



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

Commissioners

Jim Clancy
Wilhelmina Delco

Tom Harrison

George H. "Trey" Henderson, III

Tom Ramsay

Chase Untermeyer

July 6, 2010

Ms. Randi K. Shade
Austin City Council
P. O. Box 301479
Austin, Texas 78703-0025

**CERTIFIED MAIL NO. 7008 3230 0002 6487 2154,
RETURN RECEIPT REQUESTED**

Re: Notice of Complaint, SC-31006195

Dear Ms. Shade:

We received sworn complaint SC-31006195 on June 28, 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 disclose the campaign treasurer's street address on campaign finance reports, in violation of section 254.061 of the Election Code; (2) 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, 20.61, and 20.62 of the Ethics Commission Rules; and (3) failed to timely file a semiannual campaign finance report in violation of section 254.063 or 254.093 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.

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 One violations. You are required to respond to an allegation of a Category One violation not later than 10 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,



Susana G. Esparza
Assistant General Counsel

Jurisdiction accepted
For the Texas Ethics Commission



David A. Reisman
Executive Director

SGE:mc

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

c: Mr. William Berntsen
32 N. Rain Forest Court
The Woodlands, Texas 77380-2825

**CERTIFIED MAIL NO. 7008 3230 0002 6487 2161,
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

1 COMPLAINANT NAME	MS / MRS / MR Mr. <small>NICKNAME</small>	FIRST William <small>LAST</small> Berntsen	MI <small>SUFFIX</small>
2 COMPLAINANT PHYSICAL ADDRESS	ADDRESS 32 North Rain Forest Court	APT / SUITE #: 2nd Floor	CITY: STATE: ZIP CODE The Woodlands TX 77380 <small>(Full home or business address, including street, city, state, and zip code)</small>
3 COMPLAINANT MAILING ADDRESS	ADDRESS <input checked="" type="checkbox"/> <small>(check if same as above)</small>	APT / SUITE #:	CITY: STATE: ZIP CODE <small>(Full home or business address, including street, city, state, and zip code)</small>
4 COMPLAINANT TELEPHONE NUMBER	AREA CODE PHONE NUMBER EXT 281-298-8525	5 COMPLAINANT E-MAIL ADDRESS	none

II. IDENTITY OF RESPONDENT

6 RESPONDENT NAME	MS / MRS / MR Ms. <small>NICKNAME</small>	FIRST Randi <small>LAST</small> Shade	MI K. <small>SUFFIX</small>
7 RESPONDENT POSITION OR TITLE	City Council, Place 3, City of Austin		
8 RESPONDENT PHYSICAL ADDRESS	ADDRESS 301 W. 2nd St.	APT / SUITE #: 2nd Floor	CITY: STATE: ZIP CODE Austin TX 78701 <small>(Full home or business address, including street, city, state, and zip code)</small>
9 RESPONDENT MAILING ADDRESS	ADDRESS <input type="checkbox"/> <small>(check if same as above)</small>	APT / SUITE #:	CITY: STATE: ZIP CODE Austin TX 78703 <small>(Full home or business address, including street, city, state, and zip code)</small>
10 RESPONDENT TELEPHONE NUMBER	AREA CODE PHONE NUMBER EXT 512-974-2255	11 RESPONDENT E-MAIL ADDRESS (IF KNOWN)	unknown

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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.

C/OH Campaign Finance Report (8th day) - 1/06/09, corrected

1) Failed to include the campaign treasurer's street address, in violation of Section 254.061.

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

4/25/08	\$300.00	Hetherly, C.W.
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4/03/08	\$100.00	Kinslow, S.B.
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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 (3 places), in violation of Section 254.031(a)(3) and TEC rule 20.59.

4/01/08	\$170.76	Authorize.net
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4/03/08	\$47.10	Authorize.net
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4/03/08	\$10.10	Authorize.net
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4) Failed to fully disclose the purpose of a political expenditure (10 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.

4/08/08	\$718.00	American Airlines
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4/03/08	\$189.20	AT&T
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4/30/08	\$356.24	EnviroMedia
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4/01/08	\$57.29	Hobby Lobby
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4/30/08	\$11,404.49	Kelly Graphics
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4/30/08	\$14,641.98	Kelly Graphics
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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. Shade 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. Shade converted political contributions to her personal use, failed to disclose the actual vendor payees, dates, and amounts of political expenditures, and filed a late report and several incomplete reports.

Ms. Shade 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. Shade 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) -

1/06/09 (8th day), corrected

7/15/08 (July '08)

1/20/09 (Jan. '09)

7/15/09 (July '09)

1/15/10 (Jan. '10)

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

III. NATURE OF ALLEGED VIOLATION

Page 2

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4/01/08 \$38.01 Valero

4/15/08 \$40.00 Valero

4/25/08 \$1,920.36 Worely Printing Co., Inc.

4/10/08 \$1,158.44 The Belmont

C/OH Campaign Finance Report (July 15) - 7/15/08

1) Failed to include the campaign treasurer's street address, in violation of Section 254.061.

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

254.031(a)(1).

5/05/08 \$300.00 Willis, K C

3) 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 20.59.

5/01/08 \$567.38 Authorize.net

5/05/08 \$308.44 Authorize.net

6/03/08 \$304.08 Authorize.net

4) 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.

5/07/08 \$750.00 Kastner, Ulf

5/23/08 \$150.00 Newton, Scott

5) Failed to fully disclose the purpose of a political expenditure (10 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

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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.

5/07/08	\$222.72	AT&T
5/30/08	\$45.31	AT&T
5/01/08	\$1,000.00	Baustin Nob Hill
5/30/08	\$63.14	City of Austin Utilities
6/16/08	\$62.00	City of Austin Utilities
6/30/08	\$140.00	Do Good Deli
5/06/08	\$10,262.33	Kelly Graphics
5/06/08	\$129.25	Opinion Analysts
5/09/08	\$219.75	Rock N Roll Rentals
5/03/08	\$53.09	Shell

C/OH Campaign Finance Report (Jan. 15) - 1/20/09

- 1) Filed the semiannual report late, in violation of Section 254.063 and/or Section 254.093.
- 2) Failed to include the campaign treasurer's street address, in violation of Section 254.061.

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

- 1) Failed to include the campaign treasurer's street address, in violation of Section 254.061.

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

1) Failed to include the campaign treasurer's street address, in violation of Section 254.061.

ATTACH ADDITIONAL PAGES AS NEEDED