

**STATE OF SOUTH CAROLINA  
STATE ETHICS COMMISSION**

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STATE ETHICS  
COMMISSION

**COMPLAINT FORM**

**FOR COMMISSION USE ONLY:**  
CASE NUMBER  
C 2021-076

**COMPLAINANT:** State Ethics Commission  
**ADDRESS:** 201 Executive Center Drive  
Suite 150  
Columbia, SC 29210  
**TELEPHONE NUMBER:** (803) 253-4192

**RESPONDENT:** Michael E. Anderson  
**ADDRESS:** [REDACTED]  
**TELEPHONE NUMBER:** [REDACTED]  
**TITLE:** Trustee – Lexington County School Board  
District One

Section 8-13-1140, SC Code Ann., 1976, as amended, requires the filing of an updated Statement of Economic Interests for the previous calendar year annually thereafter prior to March 30. Records in the State Ethics Commission indicate that the Respondent was required to file the 2021 Statement of Economic Interests.

Section 8-13-1308, S.C. Code Ann., 1976, as amended, requires candidates to file Campaign Disclosures within ten (10) days of receiving or expending \$500; fifteen (15) days prior to each election; within ten (10) days of the end of each quarter; and a final report when the campaign account is closed. In addition, certified campaign reports detailing campaign contributions and expenditures must contain the total of contributions accepted, the name and address of each person making a contribution, the total expenditures made by or on behalf of the candidate or committee, and the name and address of each person to whom an expenditure is made from campaign funds. Pursuant to Section 8-13-1362 and Regulation 52-504 (C), the Pre-Election and quarterly report are required even when there have been no contributions or expenditures.

Records of the State Ethics Commission indicate that a Campaign Disclosure was due no later than October 10, 2017, January 10, 2018, April 10, 2018, July 10, 2018, October 10, 2018, January 10, 2019, April 10, 2019, July 10, 2019, October 10, 2019, January 10, 2020, April 10, 2020, July 10, 2020, April 10, 2021, and July 10, 2021. Respondent was sent an email reminder thirty days before each Campaign Disclosure deadline.

Section 8-13-1348 of the South Carolina Code of laws, 1976, as amended, prohibits a candidate from using campaign funds to defray personal expenses which are unrelated to the campaign. According to bank records, the Respondent made expenditures that appear personal and failed to provide an explanation of these expenditures.

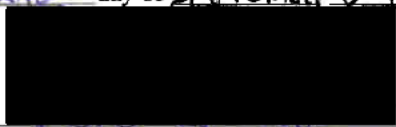
Respondent was reminded of the Campaign Disclosure filing requirements by letters dated January 6, 2020, April 10, 2020, July 27, 2020, and March 31, 2021 as described in the attached. To date, no properly completed October 10, 2017, January 10, 2018, April 10, 2018, July 10, 2018, October 10, 2018, January 10, 2019, April 10, 2019, July 10, 2019, October 10, 2019, January 10, 2020, April 10, 2020, July 10, 2020, April 10, 2021, or July 10, 2021 Campaign Disclosure has been received. All in violation of Section 8-13-1140, Section 8-13-1308(B), Section 8-13-1308 (F), and Section 8-13-1348, S.C. Code Ann., 1976, as amended.

**All investigations, inquiries, hearings, and accompanying documents must remain confidential unless respondent waives the right to confidentiality. If there is a finding of probable cause, the following documents become public record: the complaint, the response (if any) by respondent, and the notice of hearing. If a hearing is to be held, the final order and all exhibits become public record. If no hearing is held following a finding of probable cause, the final disposition of the matter becomes public record. The willful release of confidential information is a misdemeanor, and any person releasing such confidential information, upon conviction, must be fined not more than one thousand dollars (\$1,000) or imprisoned not more than one year. Section 8-13-320(10)(g).**

STATE OF SOUTH CAROLINA  
COUNTY OF Richland

Personally appeared before me Meghan L. Walker who, first being duly sworn, says that she has read and knows the contents of the above complaint and that the allegations contained therein, are true and correct to the best of her own knowledge, except for those matters therein based upon information and belief, and as to those she believes them to be true.

Sworn to and subscribed before me this  
2nd day of September 2021



Meghan L. Walker, Executive Director

Notary Public for South Carolina  
My Commission expires 8-11-2025

SEC-7 (Revised 8/2019)

**REPLY TO: 201 Executive Center Drive, Suite 150, Columbia, South Carolina 29210 (803)253-4192**  
**FAXED COPIES WILL NOT BE ACCEPTED**

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STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
IN THE MATTER OF: )  
Complaint C2021-076 )  
State Ethics Commission )  
Complainant. )  
Michael E. Anderson )  
Respondent. )

BEFORE THE STATE ETHICS COMMISSION

**NOTICE OF HEARING**

The State Ethics Commission has determined that there is probable cause pursuant to Section 8-13-320(10)(i), Code of Laws, South Carolina, 1976, as amended, in the above-captioned complaint. The Commission will convene a formal hearing into the matter in accordance with Section 8-13-320(10)(i) & (j), Code of Laws, South Carolina, 1976, as amended, and State Ethics Commission Regulations, S.C. Code Ann. Regs. 52-707 (1997 Cum. Supp.) on Thursday, October 19, 2023 at 9:30 a.m. at the Commission Hearing Room located at: 201 Executive Center Drive, Suite 150, Columbia, South Carolina 29210.

The following allegations will be heard:

**COUNT ONE**  
**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT**  
**SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in Richland County, fail to file a 2017 Quarter 3 Campaign Disclosure Report, in violation of Section 8-13-1308(B).

**COUNT TWO**  
**USE OF CAMPAIGN FUNDS FOR PERSONAL USE**  
**SECTION 8-13-1348, S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in

Richland County, use campaign funds for personal use in the amount of \$21.03, in violation of Section 8-13-1348.

**COUNT THREE**  
**FAILURE TO FILE STATEMENT OF ECONOMIC INTERESTS**  
**SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in Richland County, fail to file a 2021 Statement of Economic Interests (SEI), in violation of Section 8-13-1140.

**COUNT FOUR**  
**FAILURE TO FILE STATEMENT OF ECONOMIC INTERESTS**  
**SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in Richland County, fail to file a 2023 SEI, in violation of Section 8-13-1140.

You have the right to be represented by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses. This hearing will be open to the public as required by Section 8-13-320(10)(j), Code of Laws, South Carolina, 1976, as amended. The procedures to be followed are set forth in the Administrative Procedures Act, Section 1-23-10, et seq., Code of Laws, South Carolina, 1976 as amended the State Ethics Act, Section 8-13-100, et seq., Code of Laws, South Carolina, 1976, as amended, and State Ethics Commission Regulations, S.C. Code Ann. Regs. 52-707 (1997 Cum. Supp.).

A pre-hearing conference may be scheduled prior to the hearing to allow exchange of witness lists and evidence, marking of exhibits, and disposition of motions or pleadings. In the event you fail to appear, judgment by default will be rendered against you. If there are any questions concerning the above notice or hearing times, please contact the State Ethics Commission.

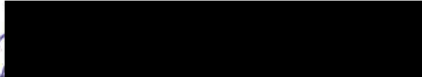


Meghan Walker Dayson, Executive Director  
State Ethics Commission

Dated this 24<sup>th</sup> day,  
of May 2023.

*Certificate of Service by Certified Mail*

I hereby certify that a copy of this **NOTICE OF HEARING** was duly served on the RESPONDENT Michael E. Anderson, 643 Wise Ferry Road, Lexington, SC 29072 by depositing said **NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 8<sup>th</sup> day of June 2023, by **CERTIFIED MAIL, E-RETURN RECEIPT REQUESTED**, appropriate postage affixed, and a return address clearly indicated on said envelope.

  
**Rachael O'Bryan, Administrative Assistant**

Columbia, South Carolina

State Ethics Commission

(803) 253-4192

STATE OF SOUTH CAROLINA	)	
COUNTY OF RICHLAND	)	BEFORE THE STATE ETHICS COMMISSION
	)	
IN THE MATTER OF:	)	
	)	
Complaint C2021-076	)	
	)	
State Ethics Commission	)	<b>AMENDED</b>
Complainant.	)	<b>NOTICE OF HEARING</b>
	)	
Michael E. Anderson	)	
Respondent.	)	
_____	)	

The State Ethics Commission has determined that there is probable cause pursuant to Section 8-13-320(10)(i), Code of Laws, South Carolina, 1976, as amended, in the above-captioned complaint. The Commission will convene a formal hearing into the matter in accordance with Section 8-13-320(10)(i) & (j), Code of Laws, South Carolina, 1976, as amended, and State Ethics Commission Regulations, S.C. Code Ann. Regs. 52-707 (1997 Cum. Supp.) on Thursday, April 18, 2024 at 9:30 a.m. at the Commission Hearing Room located at: 201 Executive Center Drive, Suite 150, Columbia, South Carolina 29210.

The following allegations will be heard:

**COUNT ONE**  
**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT**  
**SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in Richland County, fail to file a 2017 Quarter 3 Campaign Disclosure Report, in violation of Section 8-13-1308(B).

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**USE OF CAMPAIGN FUNDS FOR PERSONAL USE**  
**SECTION 8-13-1348, S.C. CODE ANN., 1976, AS AMENDED**

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**FAILURE TO FILE STATEMENT OF ECONOMIC INTERESTS**  
**SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in Richland County, fail to file a 2021 Statement of Economic Interests (SEI), in violation of Section 8-13-1140.

**COUNT FOUR**  
**FAILURE TO FILE STATEMENT OF ECONOMIC INTERESTS**  
**SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED**

That Michael E. Anderson, Lexington County District One School Board Member, did in Richland County, fail to file a 2023 SEI, in violation of Section 8-13-1140.

You have the right to be represented by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses. This hearing will be open to the public as required by Section 8-13-320(10)(j), Code of Laws, South Carolina, 1976, as amended. The procedures to be followed are set forth in the Administrative Procedures Act, Section 1-23-10, et seq., Code of Laws, South Carolina, 1976 as amended the State Ethics Act, Section 8-13-100, et seq., Code of Laws, South Carolina, 1976, as amended, and State Ethics Commission Regulations, S.C. Code Ann. Regs. 52-707 (1997 Cum. Supp.).

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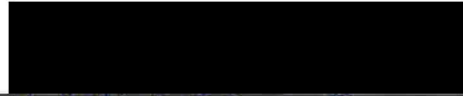
event you fail to appear, judgment by default will be rendered against you. If there are any questions concerning the above notice or hearing times, please contact the State Ethics Commission.

  
Meghan Walker Dayson, Executive Director  
State Ethics Commission

Dated this 8<sup>th</sup> day,  
of February 2024.

**Certificate of Service by Certified Mail**

I hereby certify that a copy of this **AMENDED NOTICE OF HEARING** was duly served on the RESPONDENT Michael E. Anderson, 643 Wise Ferry Road, Lexington, SC 29072 by depositing said **AMENDED NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 12<sup>th</sup> day of February 2024, by CERTIFIED MAIL, E-RETURN RECEIPT REQUESTED, appropriate postage affixed, and a return address clearly indicated on said envelope.



**Rachael O'Bryan, Administrative Assistant**  
State Ethics Commission

Columbia, South Carolina

(803) 253-4192

STATE OF SOUTH CAROLINA )  
 COUNTY OF RICHLAND )  
 )  
 IN THE MATTER OF: )  
 COMPLAINT C2021-076 )  
 )  
 State Ethics Commission, )  
 Complainant, )  
 )  
 Michael E. Anderson, )  
 Respondent. )  
 \_\_\_\_\_ )

BEFORE THE STATE ETHICS COMMISSION

**CONSENT ORDER**

This matter comes before the State Ethics Commission (Commission) by way of a Complaint filed on September 2, 2021. Pursuant to Section 8-13-320(10)(i) of the South Carolina Ethics, Government Accountability, and Campaign Reform Act (Ethics Act), the Complaint against Michael E. Anderson (Respondent) was considered by the Commission and probable cause was found to warrant an evidentiary hearing. Prior to the call of the case, Respondent agreed to the following:

**STATEMENTS OF FACT**

1. Respondent has been a Lexington One School District Board Trustee since 2016.
2. On December 11, 2016, Respondent filed a 2016 Pre-Election Campaign Disclosure (CDR) disclosing an on-hand balance of \$0.04. Respondent thereafter failed to file any CDRs.
3. In a January 6, 2020 first-class letter, the Commission notified Respondent of the \$0.04 balance on his 2016 Pre-Election CDR and that he was required to file quarterly reports until his campaign bank account reached a zero balance. The Commission did not assess any penalties at that time.
4. On April 20, 2020, the January 6, 2020 letter was re-mailed by certified mail.
5. According to the United States Postal Service (USPS), the certified letter was delivered to Respondent's address of record on April 22, 2020 at 1:30 p.m.
6. On July 27, 2020, after no response from Respondent, the Commission assessed penalties for

Respondent's failure to file a Quarter 4 2017 CDR.<sup>1</sup>

7. According to USPS, the certified letter was delivered to Respondent's address of record on July 29, 2020 at 2:37 p.m. The return receipt does not contain Respondent's signature.
8. On September 15, 2020, Commission staff telephoned Respondent regarding the assessed penalty, coming into compliance, and the status of his campaign bank account.
9. On October 5, 2020, Respondent spoke with Commission staff regarding the penalty and the need for his bank statements. Respondent stated he would appeal the assessed penalty.
10. On November 12, 2020, Respondent submitted a letter of appeal stating, in relevant part, that he was unaware that he was not in compliance and that his campaign bank account had a \$3.78 balance until it was closed in 2020. Respondent attached his campaign bank account statements to his appeal.
11. In a March 31, 2021 letter, the Commission requested that Respondent file additional CDRs capturing the bank activity reflected in Respondent's bank statements, to include Respondent maintaining an account balance of \$21.03 until November 2017 and the campaign bank account closing in September 2020. The Commission further requested explanation as to why expenditures appeared to become personal in nature after November 28, 2017.
12. On June 9, 2021, Respondent filed an amended 2016 Pre-Election CDR to reflect an on-hand contribution balance of zero dollars. Respondent did not file additional CDRs.
13. Following the filing of the Complaint, the Commission investigation revealed Respondent maintained a balance of \$21.03 in on-hand contributions until Respondent deposited \$440.20 in personal funds into the campaign bank account on November 28, 2017. The investigation further

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<sup>1</sup> The Complaint alleged Respondent fail to file quarterly CDRs from Quarter 4 2017 through Quarter 2 2020. Because the investigation revealed Respondent maintained a low balance of on-hand contributions and did not use his campaign bank account for campaign-related activities following the period covered by the Quarter 4 2017 CDR, the Commission did not charge Respondent with failing to file any additional CDRs.

revealed Respondent thereafter made personal expenditures from the account until closing it on October 10, 2020 by transferring the remaining balance of \$3.78 to a personal account.

14. On December 22, 2021, Respondent filed his 2021 Statement of Economic Interests (SEI) after failing to file by March 30, 2021.
15. On March 28, 2024, Respondent filed his 2023 SEI after failing to file by March 30, 2023.

### **CONCLUSIONS OF LAW**

Based upon the Statements of Fact, the Commission concludes, as a matter of law:

1. At all times relevant, Respondent was a “candidate” pursuant to Section 8-13-1300(4) and a “public official” pursuant to Section 8-13-100(27). Therefore, the Commission has personal and subject matter jurisdiction.
2. Section 8-13-1308(B) provides:

Following the filing of an initial certified campaign report, additional certified campaign reports must be filed within ten days following the end of each calendar quarter in which contributions are received or expenditures are made, whether before or after an election until the campaign account undergoes final disbursement pursuant to the provisions of Section 8-13-1370.

3. Section 8-13-1140 provides, in relevant part:

A person required to file a [SEI] under this chapter annually shall file . . . an updated statement for the previous calendar year, no later than noon on March 30 . . .

4. Section 8-13-1348(A) provides, in relevant part:

No candidate, committee, public official, or political party may use campaign funds to defray personal expenses which are unrelated to the campaign or the office if the candidate is an officeholder nor may these funds be converted to personal use. The prohibition of this subsection does not extend to the incidental personal use of campaign materials or equipment nor to an expenditure used to defray any ordinary expenses incurred in connection with an individual's duties as a holder of elective office.

5. Section 8-13-1510(A) provides, in relevant part:

. . . a person required to file a report or statement under this chapter who files a late statement or report . . . must be assessed a civil penalty as follows: (1) a fine of one hundred dollars if the statement or report is not filed within five days after the

established deadline provided by law in this chapter; and (2) after notice has been given by certified or registered mail that a required statement or report has not been filed, a fine of ten dollars per calendar day for the first ten days after notice has been given, and one hundred dollars for each additional calendar day in which the required statement or report is not filed, not exceeding five thousand dollars.

6. Section 8-13-130 allows the Commission to “levy an enforcement or administrative fee on a person who is in violation” of the Ethics Act.

### **DISCUSSION**

The Commission found probable cause to charge Respondent with one (1) count of violating Section 8-13-1308(B) for failing to timely file a Quarter 4 2017 CDR, two (2) counts of violating Section 8-13-1140 for failing to timely file 2021 and 2023 SEIs, and one (1) count of violating Section 8-13-1348 for using \$21.03 in campaign funds for personal use. Through this Consent Order, Respondent admits he violated the Ethics Act as described herein. In mitigation, Respondent states he did not receive the Commission’s July 29, 2020 penalty letter. The Commission acknowledges the return receipt does not contain Respondent’s signature. Respondent further states he was confused with his filing responsibilities and with how to navigate the filing system. Additionally, Respondent asserts he was dealing with health issues, and recent health-related expenses, that it made it difficult to focus on other responsibilities. Respondent further asserts he removed \$21.03 from the campaign bank account when he closed it and saved it until he knew how to proceed. The Commission acknowledges Respondent has donated \$21.03 to The Children’s Trust Fund.

### **DISPOSITION**

1. The Commission finds Respondent in violation of one (1) count of 8-13-1308(B), two (2) counts of 8-13-1140, and one (1) count of Section 8-13-1348.
2. The Commission adopts the Statements of Fact, Conclusions of Law, Discussion, and Disposition as agreed upon by the Respondent.

THEREFORE, the Commission hereby issues this Public Reprimand and orders Respondent

to pay the Commission, within one (1) year from receipt of this Order, a late-filing penalty of \$300.00 (\$100.00 for each CDR and SEI) and an administrative fee of \$500.00, for a total of \$800.00.<sup>2</sup> The Commission declines to assess any civil penalties.

By executing this Consent Order, Respondent understands that he is confessing to a judgment of \$800.00 in the event he does not make payment as provided for in this Order, in which case the Commission shall file a Judgment against Respondent with the County Clerk of Court in Respondent's last known County of residence, who shall enter this Order in the amount of \$800.00 (less any money paid) in its Judgment Rolls, without cost to the Commission.<sup>3</sup>

AND IT IS SO ORDERED THIS 17<sup>th</sup> DAY OF May 2024.

[Redacted Signature]

MICHAEL E. ANDERSON  
RESPONDENT

STATE ETHICS COMMISSION

[Redacted Signature]

SCOTT E. FRICK, CHAIR

<sup>2</sup> Respondent's late-filing penalty in regard to his Quarter 3 2017 CDR, 2021 SEI, and 2023 SEI is limited to \$100.00 for each report because Respondent did not receive certified notice of his failure to file these reports pursuant to 8-13-1510.

<sup>3</sup> Respondent also has late-filing penalties for his 2016 Pre-Election CDR and quarterly CDRs from Quarter 4 2016 through Quarter 2 2017. These penalties are being handled by the standard noncompliance process and are not considered in this Order.