



Oregonians For Affordable Housing

375 Taylor St. NE • Salem, OR 97303

(503) 378-9066

April 6th, 2007

Re: Case Number L8945

To Whom it May Concern:

This letter is in response to your Notice of Proposed Civil Penalty, as a result of the late filing of our first pre-election contribution and expenditure report. This report was due not later than 5:00 pm, October 2nd, 2006. Our report was filed on October 3rd, 2006, making it one business day late.

We would like to submit this notarized written explanation as evidence of mitigating circumstances in order to receive a letter hearing for a Waiver of the Penalty.

Our mitigating circumstances include the following:

- *Option d), the lateness is the direct result of an error by the elections filing officer.*

Our explanation for *Option d)* is as follows:

Deanna D. Nichols, our elections filing officer, and, now former employee, was due to retire from her position in mid-October of 2006. She had begun training Josephine S. Fosdick, her replacement, on October 2nd, 2006.

During the following six months, Ms. Fosdick made several discoveries in the bookkeeping records that have caused much frustration and confusion for the PAC and the Oregon Association. These findings have proven to be detrimental in both cases.

Among the major findings, one very prominent case involves a loan made to the Association which was due to be repaid to the lender in April of 2007. The Association had set aside a bank account to contain the funds which were to be repaid. Ms. Nichols had reported to the Association that, at the end of 2005, the account contained enough funds to repay the loan in full. It was recently discovered that the bank account contains approximately \$46,000⁰⁰. The outstanding loan amount to date is \$71,000⁰⁰.

It is the opinion of the PAC and of the Association that the late filing error and the example above are the result of poor bookkeeping practices caused by a debilitating health condition. The decision for Ms. Nichols to retire was made based on evidence to this effect. The Association did all that was necessary to find an expedient replacement for Ms. Nichols, while remaining sensitive to her needs and dignity.

RECEIVED
STATE

WRITTEN TESTIMONY
IN LIEU OF A PUBLIC HEARING

Candidate/Committee Name: OREGONIANS FOR AFFORDABLE HOUSING
(Please print)

Committee I.D. #: 002069 Treasurer: JON A. CHANDLER

Primary General NOV 7, 2006 Other

1st pre-election 2nd pre-election Supplement to 2nd pre Post-Election

Supplement to Post Supplemental Initiative Drive

TESTIMONY:

PLEASE READ ATTACHED NOTARIZED WRITTEN EXPLANATION.

RECEIVED
NOTARY PUBLIC - OREGON
OCT 10 2007 10:57 AM

S: _____ Date 10 Apr 07

STATE OF OREGON)
County of Marion)

Subscribed before me this 10th day of April, 2007, by JON A. CHANDLER

Notary Public of Oregon
My commission expires: 10-14-07

