

January 13, 2023

Office of General Counsel  
Federal Election Commission  
1050 First Street, NE  
Washington, DC 20463

**RECEIVED**  
FEDERAL ELECTION COMMISSION  
JANUARY 13, 2023 11:12 AM  
OFFICE OF GENERAL COUNSEL

## MUR 8102

Re:

**Complaint against Committee ID: C00696104**

Erica Smith  
Erica for Us  
P.O. BOX 1236  
GASTON, NC 27832

Complainant:

Amy Vilela, Owner  
Progressives Consulting, LLC  
2540 S Maryland Pkwy, Unit 5105  
Las Vegas, NV 89109

To whom it may concern;

On February 24, 2021, Erica Smith entered into contract with Progressives Consulting, LLC for accounting and compliance reporting services as per 11 CFR 100.112. Progressives Consulting, LLC provided services outlined in the signed contract. See Attached signed contract. We provided services to Erica for Us through the Year-End 2021 FEC filing.

It is required that committees continuously report debts and obligations owed until extinguished as per 11 CFR 104.3 (d) & 11 CFR 104.11

The following outstanding invoices are not reported as debt by Erica for Us on the most recently filed October Quarterly 2022, Form 3:

- Invoice 1247 - Dated 10/31/2021 - Services rendered for October 2021 - including preparing and filing the October Quarterly 2021 - and software reimbursement totaling \$2,825.00. See Attached.
- Invoice 1262 - Dated 11/30/2021 - Services rendered for November 2021 and software reimbursement totaling \$2,825.00. See Attached.
- Invoice 1277 - Dated 12/31/2021 = Services rendered for December 2021 and software reimbursement totaling \$1,200.00. See Attached.
- Invoice 1302 - Dated 1/31/2022 - Services rendered for January 2022 - including preparing and filing the Year-End 2021, software reimbursement, and the expense associated with filing 1099's totaling \$2,596.91. See Attached.

Following, is the history of the FEC Form 3 reporting of the above listed debt:

- Year-End 2021 - Amendment 1: Invoice 1247 is listed as a debt owed to Progressives Consulting, LLC in the amount of \$2825.00.
- April Quarterly 2022 - Amendment 1: Invoice 1247 is listed as a debt owed to Progressives Consulting, LLC in the amount of \$2825.00.

- Pre-Primary 2022 – Amendment 1: Invoice 1247 is listed as a debt owed to Progressives Consulting, LLC in the amount of \$2825.00.
- July Quarterly 2022 = Invoice 1247 is listed as a debt owed to Progressives Consulting, LLC in the amount of \$2825.00.
- October Quarterly 2022 = The debt owed to Progressives Consulting, LLC is removed from the reporting. There is no required reporting of settlement/payment or notes as to why this debt has been removed.

Erica for Us received the invoices in question and the amounts have never been disputed in writing nor verbally with Progressives Consulting, LLC. The committee did not include this debt on their FEC reports under instruction from their legal counsel. See Attached email dated Jan 31, 2022. Our contract clearly states that we defer to the campaigns legal counsel for any guidance on the requirements of the reporting and that there is no guarantee of outcome nor results. Also attached is the email from the campaign managers of Erica for Us approving and authorizing the Form 3 filing for the Year-End 2021 and the October Quarterly 2021. As FEC filings are our final product stemming from our continuous work effort, this is proof that the campaign approved and received the final product of our work effort.

In summary, Progressives Consulting provided accounting and FEC reporting services to the Erica for Us campaign committee from October 1, 2021 – January 31, 2022. To date, the invoices for this service have not been paid. Not only did our invoices include services that were performed by various employees of Progressives Consulting, LLC but it also included reimbursements for software and 1099 filing that was paid for by the firm. Additionally, the campaign committee approved the two FEC required filings that were due within this time frame. Our contract clearly states that our delivered product is the accounting of disbursements and receipts and the filing of required FEC reports. It is our position that we fulfilled our contractual obligations and are due payment in full, totaling \$9,446.91. We further assert that this total should be reported continuously by the campaign until extinguished as per 11 CFR 104.3 (d) & 11 CFR 104.11

Because these services were rendered by employees of the firm and the firm actually incurred expense on behalf of Erica for Us, treatment as anything other than debt could lead to the conclusion that this would constitute an unallowed contribution.

Respectfully submitted,


  
 Amy Vilela

See attached

STATE OF California

COUNTY OF Riverside

SUBSCRIBED AND SWORN to me on this 13 day of January, 2023,  
 by Amy Vilela.

  
 Notary Public

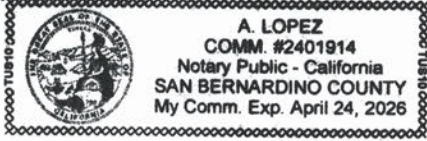
Complaint Fec

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of RIVERSIDE

Subscribed and sworn to (or affirmed) before me on this 13  
day of JANUARY, 2023, by Amy Vitela

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



(Seal)

Signature A. Lopez

See attached





## Consulting Services Agreement

THIS AGREEMENT (the "Agreement"), is entered into on this date by and between Progressives Consulting, LLC (the "Company"), of P.O. Box 61646, Las Vegas, Nevada 89160 and Erica Smith for US Senate '22 (the "Client") whose address is P.O. Box 1236, Gaston, NC 27832. Company and Consultant are sometimes referred to in this Agreement collectively as the "Parties" and individually as a "Party."

This Agreement supersedes all prior or contemporaneous negotiations, commitments, agreements (written or oral) and writings between the Client and the Company with respect to the subject matter hereof. All such other negotiations, commitments, agreements and writings will have no further force or effect, and the parties to any such other negotiation, commitment, agreement or writing will have no further rights or obligations thereunder. The Client and the Company agree as follows:

### I. Services.

As part of the monthly ongoing Compliance campaign services, the company will provide the following services:

- Accounts Receivable recognition and upload into NGP
- Bank reconciliation
- Customized reports, as requested
- Annual Reporting of 1099's
- Reconciliation of financial data with disclosure reports
- FEC reports as required

As part of the monthly ongoing compliance plus services, the company will provide the following services:

- Accounts Payable, including bill payment
- Payroll Processing
- Strategic budget planning and management
- Weekly senior team and budget meetings
- Direct coordination with campaigns compliance attorney
- Human Resources

As part of the one-time ad hoc Compliance services, the company will provide set up for:

- Accounting and Compliance Software

### II. Client Requirements.

As part of the client requirements, the Client will provide the Company, the following:

- Forward or take a picture of every receipt and deposit detail to Receipt Bank.
- Forward monthly Bank Statements by the 5th day of the following month.

- Complete Deposit spreadsheet for every cash/check deposit made to the bank.
- Upload all In-Kind forms to the In-Kind folder.
- Maintain access for the Company to Bank and any other software required to complete the monthly financial statements.
- After 30 days of no contact from Client to the Company, the company will assume Client is no longer in need of the Company's services, and the Company may terminate the Agreement; in this event, all unpaid fees will be due and collectible at the time of termination.
- Collect and forward copies of all W-9 documents for 1099 contractors upon hiring and upload them to the Contractor file.

## **II. Compensation and Payment.**

1. Setup Fees: For the ad-hoc services, one-time set-up fees will total \$500.00.
2. Ongoing Compliance Management: For the Compliance Services described in The Services Section, the Client will pay to The Company a monthly retainer rate of \$2750/month.
3. Invoices will be issued on the first of the month for the prior month's services. Invoices will be due upon receipt and will be automatically deducted from your payment method on file each month.
4. The following provision applies to the authorization of repeated credit or debit card authorizations only:
  - Right to cancel: The Client has the right to cancel this contract until midnight of the third (3rd) business day after it is signed and executed. Client may cancel this agreement by written notice to The Company before midnight of the third business day.
5. The contracted Billing Rate/Hour will be automatically increased 4% annually on the contract anniversary date. This rate increase is in place to assist us in maintaining the livable wage for our team through the annual basis.

## **III. Term.**

This Agreement will commence on the effective date first set forth above and will continue for a minimum period of [60 days], regardless of the Client's delivery of content, and then will continue on a month to month basis unless otherwise terminated by The Company or Client or unless otherwise agreed to by The Company and the Client.

## **IV. Termination.**

This agreement may not be terminated prior to [60 days] after the date shown above by either party. In the event that the Client desires to terminate the Services hereunder, the Client must submit a written request to The Company at least seven (7) days prior to the desired date of



termination. Written requests to terminate may be made by e-mail. If Client chooses to terminate this agreement in writing, all monies owed to The Company will be due immediately and will be automatically charged to the Client's payment method on file. Under no circumstances will The Company give refunds of the amount paid for the Services hereunder.

#### **V. Proprietary Information and Use of Materials.**

1. Except as provided elsewhere in this Agreement, all information disclosed by one Party to the other Party, shall be deemed to be confidential and proprietary ("Proprietary Information")
2. Proprietary Information includes, without limitation, information regarding fundraising, voter data files, vendors, contribution lists, training manuals, fundraising scripts, operating procedures, strategy, intellectual property, information about a Party's employees/volunteers and other confidential or Proprietary Information belonging to or related to a Party's affairs. The receiving party acknowledges and agrees that in any proceeding to enforce this Agreement it will be presumed that the Proprietary Information constitutes protectable trade secrets, and that the receiving Party will bear the burden of proving that any portion of the Proprietary Information was publicly or rightfully known and disclosed by the receiving Party. The Parties, their employees, subsidiaries, affiliates, agents, and assigns agree to hold all Proprietary Information, regardless of when or how disclosed, in strict confidence and with not less than the same degree of care that they provide for their own confidential and proprietary information. The Parties warrant and represent that the degree of care contemplated herein is adequate and the Parties will take any and all steps reasonably necessary to preserve such Proprietary Information.
3. Nothing in this Agreement shall prohibit or limit the receiving Party's use of information that can be demonstrated as: (a) previously known to the receiving Party, (b) independently developed by the receiving Party, (c) acquired from a third party not under similar nondisclosure obligations to the disclosing Party, or (d) acquired through the public domain through no breach by the receiving Party of this Agreement.
4. Remedies. The Parties acknowledge that the Proprietary Information exchanged is valuable and unique and that disclosure in breach of this Agreement will result in irreparable injury to the adversely affected Party, for which monetary damages, on their own, would be inadequate. Accordingly, the Parties agree the adversely affected shall have the right to seek an immediate injunction enjoining any such breach or threatened breach of the Agreement.

#### **VI. Compliance Duties.**

The parties acknowledge the importance of complying with all applicable Federal, state and local election laws and their implementing rules and regulations. To ensure compliance by the Client and the Company:

1. The Client's attorneys or their designees will provide timely election law compliance direction and advice upon which the Company may rely;
2. The Company must follow all instructions given to the Company by the Client's attorneys or their designees with respect to compliance with applicable laws, including but not limited to, the maintenance of books and records, the documentation of Invoices and other expenses incurred in connection with this agreement, and all other matters referenced in this agreement; and



3. Nothing in this section or in this agreement, however, gives the Company the right to have the Client provide legal services or defend the Company, or to pay for legal services or a defense in connection with any legal proceedings involving the Company in connection with the activity based on this agreement.

#### **VII. Additional Services.**

All services outside the scope of this Agreement that are requested by the Client and which the Company agrees to perform will be billed at a rate of \$125 per hour. Client will be notified and must approve in writing (email is sufficient) additional services before they will be performed, although the Company may not necessarily be able to inform Client in advance of the total cost of such additional services. Client will also be given opportunity to purchase additional services at package rates, when deemed appropriate by the Company.

#### **VIII. Limitation of Liability.**

The Company shall not be liable for any incidental, consequential, indirect or special damages, or for any loss of revenue or business interruptions caused or alleged to have been caused by the performance or nonperformance of the Services. Client agrees that, in the event the Company is determined to be liable for any such loss, Client's sole remedy against the Company is limited to refund of payments made by Client for said Services, less expenses paid to subcontractors or to third parties. The Company is not responsible for errors which result from faulty or incomplete information supplied to the Company by Client. Client also agrees to not seek damages in excess of the contractually agreed upon limitations directly or indirectly through suits by or against other parties. The Company shall not be liable to Client for any costs, damages or delays due to causes beyond its control, expressly including without limitation, unknown site characteristics; changes in policies, changes in terms of services.

#### **IX. Handling of Disputes.**

The Parties agree that any dispute regarding this Agreement, and any claim made by Client for return of monies paid to the Company, shall be handled in accordance with applicable State and Federal laws. Specifically, if Client cancels credit card payments after the three day cancellation period permitted by law and outlined in this Agreement, this Agreement is immediately terminated, and the Company reserves the right to dispute such cancellation and pursue Client for monies owed to The Company for services already performed but unpaid by Client due to such credit card cancellation. Client agrees that, regardless of whether Client is ultimately successful in any credit card cancellation dispute, it is liable to pay the Company for the work already performed as of the time of the cancellation request, at an hourly rate of \$125 per hour for all hours spent on Client's project. The Company will provide Client with an itemization of hours spent within a reasonable time upon the request of the Client and payment will be expected in full within 30 days from the date such itemization is provided. If Client does not pay for such hourly work upon the Company's demand and within 30 days, the Company reserves the right to initiate an action in court for breach of contract, regardless of the previous outcome of any credit card cancellation dispute. Additionally, if the Company is successful in any credit card cancellation dispute, The Company reserves the right to pursue Client for the costs the Company had incurred in disputing

or defending such credit card cancellation, including but not limited to the lost business profits in the form of time the Company and its representatives spent handling such dispute, at the Company's hourly rate of \$125

#### **X. No Guarantee.**

The Company does not warrant or guarantee any specific level of performance or results. Example of results obtained for other clients of the Company may be used as a marketing tool and shown to Client for demonstrative purposes only and should not be construed by Client as indicating any promised results or level of results.

#### **XI. Communications.**

Client agrees the communication is to be via email or phone, the email address to use is kara@progressivesconsulting.com. If the Client wishes to speak on the phone, the Client should send an email to The Company stating that you would like to schedule a phone call and The Company will work with the Client to arrange a time. The Company typically responds to email within 24-48 hours excluding weekends and standard public holidays.

#### **XII. Entire Agreement.**

This Agreement is the final, complete and exclusive Agreement of the Parties. No modification of or amendment to this Agreement shall be effective unless in writing and signed by each of the Parties.

#### **XIII. Severability.**



If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, the remaining provisions of this Agreement shall remain in full force and effect.

#### **XIV. Interpretation and Enforcement.**

The parties understand and agree that the construction and interpretation of this Agreement is governed by the laws of the State of Nevada. In the event that either party must initiate legal action to enforce this Agreement, the Parties agree that the proper venue for such action shall be the courts of the State of Nevada.



By their signatures below, the parties hereby understand and agree to all terms and conditions of this Agreement:

Client	Company
<b>Name</b> Erica Smith	<b>Name</b> Amy Vilela
<b>Title</b> Candidate	<b>Title</b> Progressives Consulting, LLC
<b>Signature</b>  <small>Erica D. Smith (Feb 23, 2021 22:44 EST)</small>	<b>Signature</b> 
<b>Date</b> Feb 23, 2021	<b>Date</b> Feb 23, 2021









# Erica Smith - Compliance Contract

Final Audit Report

2021-02-24

Created:	2021-02-22
By:	Kara Hall (Kara@progressivesconsulting.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAd1tS1xj8YoNQH3vR7l6pTvfraDZ2Bdq

## "Erica Smith - Compliance Contract" History

-  Document created by Kara Hall (Kara@progressivesconsulting.com)  
2021-02-22 - 7:30:32 PM GMT - IP address: 71.222.62.37
-  Document emailed to Erica D. Smith (senatorerica@gmail.com) for signature  
2021-02-22 - 7:31:05 PM GMT
-  Email viewed by Erica D. Smith (senatorerica@gmail.com)  
2021-02-24 - 3:40:50 AM GMT - IP address: 74.125.210.10
-  Document e-signed by Erica D. Smith (senatorerica@gmail.com)  
Signature Date: 2021-02-24 - 3:44:41 AM GMT - Time Source: server- IP address: 71.210.129.49
-  Document emailed to Amy Vilela (amy@progressivesconsulting.com) for signature  
2021-02-24 - 3:44:44 AM GMT
-  Email viewed by Amy Vilela (amy@progressivesconsulting.com)  
2021-02-24 - 3:49:18 AM GMT - IP address: 66.102.7.185
-  Document e-signed by Amy Vilela (amy@progressivesconsulting.com)  
Signature Date: 2021-02-24 - 3:51:42 AM GMT - Time Source: server- IP address: 76.170.248.152
-  Agreement completed.  
2021-02-24 - 3:51:42 AM GMT



1/10/23, 11:03 PM



**Amy Vilela** <amy@progressivesconsulting.com>  
to Julia, Deandra

Attached is the draft QTR 3 2021 Form 3 for your review Please let me know if you have any questions or want any changes I plan to file this Friday late afternoon

Thanks!

Amy Vilela, Partner



[amy@progressivesconsulting.com](mailto:amy@progressivesconsulting.com)  
[progressivesconsulting.com](http://progressivesconsulting.com)



One attachment • Scanned by Gmail



**Amy Vilela** <amy@progressivesconsulting.com>  
to Julia, Deandra

Checking in are we good to file this?

Thanks!

Amy Vilela, Partner



[amy@progressivesconsulting.com](mailto:amy@progressivesconsulting.com)  
[progressivesconsulting.com](http://progressivesconsulting.com)

Office

Direct



**Deandra Newsome** <deandra@ericaforus.com>  
to me, Julia

Yep! Didn't realize Erica was not on the draft email, just briefly went over it with her. We're all good!



Amy Vilela &lt;amy@progressivesconsulting.com&gt;

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**Q4 2021 FEC Draft**

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**Morris Katz** <morris@ericaforum.com>

Mon, Jan 31, 2022 at 10:27 AM

To: Amy Vilela &lt;amy@progressivesconsulting.com&gt;

Cc: Erica Smith &lt;senatorerica@gmail.com&gt;, Daniel Lockwood &lt;daniel@progressivesconsulting.com&gt;

Hi Amy,

Thanks for getting this to us!

We talked to a few attorney' on the debt number ju t to ee if we could report lower and we got duidence that Regular/Retainer payments do not usually need to be considered as debt; something is only a debt if it isn't paid back within 60 days of the date incurred and that we can define date incurred as the date we received the invoice.

I believe that that leave ju t one or two of your invoice a well a one or two NGP invoice and a tatango invoice The earlier bumperactive and scale to win invoices included in the debt were voided and included in later invoices (some of which are still pending and some of which have been paid - none of which extend beyond 60 days I believe).

We'd al o like to add ju t an additional note that the loan repayment date wa within 60 day of having received it

Let me know if this makes sense/if you have any questions!

Thank ,  
Morris

On Mon, Jan 31, 2022 at 6:43 AM Amy Vilela <amy@progressivesconsulting.com> wrote:

Attached is the Q4 2021 Draft FEC Form 3. Please review and approve or suggest edits. The report is due today so I will file it as soon as I get your approval.

Thanks!

**Amy Vilela, Partner**

**progressives  
consulting** LLC

amy@progressivesconsulting.com

progre ive con ulting com

Office [REDACTED]



Q4 2021 FEC Draft External Clients/Erica Smith



**Amy Vilela**

Attached is the Q4 2021 Draft FEC Form 3. Please review and approve or suggest edits. The report is due today so I will file it as soon as I get your approval.



**Amy Vilela**

Morris, Any word yet on this filing? We are very close to the deadline and there is a chance the system could be overwhelmed and our filing not make it in time



**Morris Katz** <morris@ericaforum.com>

to me

Yes, sorry I thought I'd replied. This looks great! hank you!!!!

Great, thanks!

Thanks!

No problem, thanks!

Reply

Forward



compliance@progressivesconsulting.  
com  
www.progressivesconsulting.com

## INVOICE

**BILL TO**  
PO Box 1236  
Gaston, NC 27832

**INVOICE #** 1247  
**DATE** 10/31/2021  
**DUE DATE** 11/03/2021  
**TERMS** Net 3

DESCRIPTION	QTY	RATE	AMOUNT
Monthly Accounting Services	1	2,750.00	2,750.00
Quickbooks Software Expense	1	50.00	50.00
Dext Invoice/Receipt Capture Software Expense	1	25.00	25.00

---

**BALANCE DUE** **\$2,825.00**

If you wish to pay via ACH - please submit electronic payment to:







compliance@progressivesconsulting.  
com  
www.progressivesconsulting.com

## INVOICE

**BILL TO**  
PO Box 1236  
Gaston, NC 27832

**INVOICE #** 1262  
**DATE** 11/30/2021  
**DUE DATE** 12/03/2021  
**TERMS** Net 3

DESCRIPTION	QTY	RATE	AMOUNT
Monthly Accounting Services	1	2,750.00	2,750.00
Quickbooks Software Expense	1	50.00	50.00
Dext Invoice/Receipt Capture Software Expense	1	25.00	25.00

---

**BALANCE DUE** **\$2,825.00**

If you wish to pay via ACH - please submit electronic payment to:





compliance@progressivesconsulting.  
com  
www.progressivesconsulting.com

## INVOICE

**BILL TO**  
PO Box 1236  
Gaston, NC 27832

**INVOICE #** 1277  
**DATE** 12/31/2021  
**DUE DATE** 01/03/2022  
**TERMS** Net 3

DESCRIPTION	QTY	RATE	AMOUNT
Monthly Accounting Services	9	125.00	1,125.00
Quickbooks Software Expense	1	50.00	50.00
Dext Invoice/Receipt Capture Software Expense	1	25.00	25.00

---

**BALANCE DUE** **\$1,200.00**

If you wish to pay via ACH - please submit electronic payment to:





compliance@progressivesconsulting.  
com  
www.progressivesconsulting.com

## INVOICE

**BILL TO**  
PO Box 1236  
Gaston, NC 27832

**INVOICE #** 1302  
**DATE** 01/31/2022  
**DUE DATE** 02/03/2022  
**TERMS** Net 3

DESCRIPTION	QTY	RATE	AMOUNT
Monthly Accounting Services	15	125.00	1,875.00
Quickbooks Software Expense	1	50.00	50.00
Dext Invoice/Receipt Capture Software Expense	1	25.00	25.00
FEC Filing	1	600.00	600.00
1099 Filing Fee	1	46.91	46.91
<b>BALANCE DUE</b>			<b>\$2,596.91</b>

If you wish to pay via ACH - please submit electronic payment to:

