop Socialism in OC and David Satterfield in his official capacity as treasurer (“Stop Socialism in OC”), an independent-expenditure only political committee (“IEOPC”), in violation of the Federal Election Campaign Act of 1971, as amended (the “Act”).¹

Vista Pacifica’s Response admits that Vista Pacifica was a federal contractor at the time it made the contribution but contends that its president, Cheryl Jumonville, who authorized the subject contribution, was unaware of the government contractor prohibition.² Its Response further states that, upon learning that the contribution was prohibited, Jumonville directed the contribution to be replaced by another \$100,000 contribution from Mira Poly Holdings LLC, an entity “that is unrelated to Vista and that does not have any federal contracts,” and the original contribution from Vista Pacifica was promptly refunded.³

The available information indicates that Vista Pacifica made a \$100,000 contribution to Stop Socialism in OC while it was a federal contractor. Accordingly, the Commission finds reason to believe that Vista Pacifica violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making a prohibited government contractor contribution.

¹ Compl. at 1 (Sept. 28, 2022).

² Vista Pacifica Resp. at 1 (Dec. 13, 2022).

³ *Id.*

1 **II. FACTUAL BACKGROUND**

2 Vista Pacifica is a health care services company that was incorporated in California in
3 1988.⁴ According to its website, Vista Pacifica provides care and treatment services to adults at
4 two facilities, Vista Pacifica Center and Vista Pacifica Convalescent.⁵ Cheryl Jumonville, whose
5 sworn affidavit is attached to Vista Pacifica’s Response, is Vista Pacifica’s sole owner and
6 serves as its president.⁶

7 On January 27, 2022, Vista Pacifica made a \$100,000 contribution to Stop Socialism in
8 OC, an IEOPC.⁷ The Complaint alleges that this contribution is prohibited by the Act because
9 Vista Pacifica was a federal contractor performing two open federal contracts with the
10 Department of Veterans Affairs (“VA”) at the time it made the subject contribution: a Basic
11 Ordering Agreement and a Delivery Order.⁸ Publicly available federal spending data supports
12 these assertions; USASpending.gov records show that the Basic Ordering Agreement has a
13 period of performance of May 1, 2019 to April 30, 2023, and the Delivery Order had a period of
14 performance of January 1, 2022 to March 31, 2022.⁹ The Complaint further alleges that Vista
15 Pacifica’s contribution constituted 80% of Stop Socialism in OC’s total fundraising during the

⁴ *Business Search*, CAL. SEC’Y OF STATE, <https://bizfileonline.sos.ca.gov/search/business> (last visited Mar. 17, 2023).

⁵ *About Us*, VISTA PACIFICA ENTERPRISES, INC., <https://vistapacificaent.com/about-us/> (last visited Mar. 17, 2023).

⁶ *Id.*; Vista Pacifica Resp. at 4.

⁷ Compl. at 2; Stop Socialism in OC, 2022 April Quarterly Report at 6 (Apr. 19, 2022), <https://docquery.fec.gov/pdf/466/202204139496087466/202204139496087466.pdf>.

⁸ Compl. at 2-3.

⁹ *Award Profile*, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_AWD_36C26222K0275_3600_36C26219G0014_3600 (last visited Mar. 17, 2023); *Award Profile*, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_IDV_36C26219G0014_3600 (last visited Mar. 17, 2023).

1 2022 election cycle.¹⁰ In actuality, a review of Stop Socialism in OC's disclosure reports reveals
2 that Vista Pacifica's \$100,000 contribution accounts for just under 60% of Stop Socialism in
3 OC's receipts for the 2022 election cycle.¹¹

4 Vista Pacifica admits in its Response that it is a current contractor for the VA, admits to
5 holding at least one VA contract during January 2022, and admits to making the subject
6 contribution of \$100,000.¹² The Vista Pacifica Response states that the subject contribution was
7 authorized by Jumonville, the corporation's president.¹³ In her sworn affidavit,¹⁴ Jumonville
8 attests that after she received notice of the Complaint, she directed the \$100,000 contribution to
9 be replaced by a \$100,000 contribution from another entity unrelated to Vista Pacifica, Mira Poly
10 Holdings LLC, which was not a federal government contractor, and instructed Stop Socialism in
11 OC to refund the subject contribution.¹⁵ Stop Socialism in OC's 2022 Post-General report
12 confirms that Mira Poly Holdings LLC contributed \$100,000 to Stop Socialism in OC on
13 November 22, 2022, shortly before the IEOPC issued a \$100,000 refund to Vista Pacifica on
14 November 28, 2022.¹⁶

15 Although Vista Pacifica does not deny that the subject contribution was prohibited, its
16 Response advances the following mitigating arguments: (1) that Jumonville does not regularly

¹⁰ Compl. at 3.

¹¹ *Stop Socialism in OC: Financial Summary 2021-2022*, FEC.GOV, <https://www.fec.gov/data/committee/C00802009/> (last visited Mar. 17, 2023) (showing that Stop Socialism in OC received \$169,783.27 in total contributions, excluding the contribution from Mira Poly Holdings LLC provided to replace the refunded contribution from Vista Pacifica).

¹² Vista Pacifica Resp. at 1-2; Vista Pacifica Supp. Resp. (Dec. 20, 2022).

¹³ Vista Pacifica Resp. at 1.

¹⁴ *Id.* at 4-5.

¹⁵ *Id.* at 1.

¹⁶ Stop Socialism in OC, 2022 Post-General Report at 6, 8 (Dec. 8, 2022), <https://docquery.fec.gov/pdf/569/202212089547397569/202212089547397569.pdf>.

1 make political contributions and is unfamiliar with federal campaign finance law, including the
2 restriction on federal contractor contributions; (2) that Jumonville considered the contribution to
3 have been her own political contribution because of her close association with Vista Pacifica; (3)
4 that Vista Pacifica's contracts were awarded as a result of competitive bidding, and the subject
5 contribution was therefore not intended as part of a quid pro quo arrangement; and (4) that
6 federal contracts comprise a relatively small part of Vista Pacifica's revenue, accounting for only
7 3.26% of its revenue during the months surrounding the subject contribution.¹⁷ The Vista
8 Pacifica Response provides no information regarding the solicitation of the contribution or any
9 communications with Stop Socialism in OC.

10 **III. LEGAL ANALYSIS**

11 The Act and the Commission's regulations prohibit contributions to political committees
12 by any person who enters into a contract with the United States or its departments or agencies for
13 "furnishing any material, supplies, or equipment," if payment on such contract "is to be made in
14 whole or in part from funds appropriated by Congress."¹⁸ Such contributions are barred for the
15 period between (1) the earlier of commencement of negotiations or when requests for proposal
16 are sent out, and (2) the later of the completion of performance on or termination of negotiations
17 for the contract.¹⁹ The Act also bars any person from knowingly soliciting a contribution from a
18 federal contractor during the prohibited period.²⁰

¹⁷ Vista Pacifica Resp. at 1-3.

¹⁸ 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a).

¹⁹ 11 C.F.R. § 115.1(b).

²⁰ 52 U.S.C. § 30119(a)(2).

1 Vista Pacifica's Response admits that the corporation is a current contractor for the VA,
2 and does not dispute that it held at least one federal contract at the time that it made the subject
3 contribution to Stop Socialism in OC.²¹

4 Vista Pacifica requests that the Commission take no further action in this matter based on
5 several mitigating factors, including: that Jumonville was unaware of the prohibition on
6 contributions to federal contractors; that Jumonville considered the subject contribution to be her
7 own contribution; that the subject contribution accounts for a relatively small portion of Vista
8 Pacifica's total revenue; that Vista Pacifica has no plans to renew its current contracts with the
9 VA; and that no evidence has been shown of improper influence or quid pro quo in connection
10 with the subject contribution.²²

11 These arguments do not undercut the factual and legal basis for finding that Vista
12 Pacifica violated the Act by making the subject contribution. Specifically, the argument that
13 Jumonville considered the subject contribution to have been her own contribution is
14 unpersuasive. Vista Pacifica's Response does not claim that Jumonville used a personal bank
15 account to make the subject contribution. Rather, the Response appears to argue that, because
16 Jumonville treated corporate treasury funds as her own in making the subject contribution, the
17 contribution should be analyzed not as a government contractor contribution, but as a personal
18 contribution from Jumonville. With some exceptions,²³ the Commission analyzes contributions
19 drawn from corporate treasury funds as being attributable to the corporation, rather than to the

²¹ Vista Pacifica Supp. Resp.

²² Vista Pacifica Resp. at 3.

²³ Among these exceptions is the Commission regulation enabling separate segregated funds to accept funds drawn from an individual contributor's "non-repayable corporate drawing account." 11 C.F.R. § 102.6(c)(3).

1 corporation's officers or shareholders.²⁴ In MUR 7450 (Ashbritt, Inc.) the Commission found
2 reason to believe that a government contractor made an impermissible contractor contribution,
3 notwithstanding the respondent's argument that the contribution should have been treated as an
4 individual contribution from a corporate officer because the contribution was "charged" to the
5 officer's "loan/distribution account."²⁵ Unlike the response in Ashbritt, Vista Pacifica's
6 Response does not claim that the subject contribution came from a quasi-personal corporate
7 account, so the rationale for displacing the Commission's longstanding analysis is even weaker
8 here. The Response's argument that Vista Pacifica was unaware of the government contractor
9 prohibition is similarly unpersuasive. The Commission recently found reason to believe that a
10 government contractor made a prohibited government contractor contribution despite the
11 respondent's claim that it was unaware of the restriction on federal contractor contributions.²⁶

12 Accordingly, the Commission finds reason to believe that Vista Pacifica violated
13 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making a prohibited contribution of \$100,000
14 to Stop Socialism in OC.

²⁴ See, e.g., Factual and Legal Analysis ("F&LA") at 8-9, MUR 3191 (Christmas Farm Inn, Inc.) (available at <https://www.fec.gov/files/legal/murs/3191.pdf> at 238) ("By choosing to incorporate their business, the Zeliffs converted personal assets into corporate ones. Their ability to benefit from a statute designed to provide protection against double taxation does not change the corporate nature of the enterprise itself or re-convert the corporation's assets into personal ones.").

²⁵ F&LA at 5-6, MUR 7450 (Ashbritt, Inc.).

²⁶ F&LA at 4, MUR 8011 (Daniel Defense, LLC).

**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

Respondent: Stop Socialism in OC MUR 8073

I. INTRODUCTION

This matter was generated by a Complaint alleging that Vista Pacifica Enterprises, Inc. (“Vista Pacifica”), a health care services company and federal government contractor, made one contribution of \$100,000 to Stop Socialism in OC and David Satterfield in his official capacity as treasurer (“Stop Socialism in OC”), an independent-expenditure only political committee (“IEOPC”), in violation of the Federal Election Campaign Act of 1971, as amended (the “Act”).¹ The Complaint raises the question of whether Stop Socialism in OC knowingly solicited a prohibited contribution from a federal government contractor.

Stop Socialism in OC’s Response states it was unaware that Vista Pacifica held any contracts with the federal government at the time the subject contribution was made, and further states that Stop Socialism in OC’s website displays notices stating that a contributor may “not [be] a government contractor,” and that contributions may not come from contractor treasury funds.²

The record in this matter contains no information inconsistent with the statements in Stop Socialism in OC’s Response. Accordingly, the Commission finds no reason to believe that Stop Socialism in OC violated 52 U.S.C. § 30119(a)(2) and 11 C.F.R. § 115.2(c) by knowingly soliciting a prohibited government contractor contribution from Vista Pacifica.

¹ Compl. at 1 (Sept. 28, 2022).

² Stop Socialism in OC Resp. at 1-2 (Nov. 18, 2022).

1 **II. FACTUAL BACKGROUND**

2 Vista Pacifica is a health care services company that was incorporated in California in
3 1988.³ According to its website, Vista Pacifica provides care and treatment services to adults at
4 two facilities, Vista Pacifica Center and Vista Pacifica Convalescent.⁴

5 On January 27, 2022, Vista Pacifica made a \$100,000 contribution to Stop Socialism in
6 OC, an IEOPC.⁵ The Complaint alleges that this contribution is prohibited by the Act because
7 Vista Pacifica was a federal contractor performing two open federal contracts with the
8 Department of Veterans Affairs (“VA”) at the time it made the subject contribution: a Basic
9 Ordering Agreement and a Delivery Order.⁶ Publicly available federal spending data supports
10 these assertions; USASpending.gov records show that the Basic Ordering Agreement has a
11 period of performance of May 1, 2019 to April 30, 2023, and the Delivery Order had a period of
12 performance of January 1, 2022 to March 31, 2022.⁷ The Complaint further alleges that Vista
13 Pacifica’s contribution constituted 80% of Stop Socialism in OC’s total fundraising during the
14 2022 election cycle.⁸ In actuality, a review of Stop Socialism in OC’s disclosure reports reveals
15 that Vista Pacifica’s \$100,000 contribution accounts for just under 60% of Stop Socialism in

³ *Business Search*, CAL. SEC’Y OF STATE, <https://bizfileonline.sos.ca.gov/search/business> (last visited Apr. 25, 2023).

⁴ *About Us*, VISTA PACIFICA ENTERPRISES, INC., <https://vistapacificaent.com/about-us/> (last visited Apr. 25, 2023).

⁵ Compl. at 2; Stop Socialism in OC, 2022 April Quarterly Report at 6 (Apr. 19, 2022), <https://docquery.fec.gov/pdf/466/202204139496087466/202204139496087466.pdf>.

⁶ Compl. at 2-3.

⁷ *Award Profile*, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_AWD_36C26222K0275_3600_36C26219G0014_3600 (last visited Apr. 25, 2023); *Award Profile*, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_IDV_36C26219G0014_3600 (last visited Apr. 25, 2023).

⁸ Compl. at 3.

1 OC's receipts for the 2022 election cycle.⁹ On November 28, 2022, Stop Socialism in OC issued
2 a refund of the entire \$100,000 contribution to Vista Pacifica.¹⁰

3 In its Response, Stop Socialism in OC states that it was unaware of Vista Pacifica's
4 government contracts, and further states that Stop Socialism in OC "implements controls" to
5 prevent it from inadvertently soliciting prohibited contributions from federal government
6 contractors.¹¹ Stop Socialism in OC's Response states that its website includes language stating
7 that a contributor may "not [be] a government contractor," and that contributions may not be
8 "made from the treasury funds of an entity that is a federal contractor," and that the website
9 further warns "[c]ontributions from . . . federal government contractors are prohibited."¹² Its
10 Response states that such disclaimers have been recognized by the Commission as sufficient
11 safeguards against the solicitation of impermissible contributions.¹³ The Response includes an
12 affidavit sworn by David Ellis, the executive director of Stop Socialism in OC, confirming the
13 facts stated in the Response.¹⁴ Ellis's affidavit indicates that he personally solicited the subject
14 contribution from Vista Pacifica but reiterates that he received no notice of Vista Pacifica's
15 status as a federal contractor.¹⁵ The Stop Socialism in OC Response provides no additional
16 information regarding the circumstances surrounding the solicitation. Because Stop Socialism in

⁹ *Stop Socialism in OC: Financial Summary 2021-2022*, FEC.GOV, <https://www.fec.gov/data/committee/C00802009/> (last visited Apr. 25, 2023) (showing that Stop Socialism in OC received \$169,783.27 in total contributions, excluding the contribution from Mira Poly Holdings LLC provided to replace the refunded contribution from Vista Pacifica).

¹⁰ Stop Socialism in OC, 2022 Post-General Report at 8 (Dec. 8, 2022), <https://docquery.fec.gov/pdf/569/202212089547397569/202212089547397569.pdf>.

¹¹ Stop Socialism in OC Resp. at 1.

¹² *Id.* at 1- 2.

¹³ *Id.* at 2.

¹⁴ *Id.* at 3-4.

¹⁵ *Id.*

1 OC asserts that it had no actual knowledge of Vista Pacifica’s contractor status and because its
2 website included these disclaimers, the Response requests that the Commission find no reason to
3 believe that it violated the Act.¹⁶

4 **III. LEGAL ANALYSIS**

5 The Act and the Commission’s regulations prohibit contributions to political committees
6 by any person who enters into a contract with the United States or its departments or agencies for
7 “furnishing any material, supplies, or equipment,” if payment on such contract “is to be made in
8 whole or in part from funds appropriated by Congress.”¹⁷ Such contributions are barred for the
9 period between (1) the earlier of commencement of negotiations or when requests for proposal
10 are sent out, and (2) the later of the completion of performance on or termination of negotiations
11 for the contract.¹⁸ The Act also bars any person from knowingly soliciting a contribution from a
12 federal contractor during the prohibited period.¹⁹

13 Stop Socialism in OC’s Response states that it was unaware of Vista Pacifica’s status as a
14 federal contractor and that its solicitation materials were designed to warn prospective donors
15 about the federal contractor prohibition.²⁰ These facts are confirmed in an affidavit sworn by
16 Stop Socialism in OC’s Executive Director, David Ellis, who appears to have personally
17 solicited the subject contribution and states that he was unaware of Vista Pacifica’s government

¹⁶ *Id.* at 2.

¹⁷ 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a).

¹⁸ 11 C.F.R. § 115.1(b).

¹⁹ 52 U.S.C. § 30119(a)(2).

²⁰ Stop Socialism in OC Resp. at 1-2.

1 contractor status at the time the contribution was made.²¹ Consequently, the Response reasons
2 that Stop Socialism in OC did not knowingly solicit a prohibited federal contractor contribution.

3 The record in this matter contains no information inconsistent with the statements in Stop
4 Socialism in OC's Response or Ellis's sworn statements. Accordingly, the Commission finds no
5 reason to believe that Stop Socialism in OC violated 52 U.S.C. § 30119(a)(2) and 11 C.F.R.
6 § 115.2(c) by knowingly soliciting a prohibited government contractor contribution.

²¹ *Id.* at 3-4.

BEFORE THE FEDERAL ELECTION COMMISSION

1
2
3
4 In the Matter of)
5)
6 Vista Pacifica Enterprises, Inc.) MUR 8073
7)
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9

CONCILIATION AGREEMENT

10
11 This matter was initiated by a signed, sworn, and notarized Complaint filed with the
12 Federal Election Commission. The Commission found reason to believe that Vista Pacifica
13 Enterprises, Inc. (“Respondent”), violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by
14 making a contribution while Respondent was a federal government contractor.

15 NOW, THEREFORE, the Commission and Respondent, having participated in informal
16 methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as
17 follows:

18 I. The Commission has jurisdiction over Respondent and the subject matter of this
19 proceeding, and this Agreement has the effect of an agreement entered under 52 U.S.C.
20 § 30109(a)(4)(A)(i).

21 II. Respondent has had a reasonable opportunity to demonstrate that no action should
22 be taken in this matter.

23 III. Respondent enters voluntarily into this Agreement with the Commission.

24 IV. The pertinent facts in this matter are as follows:

25 1. Respondent is a company specializing in health care services which holds
26 a Basic Ordering Agreement with the U.S. Department of Veterans Affairs (“VA”) with a period
27 of performance from May 1, 2019, to April 30, 2023. Respondent previously held a Delivery
28 Order with the VA with a period of performance from January 1, 2022, to March 31, 2022.

1 2. On January 27, 2022, while performing two federal contracts, Respondent
2 made a \$100,000 contribution to Stop Socialism in OC and David Satterfield in his official
3 capacity as treasurer (“Stop Socialism in OC”), an independent expenditure-only political
4 committee.

5 3. On November 28, 2022, Stop Socialism in OC refunded the \$100,000
6 contribution to Respondent.

7 V. The pertinent law in this matter is as follows:

8 1. The Federal Election Campaign Act of 1971, as amended (the “Act”) and
9 the Commission’s regulations bar contributions to political committees by any person who enters
10 into a contract with the United States or its departments or agencies for “furnishing any material,
11 supplies, or equipment,” if payment on such contract “is to be made in whole or in part from
12 funds appropriated by Congress.” 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a). Such
13 contributions are barred for the period between (1) the earlier of commencement of negotiations
14 or when requests for proposal are sent out, and (2) the later of the completion of performance on
15 or termination of negotiations for the contract. 11 C.F.R. § 115.1(b).

16 2. These prohibitions apply to a federal contractor who makes contributions
17 to any political party, political committee, federal candidate, or “any person for any political
18 purpose or use.” 11 C.F.R. § 115.2(a).

19 VI. Respondent contends that it was unfamiliar with the prohibition on government
20 contractor contributions when it made what was its very first political contribution. Further,
21 Respondent contends that its violation of the prohibition on government contractor contributions
22 was inadvertent and unintentional.

1 VII. Respondent violated 52 U.S.C. § 30119(a)(1) and 11 C.F.R. § 115.2(a) by making
2 a contribution while performing a federal contract.

3 VIII. Respondent will take the following actions:

4 1. Respondent will pay a civil penalty to the Commission in the amount of
5 nineteen thousand dollars (\$19,000) pursuant to 52 U.S.C. § 30109(a)(5)(A).

6 2. Respondent will cease and desist from violating 52 U.S.C. § 30119(a)(1)
7 and 11 C.F.R. § 115.2(a).

8 IX. The Commission, on request of anyone filing a complaint under 52 U.S.C.
9 § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review
10 compliance with this Agreement. If the Commission believes that this Agreement or any
11 requirement thereof has been violated, it may institute a civil action for relief in the United States
12 District Court for the District of Columbia.

13 X. This Agreement shall become effective as of the date that all parties hereto have
14 executed same and the Commission has approved the entire Agreement.

15 XI. Respondent shall have no more than 30 days from the date this Agreement
16 becomes effective to comply with and implement the requirements contained in this Agreement
17 and to so notify the Commission.

