



# TEXAS ETHICS COMMISSION

P. O. Box 12070, Capitol Station  
Austin, Texas 78711-2070

Paula M. Mendoza  
Chair

Jim Graham  
Vice Chair

David A. Reisman  
Executive Director

July 9, 2010

Commissioners

Jim Clancy  
Wilhelmina Delco  
Tom Harrison  
George H. "Trey" Henderson, III  
Tom Ramsay  
Chase Untermeyer

Ms. Sheryl Cole  
301 W. 2nd Street, 2nd Floor  
Austin, Texas 78701-4012

**CERTIFIED MAIL NO. 7008 3230 0002 6487 2321,  
RETURN RECEIPT REQUESTED**

**Re: Notice of Complaint, SC-31007207**

Dear Ms. Cole:

We received sworn complaint SC-31007207 on July 6, 2010. The complaint meets the technical form requirements for a complaint filed with the Texas Ethics Commission, and the executive director has determined that the Ethics Commission has jurisdiction over the violations of law alleged in the sworn complaint. The complaint alleges that you: (1) failed to properly disclose political contributions and political expenditures on campaign finance reports, in violation of section 254.031 of the Election Code, and sections 20.59 and 20.62 of the Ethics Commission Rules, (2) failed to timely file a semiannual campaign finance report, in violation of section 254.063 or 254.093 of the Election Code, and (3) accepted political contributions from corporations or labor organizations, in violation of sections 253.003 and 253.094 of the Election Code.

With this notice, I have included a copy of the sworn complaint, the Ethics Commission's sworn complaint rules, a Statement of Respondent's Rights, and a copy of the relevant statutes of the Election Code. More information about the complaint process is available on the Ethics Commission's website at [www.ethics.state.tx.us](http://www.ethics.state.tx.us).

If you have any information relevant to the complaint, please provide it at this time. Your response must be in writing and under oath. We have enclosed an affidavit form that you may wish to use for your response. Your response must include any challenge you seek to raise to the Ethics Commission's jurisdiction. In addition, in your response you may acknowledge the occurrence or commission of the violation, or deny the allegations and provide evidence supporting that denial.

The sworn complaint allegations will be processed as Category Two violations. You are required to respond to an allegation of a Category Two violation not later than 25 business days from the date you receive this notice. **Failure to respond will constitute a separate violation for which a separate civil penalty may be assessed.**

*Come visit our home page at <http://www.ethics.state.tx.us> on the Internet.*

(512) 463-5800 • 1-800-325-8506 • FAX (512) 463-5777 • TDD 1-800-735-2989

The Texas Ethics Commission does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

The law requires the commission to send this sworn complaint notice by registered or certified mail, return receipt requested. Future notices and correspondence will be sent by regular mail, unless the commission is notified otherwise.

Please note that at this stage in the process, Ethics Commission members and staff are required by law to keep the complaint and all documents relating to it strictly confidential. However, other persons, including the complainant and respondent named in the complaint, are not bound by this confidentiality requirement.

Please call me if you have any questions.

Sincerely,



Natalie E. Adelaja  
Assistant General Counsel

Jurisdiction accepted  
For the Texas Ethics Commission



David A. Reisman  
Executive Director

NEA:mc

Enclosures: Copy of Sworn Complaint  
Statutes and Rules Concerning Sworn Complaints  
Statement of Respondent's Rights  
Affidavit

c: Mr. Jim Doyle  
16728 Bending Oaks  
Conroe, Texas 77385-3600

**CERTIFIED MAIL NO. 7008 3230 0002 6487 2307,  
RETURN RECEIPT REQUESTED**

# SWORN COMPLAINT BEFORE THE TEXAS ETHICS COMMISSION

An individual must be a resident of the state of Texas to be eligible to file a sworn complaint with the Texas Ethics Commission. The complainant is required to attach to the complaint a copy of one of the following documents:

- complainant's driver's license or personal identification certificate issued under Chapter 521 of the Transportation Code, or commercial driver's license issued under Chapter 522 of the Transportation Code; or
- a utility bill, bank statement, government check, paycheck or other government document that shows the name and address of the complainant and is dated not more than 30 days before the date on which the complaint is filed.

Effective September 1, 2009, an individual may also be eligible to file a sworn complaint with the Texas Ethics Commission if the individual owns real property in the state of Texas. Under this provision, the complainant will be required to attach to the complaint a copy of a property tax bill, notice of appraised value, or other government document that shows the name of the complainant, shows the address of the real property in Texas, and identifies the complainant as the owner of the real property.

OFFICE USE ONLY
Docket Number
Date Hand-delivered or Date Postmarked

## I. IDENTITY OF COMPLAINANT

<b>1 COMPLAINANT NAME</b>	MS / MRS / MR	FIRST	MI		
	Mr.	Jim			
	NICKNAME	LAST	SUFFIX		
		Doyle			
<b>2 COMPLAINANT PHYSICAL ADDRESS</b>	ADDRESS	APT / SUITE #	CITY	STATE	ZIP CODE
	16728 Bending Oaks		Conroe	TX	77385
(Full home or business address, including street, city, state, and zip code)					
<b>3 COMPLAINANT MAILING ADDRESS</b>	ADDRESS	APT / SUITE #	CITY	STATE	ZIP CODE
	<input checked="" type="checkbox"/> (check if same as above)				
(Full home or business address, including street, city, state, and zip code)					
<b>4 COMPLAINANT TELEPHONE NUMBER</b>	AREA CODE	PHONE NUMBER	EXT	<b>5 COMPLAINANT E-MAIL ADDRESS</b>	none
	936-321-2976				

## II. IDENTITY OF RESPONDENT

<b>6 RESPONDENT NAME</b>	MS / MRS / MR	FIRST	MI		
	Ms.	Sheryl			
	NICKNAME	LAST	SUFFIX		
		Cole			
<b>7 RESPONDENT POSITION OR TITLE</b>	City Council, Place 6, City of Austin				
<b>8 RESPONDENT PHYSICAL ADDRESS</b>	ADDRESS	APT / SUITE #	CITY	STATE	ZIP CODE
	301 W. 2nd St.	2nd Floor	Austin	TX	78701
(Full home or business address, including street, city, state, and zip code)					
<b>9 RESPONDENT MAILING ADDRESS</b>	ADDRESS	APT / SUITE #	CITY	STATE	ZIP CODE
	<input checked="" type="checkbox"/> (check if same as above)				
(Full home or business address, including street, city, state, and zip code)					
<b>10 RESPONDENT TELEPHONE NUMBER</b>	AREA CODE	PHONE NUMBER	EXT	<b>11 RESPONDENT E-MAIL ADDRESS (IF KNOWN)</b>	unknown
	512-974-2266				

GO TO PAGE 2

**III. NATURE OF ALLEGED VIOLATION**

Include the specific law(s) or rule(s) alleged to have been violated. The Texas Ethics Commission has jurisdiction to enforce only the following laws: (1) Title 15 of the Election Code; (2) Chapters 302, 303, 305, 572, 2004 of the Gov't Code; (3) § 334.025 and § 335.055 of the Local Gov't Code; (4) Subchapter C, Chapter 159 of the Local Gov't Code, in connection with a county judicial officer who elects to file a financial statement with the commission; (5) § 2152.064 and § 2155.003 of the Gov't Code; (6) § 306.005 of the Gov't Code.

Failed to file the July 2008 semiannual report, in violation of Section 254.063 and/or Section 254.093.

C/OH Campaign Finance Report (Jan. 15) - 1/15/09

1) Failed to fully disclose the name of person making a political contribution (3 places), in violation of Section 254.031(a)(1).

12/05/08	\$350.00	BMcPAC
12/08/08	\$350.00	CDMPAC
12/09/08	\$350.00	CH2MHILL Texas PAC

2) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3) and TEC rule 20.59.

12/31/08	\$168.20	Paypal
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3) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (2 places), in violation of Section 254.031(a)(3) and TEC rule 20.62.

12/31/08	\$2,500.00	Madhusoodanan, Deepu
12/15/08	\$500.00	Newton, Scott

4) Failed to fully disclose the purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3). An adequate description would include the specific goods or services purchased or leased, and enable one to know how the expenditure defrayed an actual campaign or office expense. Such vague "purpose of payment" descriptions suggest the unlawful conversion of campaign funds to personal use, in violation of Section 253.035.

12/10/08	\$400.02	Primizies
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**ATTACH ADDITIONAL PAGES AS NEEDED**

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C/OH Campaign Finance Report (30th day) - 4/09/09

1) Reported an incorrect "Contribution Balance". After adjusting for in-kind contributions (\$316.13) and expenditures made from personal funds (\$0.00), the contribution balance should be \$102,022.34, and not \$102,695.69, as reported, in violation of Section 254.031(a)(8). Note that the officeholder disclosed a contribution balance of \$21,649.34 in the January 2009 semiannual report filed on 1/15/09. In the alternative, if the contribution balance is correct, the officeholder failed to report additional political contributions and/or expenditures, in violation of Section 254.031.

2) Accepted a political contribution from a corporation/labor union (3 places), in violation of Sections 253.003 and 253.094. Note that Section 253.093(a) lists various associations, whether incorporated or not, which are also covered by Subchapter D.

3/11/09	\$150.00	Austin Trust Company
2/10/09	\$350.00	Carter & Burgess, Inc.
3/06/09	\$350.00	Rancho Garza LTD.

3) Failed to fully disclose the name of person making a political contribution (10 places), in violation of Section 254.031(a)(1).

3/12/09	\$350.00	AFSCME
1/27/09	\$350.00	Armstrong, M
3/17/09	\$350.00	BOMA Austin PAC
2/28/09	\$100.00	Crockett, Jr., M. H.
3/17/09	\$100.00	Crockett, Jr., M. H.
3/17/09	\$150.00	Crockett, Jr., M. H.
1/09/09	\$350.00	Hutto, D.

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1/12/09	\$350.00	LAN-PAC
1/27/09	\$350.00	PANTEX PAC
1/23/09	\$100.00	Rauchle, G D
4) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3) and TEC rule 20.59.		
3/30/09	\$439.43	Paypal
5) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (2 places), in violation of Section 254.031(a)(3) and TEC rule 20.62.		
1/20/09	\$124.95	Ranes, Jim
1/29/09	\$184.95	Ranes, Jim
6) Failed to fully disclose the purpose of a political expenditure (4 places), in violation of Section 254.031(a)(3). An adequate description would include the specific goods or services purchased or leased, and enable one to know how the expenditure defrayed an actual campaign or office expense. Such vague "purpose of payment" descriptions suggest the unlawful conversion of campaign funds to personal use, in violation of Section 253.035.		
3/03/09	\$181.28	AT&T
1/25/09	\$121.78	Central Market
2/04/09	\$1,382.41	Kelly Graphics
3/17/09	\$1,239.77	Kelly Graphics
7) Failed to fully disclose the name of person receiving a political expenditure (1 place), in violation of Section 254.031(a)(3).		
3/05/09	\$260.00	CAPD

ATTACH ADDITIONAL PAGES AS NEEDED

**III. NATURE OF ALLEGED VIOLATION**

Page 2

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C/OH Campaign Finance Report (8th day) - 5/01/09

1) Reported an incorrect "Contribution Balance". After adjusting for in-kind contributions (\$707.68) and expenditures made from personal funds (\$0.00), the contribution balance should be \$30,755.40, and not \$31,178.75, as reported, in violation of Section 254.031(a)(8). In the alternative, if the contribution balance is correct, the officeholder failed to report additional political contributions and/or expenditures, in violation of Section 254.031.

2) Accepted a political contribution from a corporation/labor union (4 places), in violation of Sections 253.003 and 253.094.

4/15/09	\$350.00	Braker Pointe Joint Venture
4/15/09	\$350.00	Fifth Lamar Retail I, Ltd.
4/15/09	\$350.00	LSA/WF Project, LTD
4/24/09	\$350.00	Rod Arend Rental

3) Failed to fully disclose the name of person making a political contribution (1 place), in violation of Section 254.031(a)(1).

4/14/09	\$350.00	A/TCEMS
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4) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3) and TEC rule 20.59.

4/29/09	\$99.83	Paypal
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5) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3) and TEC rule 20.62.

4/27/09	\$494.85	Ranes, Jim
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6) Failed to fully disclose the purpose of a political expenditure (2 places), in violation of Section 254.031(a)(3). An

**ATTACH ADDITIONAL PAGES AS NEEDED**

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**Page 2**

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adequate description would include the specific goods or services purchased or leased, and enable one to know how the expenditure defrayed an actual campaign or office expense. Such vague "purpose of payment" descriptions suggest the unlawful conversion of campaign funds to personal use, in violation of Section 253.035.

4/15/09 \$191.35 AT&T

4/21/09 \$233.71 Central Market

C/OH Campaign Finance Report (July 15) - 7/14/09

1) Reported an incorrect "Contribution Balance". After adjusting for in-kind contributions (\$0.00) and expenditures made from personal funds (\$0.00), the contribution balance should be \$17,823.01, and not \$17,896.36, as reported, in violation of Section 254.031(a)(8). In the alternative, if the contribution balance is correct, the officeholder failed to report additional political contributions and/or expenditures, in violation of Section 254.031.

2) Failed to fully disclose the name of person making a political contribution (1 place), in violation of Section 254.031(a)(1).

5/01/09 \$300.00 HDR PAC

3) Failed to fully disclose the purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3). An adequate description would include the specific goods or services purchased or leased, and enable one to know how the expenditure defrayed an actual campaign or office expense. Such vague "purpose of payment" descriptions suggest the unlawful conversion of campaign funds to personal use, in violation of Section 253.035.

5/26/09 \$93.64 AT&T

4) Failed to fully disclose the name of person receiving a political expenditure (1 place), in violation of Section 254.031(a)(3).

**ATTACH ADDITIONAL PAGES AS NEEDED**

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Include the specific law(s) or rule(s) alleged to have been violated. The Texas Ethics Commission has jurisdiction to enforce only the following laws: (1) Title 15 of the Election Code; (2) Chapters 302, 303, 305, 572, 2004 of the Gov't Code; (3) § 334.025 and § 335.055 of the Local Gov't Code; (4) Subchapter C, Chapter 159 of the Local Gov't Code, in connection with a county judicial officer who elects to file a financial statement with the commission; (5) § 2152.064 and § 2155.003 of the Gov't Code; (6) § 306.005 of the Gov't Code.

5/01/09 \$2,000.00 KAZI

C/OH Campaign Finance Report (Jan. 15) - 1/14/10

1) Reported an incorrect "Contribution Balance". After adjusting for in-kind contributions (\$0.00) and expenditures made from personal funds (\$0.00), the contribution balance should be \$16,094.85, and not \$16,168.20, as reported, in violation of Section 254.031(a)(8). In the alternative, if the contribution balance is correct, the officeholder failed to report additional political contributions and/or expenditures, in violation of Section 254.031.

2) Failed to disclose the actual vendor payee, address, date, and amount pertaining to the stated purpose of a political expenditure (3 places), in violation of Section 254.031(a)(3) and TEC rule 20.62.

7/09/09 \$63.76 Stephanie McDonald

7/08/09 \$250.00 Ian Davis

11/23/09 \$200.00 Mandy Dealey

3) Failed to fully disclose the purpose of a political expenditure (1 place), in violation of Section 254.031(a)(3). An adequate description would include the specific goods or services purchased or leased, and enable one to know how the expenditure defrayed an actual campaign or office expense. Such vague "purpose of payment" descriptions suggest the unlawful conversion of campaign funds to personal use, in violation of Section 253.035.

8/23/09 \$100.00 CADW

4) Failed to disclose the name of person receiving a political expenditure (1 place), in violation of Section 254.031(a)(3).

8/23/09 \$100.00 CADW

**ATTACH ADDITIONAL PAGES AS NEEDED**

**IV. STATEMENT OF FACTS**

State the facts constituting the alleged violation(s), including the dates on which or the period of time in which the alleged violation(s) occurred. Identify allegations of fact not personally known to the complainant, but alleged on information and belief. Please use simple, concise, and direct statements.

As a public official, Ms. Cole knows the importance of following the law when dealing with the taxpayers' public funds. She must also know that the same concerns apply when dealing with political campaign funds. Over the last 18 months, Ms. Cole converted political contributions to her personal use, failed to disclose the actual payees, dates, and amounts of political expenditures, failed to file a semiannual report, and filed several incomplete reports, with contribution balances indicating missing campaign funds or undisclosed campaign contributions and expenditures. She has also apparently violated the legal prohibition against corporate contributions. Accepting a political contribution from a corporation or labor organization carries a potential third-degree felony charge.

Ms. Cole signed her campaign finance reports under the penalty of perjury. She alone bears the responsibility of checking the report accuracy and fully disclosing the campaign information required by state law. Ms. Cole should also be aware that, under Section 37.03 of the Texas Penal Code, making a false, material, perjurious statement during or in connection with an official Texas Ethics Commission proceeding constitutes aggravated perjury, a felony of the third degree.

**ATTACH ADDITIONAL PAGES AS NEEDED**

**V. LISTING OF DOCUMENTS AND OTHER MATERIALS**

List all documents and other materials filed with this complaint. Additionally, list all other documents and other materials that are relevant to this complaint and that are within your knowledge, including their location, if known.

Campaign Finance Reports (selected pages) -

1/15/09 (Jan. '09)

4/09/09 (30th day)

5/01/09 (8th day)

7/14/09 (July '09)

1/14/10 (Jan. '10)

Information on corporate contributors -

Austin Trust Company

Carter & Burgess - Ohio, Inc.

Rancho Garza Investments, Inc.

Braker Point Joint Venture

Lamar Retail Partners, Ltd.

LSA-WF Project, Ltd.

Rod Arend, Inc.

**ATTACH ADDITIONAL PAGES AS NEEDED**

**VI. AFFIDAVIT**  
**BASED ON PERSONAL KNOWLEDGE**

(Execute this affidavit if the acts alleged are within your direct personal knowledge.)

I, \_\_\_\_\_, complainant,  
swear that I am a resident of the state of Texas. I swear that I have knowledge of the  
facts alleged in this complaint and that the information contained in this complaint is  
true and correct.

\_\_\_\_\_  
Signature of Complainant

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said \_\_\_\_\_, this the \_\_\_\_\_ day of  
\_\_\_\_\_, 20 \_\_\_\_\_, to certify which, witness my hand and seal of office.

\_\_\_\_\_  
Signature of officer administering oath

\_\_\_\_\_  
Printed name of officer administering oath

\_\_\_\_\_  
Title of officer administering oath

**VII. AFFIDAVIT**  
**BASED ON INFORMATION AND BELIEF**

(Execute this affidavit if the acts alleged are not within your direct personal knowledge, but are based on reasonable belief.)

I, \_\_\_\_\_, complainant,  
swear that I am a resident of the state of Texas. I swear that I have reason to believe  
and do believe that the violation alleged in this complaint has occurred. The source  
of my information and belief is  
Campaign Finance Reports.

\_\_\_\_\_  
Signature of Complainant

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said \_\_\_\_\_, this the \_\_\_\_\_ day of  
\_\_\_\_\_, 20 \_\_\_\_\_, to certify which, witness my hand and seal of office.

\_\_\_\_\_  
Signature of officer administering oath

\_\_\_\_\_  
Printed name of officer administering oath

\_\_\_\_\_  
Title of officer administering oath