

**BEFORE THE OFFICE OF CAMPAIGN FINANCE  
DISTRICT OF COLUMBIA BOARD OF ELECTIONS AND ETHICS  
FRANK D. REEVES MUNICIPAL BUILDING  
SUITE 420, 2000 14<sup>TH</sup> STREET, NW  
WASHINGTON, D.C. 20009  
(202) 671-0550**

<b>IN THE MATTER OF</b>	)	DATE: May 5, 2011
	)	
Eduardo Ferrer	)	
Advisory Neighborhood Commissioner	)	
Advisory Neighborhood Commission 1B10	)	DOCKET: Full Investigation 2011-102
Respondent	)	

**ORDER**

**Introduction**

This matter comes before the Office of Campaign Finance (OCF) upon the referral of the Office of The Inspector General for the District of Columbia of information that Eduardo Ferrer (the Respondent), in addition to being the Advisory Neighborhood Commission Member for Single Member District 1B10, volunteered for a nonprofit organization that was applying to participate in the nonprofit fair organized by the grant applicant Capital Cause. It is alleged that on July 1, 2010, at the regular monthly meeting of Advisory Neighborhood Commission 1B (ANC 1B), the Respondent Ferrer, although he abstained from voting, participated in the deliberations concerning the Grant Application of Capital Cause. The Grant Application was approved by ANC 1B in the sum of \$3,000.00.

Following the review of information compiled in this matter, the Office of Campaign Finance initiated the investigation of these allegations to determine whether the Respondent may have violated the provisions of the District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974 (the Act), as amended, D.C. Official Code §§ 1-1101.01 *et seq.* (2001 Edition). More specifically, the issue presented is whether Eduardo Ferrer violated D.C. Official Code § 1-1106.01 (a) when he allegedly realized personal gain through official conduct by participating, in his capacity as Advisory Neighborhood Commissioner of ANC 1B-10, in the deliberations to support the Grant to Capital Cause, at the July 1, 2010 Advisory Neighborhood Commission (ANC) meeting of ANC 1B because Respondent volunteered with another nonprofit entity that hoped to do work with Capital Cause. 1

---

1 See Appendix for Documents comprising OCF's Investigative Record of this Matter.

By Correspondence dated February 2, 2011, the Office of Campaign Finance notified the Respondent Ferrer of the initiation of the investigation, and extended the opportunity for the Respondent to respond to the allegations in a notarized document with supporting documentation. On March 11, 2011, Eduardo Raul Ferrer submitted a Response to the Notice of Full Investigation, accompanied by the sworn Affidavit of the Respondent and other documentation. On April 29, 2011, the Office of Campaign Finance received the Confirmation Letter dated April 20, 2011 of R. Daniel Okonkwo, the Executive Director of DC Lawyers for Youth.

### **Findings of Fact**

Eduardo Ferrer, the Respondent, was elected Commissioner for ANC 1B, Single Member District 10, in the November 4, 2008 General Election, and served one term as the Advisory Neighborhood Commissioner for Single Member District 1B10, from January 2, 2009 to January 2, 2011. (Certified Election Records of the District of Columbia Board of Elections and Ethics). Between January 2007 and December 2010, the Respondent volunteered on an unpaid basis for DC Lawyers for Youth (DCLY), a nonprofit 501 (c) (3) organization, which he helped to establish with other alumni from the Georgetown Juvenile Justice Clinic. DCLY was founded in 2007. The mission of DCLY is to improve the District's juvenile justice system through the support of legislation and educational outreach to youth and parents. See [www.dcly.org](http://www.dcly.org). During this period, Mr. Ferrer served as DCLY's first Executive Director (January 2007 – December 2009), and Chief Operating Officer (January 2010 – December 2010). In both positions, the Respondent served on an unpaid basis and volunteered five (5) to fifteen (15) hours per week of his time toward managing the organization and implementing its various projects. He was also employed fulltime as an associate in a Law Firm from September 2005 to September 2010, when he left to pursue full-time work in the government/public sector.

On May 3, 2010, Respondent Ferrer was contacted by Amatullah R'id, from Capital Cause, concerning their desire to host a block party at the end of June 2010 to promote community service among the 21-35 age group. The goal was to recruit local nonprofits in the area to participate in the event and rent booths, host activities and sign up potential volunteers to promote their programs, with an advance fee of \$20.00. The proceeds would be used to create similar events and to fund grants to distribute to "young, socially responsible entrepreneurs in the Fall 2010". Ms. R'id also stated that the organization intended to apply for a grant from the Respondent's ANC, and requested information concerning the process, and suggestions as to any local nonprofits that Capital Cause could reach out to for the event. Mr. Ferrer decided to support the event, suggested an alternative site for the event, advised of the grant procedures, and recommended several community and civic associations, and nonprofits based in Ward 1 that Capital Cause could reach out to, including the DC Lawyers for Youth.

On June 18, 2010, Capital Cause invited a number of organizations, including DCLY, to apply to participate in the "To DC, With Love" Festival, by June 25, 2010. If selected, the participation fee was \$50.00. Donald Sherman, the Chair of the Board of Directors of

DCLY, who has never been paid for his work at DCLY, received the invitation. Mr. Sherman was the point of contact for DCYL. He handled the application process and submitted the DCLY application to Capital Cause on June 24, 2010. Any monies received from Capital Cause were to be used by DCLY to help pay to translate their Parent Handbook into Spanish and to defray printing costs. On June 28, 2010, Capital Cause selected DCLY as one of the participating nonprofits for the event. Upon learning of the selection of DCLY by Capital Cause, Commissioner Ferrer disclosed what he perceived to be his potential conflict of interest to the ANC 1B Grants Committee prior to the review of the grant application by the ANC Committee.

Capital Cause is a nonprofit organization dedicated to engaging young professionals in the giving process and public service through the conduct of fundraisers for the benefit of local nonprofit organizations in the Washington area, and the award of grants to benefit nonprofits and charitable causes which share their mission. See [www.capitalcause.com](http://www.capitalcause.com).

On May 18, 2010, as amended June 4, 2010, Capital Cause submitted a Grant Application to Advisory Neighborhood Commission 1B through Gresham Harkless, the Capital Cause Committee Chair of Grant Writing, for the amount of \$4,984.88. The purpose of the request was to support the "To DC, with Love" Street Festival scheduled for July 10, 2010, to encourage young professionals between the ages of 21-35 to learn about what local nonprofits are doing to improve the local community. The event was actually held on July 31, 2010. Capital Cause proposed to recruit approximately 20 local nonprofit agencies to attend the event. The funds were to be used to defray the costs of on-site rental equipment and supplies, including tables, chairs, tent, games, and security. The total projected cost of the project was \$8,585.09.

On June 29, 2010, the Grants Committee of ANC 1B met to consider Grant Applications, including the application of Capital Cause. Commissioners Rosemary Akinmboni, Committee Chairperson, Brianne Nadeau, Member, Halima Roebuck, Member, and Peter Raia, Member, were present. The Committee heard from Kezia Williams, Chair of the Board of Directors of Capital Cause. Ms. Williams requested that the Grants Committee support the grant application in the amount of \$4,984.88, which would contribute to the rental costs for equipment and supplies for the "To DC, with Love" Street Festival. The Grants Committee recommended that the ANC Commission support the grant in the amount of \$2,000.00.

On July 1, 2010, Advisory Neighborhood Commission 1B held its regular monthly public meeting. The Agenda included the June 29, 2010 Report of the Grants Committee and consideration by the Commission of the recommendations of the Grants Committee. Commissioner Ferrer noted that the nonprofit organization that he works with was applying to participate in the non-profit fair organized by the grant applicant Capital Cause. The Respondent requested guidance as to whether he should recuse himself from any discussions of the Capital Cause grant application and from voting on the application. He stated that he would receive no pecuniary benefit, and that he works as a volunteer for the organization, but wanted to avoid any appearance of a conflict of interest. Commissioner Myla J. Moss stated that Commissioner Ferrer's insight and information

about the group would be important, but suggested that he recuse himself from voting. Kezia Williams and Gresham Harkless appeared on behalf of Capital Cause and presented the Grant Application. Ms. Williams stated that the To D.C. with Love Street Festival was actually a fund raiser, and that a portion of the proceeds would be returned to non-profit organizations. Commissioner Ferrer offered background on the grant application during the discussion before the ANC. Acting Chairperson Peter Raia moved by motion that ANC 1B approve the Capital Cause Grant Application. The motion was adopted. The recorded vote was five (5) yes, and one (1) no. Commissioner Ferrer abstained.

On July 13, 2010, Eduardo Ferrer purchased two tickets to the Capital Cause Festival at a cost of \$42.98, and designated the DC Lawyers for Youth as the non-profit that he was supporting with his entrance fee. Mr. Ferrer attended the event on July 31, 2010 with a guest.

On September 1, 2010, Capital Cause notified Donald Sherman that the DC Lawyers for Youth was the recipient of a Grant Award in the amount of \$117.85 from Capital Cause for their participation in the July 31, 2010 "To DC, With Love" Street Festival.

Mr. Ferrer became a full-time paid employee of DCLY, on January 1, 2011, continuing with the title of Chief Operating Officer. DCLY pays its staff salaries from a project-specific grant to the organization from the Public Welfare Foundation. All other donations and funds raised by the organization are used for general programming costs and used to benefit the youth on whose behalf the organization advocates.

### **Conclusions of Law**

D.C. Official Code § 1-1106.02 (i)(2) provides that Members of Advisory Neighborhood Commissions are subject to the prohibitions set forth in the Conflict of Interest Statute. public office is a public trust, and any effort to realize personal gain through official conduct is a violation of that trust." D.C. Official Code § 1-1106.01 (b) prohibits, inter alia, a public official from using his or her public office "to obtain financial gain for himself or herself, any member of his or her household, or any business with which he or she or a member of his or her household is associated". The term "business" is defined by D.C. Official Code § 1-1106.01 (h)(1) to mean "any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock, trust, and any legal entity through which business is conducted for profit." Further, Advisory Neighborhood Commissions are authorized by D.C. Official Code § 1-309.13 (l) to expend funds it receives through the annual budget allocation in the form of grants for public purposes within the Commission area.

In this case, Edward Ferrer served as a Commissioner in ANC 1B, from January 2009 through December 2010, and was a volunteer at the DC Lawyers for Youth. Advisory Neighborhood Commission 1B approved on July 1, 2010 at its public meeting the grant application of Capital Cause, for the amount of \$3,000.00. Commissioner Ferrer

abstained from voting, but participated in the deliberations on the Grant Application. Capital Cause accepted the application of DCLY to participate in its Street Festival, and subsequently awarded on September 1, 2010, a grant of \$117.85 to DCLY as a result of DCLY's participation in the Capital Cause Street Festival. DCLY is a 501 (c) (3) nonprofit organization. Edward Ferrer served as an unpaid volunteer for DCLY in the positions of Executive Director and Chief Operating Officer during the timeframe in question.

In his Declaration to OCF, Edward Ferrer maintained between January 2007 and December 2010, he served in unpaid volunteer positions with the D.C. Lawyers for Youth organization. Moreover, R. Daniel Okonkwo, the DCLY Executive Director, confirmed that Eduardo Ferrer received no compensation for the positions he held at DCLY; that from 2007 through March 2010, DCLY did not have any paid board members, staff, volunteers, or employees; that any and all monies that DCLY obtained were from donations to DCLY's fiscal sponsor, The Campaign for Youth Justice; and that the Grant Award of \$117.85 from Capital Cause was not used for any employee salaries or benefits.

On the basis of the foregoing, we conclude that Commissioner Ferrer did not use his official position to obtain financial gain for himself relative to the approval of the Capital Cause Grant Application by ANC 1B.

**Recommendation**

In view of the foregoing and information included in the record, I hereby recommend that the Director dismiss the Complaint in this matter.

\_\_\_\_\_  
Date

\_\_\_\_\_  
William O. SanFord  
General Counsel

**ORDER OF THE DIRECTOR**

WHEREFORE, IT IS HEREBY ORDERED that this matter is hereby dismissed.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Cecily Collier-Montgomery  
Director

This Order may be appealed to the Board of Elections and Ethics within 15 days from the date of issuance.

**SERVICE OF ORDER**

This is to certify that I have served a true copy of the foregoing Order on Eduardo Ferrer by first class postage pre-paid mail on May 5, 2011.

---