

CAMPAIGN FINANCE COMPLAINT

Arizona Secretary of State, Campaign Finance Division

May 9, 2026

Via Email (campaignfinance@azsos.gov)

Campaign Finance Division

Arizona Secretary of State

1700 W Washington St, Floor 7

Phoenix, AZ 85007

Complainant:

[REDACTED]

[CITY REDACTED]

[EMAIL REDACTED]

[PHONE REDACTED]

Identity Verification (per A.R.S. § 16-938(A)): I am an identifiable human being. I am a qualified Arizona voter registered in Maricopa County and a Salt River Project ratepayer. I am submitting this complaint as an individual, not on behalf of any entity. Photographic identification is available upon request.

Respondent:

Arizonans for Responsible Growth (AZFRG)

AZ Secretary of State Filer ID: 101777

Filer Type: Political Action Committee

Treasurer: Ashley Ragan

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I. Summary

This complaint concerns four expenditures totaling **\$130,000** that AZFRG reported on **Schedule E1 (Operating Expenses)**, sub-category "**Communications - Mailings**," of its 2026 May Pre-Election report (Report ID 385175, filed May 4, 2026, covering April 1 – May 2, 2026).

Each of the four expenditures is paid to the same vendor (ShIPLEY Strategies LLC) and bears an identical memo line that, on the face of the filing, expressly advocates the election of clearly identified candidates for the April 7, 2026 Salt River Project elections (Board and Council):

"Mail for SRP elections in support of Rovey, Gieger, Naylor, Sheely, Williams, Brooks, Rakow, Vanderwey, Warren, White, Mullins, Lock, McKenzie, Pedersen, Pace, Lamoreaux"

On the face of the filing, those payments have the statutory hallmarks of independent expenditures under A.R.S. § 16-901(31) and § 16-901.01(A): they are made by a non-candidate committee, are paid to a vendor for direct-mail communications, and are described by the committee itself as in support of clearly identified candidates for an identified election. They belong on **Schedule E2 (Independent & Ballot Measure Expenditures)**, not Schedule E1. Schedule E2 of the same report shows **\$0.00** for the period, and the report's cycle-to-date Schedule E2 figure of **\$160,000.00** — the precise sum of the committee's three earlier 2026 IE entries, with no addition for the April spending — confirms that no portion of the \$130,000 in April ShIPLEY Strategies mail spending was disclosed as an independent expenditure.

The committee itself classified comparable earlier-cycle activity — payments to the same Shipley Strategies LLC and to a related vendor (Sandpiper Strategies), for an overlapping slate of named SRP candidates, in connection with the same April 7, 2026 election — as Schedule E2 independent expenditures on three earlier 2026 reports. The May Pre-Election report routes the April activity to Schedule E1 instead, where the candidate-identification, office, election-date, mode-of-advertising, and first-publication-date disclosures required by A.R.S. §§ 16-926(B)(3)(l) and 16-926(H) are not made.

II. The Four Transactions at Issue

Based on direct review of [Report ID 385175](#), Schedule E1, page 5, AZFRG disclosed the following four payments to Shipley Strategies LLC, each categorized as "Communications - Mailings" under Schedule E1 (Operating Expenses):

Date	Vendor	Amount	Memo (verbatim)
04/03/2026	Shipley Strategies LLC	\$60,000.00	"Mail for SRP elections in support of Rovey, Gieger, Naylor, Sheely, Williams, Brooks, Rakow, Vanderwey, Warren, White, Mullins, Lock,McKenzie,Pedersen, Pace,Lamoreaux"
04/08/2026	Shipley Strategies LLC	\$25,000.00	(identical memo)
04/21/2026	Shipley Strategies LLC	\$20,000.00	(identical memo)
04/28/2026	Shipley Strategies LLC	\$25,000.00	(identical memo)
TOTAL		\$130,000.00	

Schedule E2 of Report ID 385175, this period: **\$0.00**.

The report is signed under penalty of perjury by Treasurer Ashley Ragan as required by A.R.S. § 16-926(B)(5).

III. AZFRG's Own Prior Reports Classified Comparable Activity as Schedule E2 Independent Expenditures

This is the central structural feature of the complaint. The committee's own [2026 March Post-Election \(Q1\) report](#) classified payments to the same vendor (Shiplely Strategies LLC) and to a related vendor (Sandpiper Strategies), in connection with the same April 7, 2026 SRP election, and on behalf of an overlapping slate of named SRP candidates, as Schedule E2 independent expenditures:

Date	Vendor	Amount	Schedule (as filed)
02/24/2026	Sandpiper Strategies	\$50,000.00	E2 — Ind. Expend. (Non-Recall)
02/27/2026	Shiplely Strategies LLC	\$40,000.00	E2 — Ind. Expend. (Non-Recall)
03/25/2026	Shiplely Strategies LLC	\$70,000.00	E2 — Ind. Expend. (Non-Recall)
TOTAL		\$160,000.00	

Schedule E2 cycle-to-date on Report ID 385175 remains **\$160,000.00** — exactly the sum of the three earlier IE entries. Despite spending \$130,000 on Shiplely Strategies mail bearing the "in support of [candidates]" memo during the April reporting period, AZFRG booked no additional Schedule E2 activity. The cycle-to-date E2 figure is unchanged because the April activity was routed to Schedule E1 instead.

The committee's earlier classifications are admissions. To the extent AZFRG were to argue that the earlier Schedule E2 entries reflected over-disclosure that has since been corrected, that argument itself requires the Department to investigate: inconsistent classification of substantially similar vendor activity within a single election cycle, where the later classification omits every disclosure required by A.R.S. §§ 16-926(B)(3)(I) and (H), is precisely the kind of treasurer-certification question that reasonable-cause review under § 16-938(C) is designed to resolve.

IV. Statutory Violations Alleged

A. Failure to Report Independent Expenditures on Schedule E2

A.R.S. § 16-901(31) defines "independent expenditure" as:

"[A]n expenditure by a person, other than a candidate committee, that complies with both of the following:

(a) Expressly advocates the election or defeat of a clearly identified candidate.

(b) Is not made in cooperation or consultation with or at the request or suggestion of the candidate or the candidate's agent."

A.R.S. § 16-901.01(A)(1) defines "expressly advocates" to include:

"Conveying a communication containing a phrase such as 'vote for,' 'elect,' 'reelect,' 'support,' 'endorse,' 'cast your ballot for,' '(name of candidate) in (year),' '(name of candidate) for (office),' 'vote against,' 'defeat,' 'reject' or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates."

The memo line on each of the four April transactions describes the underlying communication as mail **"in support of"** sixteen named candidates for "SRP elections." The word "support" is a § 16-901.01(A)(1) magic-word phrase. The candidates are clearly identified by name. The election is identified. The vendor is identified.

The complainant has not seen the underlying mail pieces and does not need to in order to establish reasonable cause. Schedule selection on a campaign finance report is, by statute, the treasurer's representation about the nature of the expenditure, made under penalty of perjury under A.R.S. § 16-926(B)(5). AZFRG's own description — "Mail for SRP elections in support of [16 named candidates]" — is the committee's binding characterization, in its own perjury-signed filing, of what the spending paid for. To the extent the Department wishes to confirm the content of the underlying mail pieces, A.R.S. § 16-938(D) authorizes voluntary production from AZFRG and from the vendor (Shiplely Strategies LLC); the complainant requests in Section VI below that the Department exercise that authority.

Independent of the (A)(1) magic-word inquiry, the four mail pieces also satisfy A.R.S. § 16-901.01(A)(2), which provides:

*"Making a general public communication, such as in a broadcast medium, newspaper, magazine, billboard or **direct mailer** referring to one or more clearly identified candidates and targeted to the electorate of that candidate(s) that in context can have no reasonable meaning other than to advocate the election or defeat of the candidate(s), as evidenced by factors such as the presentation of the candidate(s) in a favorable or unfavorable light, the targeting, placement or timing of the communication or the inclusion of statements of the candidate(s) or opponents."*

A direct-mail communication referring to sixteen clearly identified SRP candidates by name, paid for during the four weeks immediately preceding the April 7, 2026 SRP election, targeted to SRP electors, and described by the committee itself as "in support of" those candidates can have no reasonable meaning in context other than to advocate their election. The (A)(2) ground stands independent of any quoted phrase that does or does not appear on the face of the mail piece.

The communications were not made by a candidate committee — AZFRG is a registered political action committee (Filer ID 101777). The complaint does not allege coordination; the § 16-901(31)(b) non-coordination element is uncontested on this record.

The Schedule E1 / Schedule E2 distinction is the precise feature of A.R.S. § 16-926 that operationalizes the difference between operating expenses and independent expenditures. A.R.S. § 16-926(B)(3) requires an itemized list of disbursements broken out by category, including separately identified categories for:

"(a) Disbursements for operating expenses...

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(l) Independent expenditures that are made to advocate the election or defeat of a candidate, including identification of the candidate, office sought by the candidate, election date, mode of advertising and distribution or publication date."

A.R.S. § 16-926(H) further provides:

"An entity that makes independent expenditures or ballot measure expenditures in excess of \$1,000 during a reporting period shall file an expenditure report with the filing officer for the applicable reporting period. Expenditure reports shall identify the candidate or ballot measure supported or opposed, office sought by the candidate, if any, election date, mode of advertising and first date of publication, display, delivery or broadcast of the advertisement."

The May Pre-Election report contains none of the disclosures required by § 16-926(B)(3)(I) or § 16-926(H) for the four April transactions. No office is identified. No election date is identified. No first-publication date is identified. No mode of advertising beyond the generic Schedule E1 sub-category "Communications - Mailings."

B. Schedule Selection on a Perjury-Signed Report

Schedule selection on a campaign finance report is a representation by the treasurer about the nature of the underlying expenditure. The treasurer's certification under A.R.S. § 16-926(B)(5) is issued under penalty of perjury. The treasurer here is the same individual (Ashley Ragan) who signed the prior 2026 reports that classified Sandpiper- and Shipley-paid SRP-slate activity as Schedule E2 independent expenditures.

Whether the May Pre-Election report's Schedule E1 placement reflects a corrected legal view, an error, or an attempt to avoid the § 16-926(B)(3)(I) and (H) disclosure requirements is a question of fact for the Department's reasonable-cause investigation under A.R.S. § 16-938(C). The complaint does not need to resolve that question; the contradiction between the committee's earlier and later reports is sufficient to establish reasonable cause to investigate.

V. Jurisdiction

A.R.S. § 16-938(A) provides:

"Notwithstanding section 16-1021, on receipt of a complaint from a third party, a filing officer is the sole public officer who is authorized to initiate an investigation into alleged violations of this article and articles 1, 1.1, 1.2, 1.3, 1.4, 1.5 and 1.6 of this chapter, including the alleged failure to register as a committee."

A.R.S. § 16-901(27) defines "filing officer" as:

"[T]he secretary of state or the county, city or town officer in charge of elections for that jurisdiction who accepts statements and reports for those elections pursuant to section 16-928."

AZFRG is registered with and files its periodic campaign finance reports with the Arizona Secretary of State. Page 1 of Report ID 385175 expressly states: "Jurisdiction: Arizona Secretary of State." The Department accepted the report on May 4, 2026.

The complaint does not ask the Secretary of State to adjudicate any matter outside its jurisdiction. It asks the Secretary of State to investigate the accuracy and completeness of a report that AZFRG itself filed with the Secretary of State, on the schedule the committee itself selected. That is the core function of the filing officer under § 16-938(A) and is not affected by any jurisdictional question concerning the underlying Salt River Project election.

VI. Requested Action

I respectfully request that the Campaign Finance Division of the Secretary of State's Office:

- 1. Accept this complaint** under A.R.S. § 16-938 and assign a docket number.
- 2. Initiate an investigation** under A.R.S. § 16-938(A) into the categorization of the four Shipley Strategies LLC payments totaling \$130,000 on AZFRG's 2026 May Pre-Election report (Report ID 385175), and determine whether reasonable cause exists to believe that A.R.S. §§ 16-926(B)(3)(I) and 16-926(H) have been violated.
- 3. Request voluntary production** from AZFRG, pursuant to A.R.S. § 16-938(D), of (a) representative samples of each distinct mail piece paid for under the four April 2026 Shipley Strategies LLC line items at issue; (b) the corresponding Shipley Strategies LLC invoices, sufficient to identify quantities, designs, and target audiences; and (c) the treasurer's working ledger entries supporting the Schedule E1 categorization of those four line items.
- 4. Determine** whether Report ID 385175 requires amendment to (a) move the four Shipley Strategies LLC payments from Schedule E1 to Schedule E2, and (b) include the candidate-identification, office,

election-date, mode-of-advertising, and first-publication-date disclosures required by A.R.S. §§ 16-926(B)(3)(I) and 16-926(H).

5. If reasonable cause is found, refer the matter to the Attorney General under A.R.S. § 16-938(C)(1), with the civil penalty under A.R.S. § 16-938(E)(2) computed against the full \$130,000.00 and, on a finding of special circumstances under § 16-938(E)(2), authorize a penalty of up to three times the presumptive amount given that the same treasurer correctly classified comparable Shipley- and Sandpiper-paid SRP-slate activity as Schedule E2 in three immediately preceding 2026 reports during the same election cycle.

6. Provide written confirmation of receipt of this complaint, the assigned docket number, and the procedural timeline within ten (10) business days of receipt.

The underlying record is Report ID 385175, on file with the Department, together with AZFRG's prior 2026 reports referenced in Section III. The complaint can be resolved on the face of those filings; voluntary production of the underlying mail pieces under A.R.S. § 16-938(D) is requested above to permit the Department to corroborate the committee's own perjury-signed characterization of the spending.

Respectfully submitted,

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[CITY REDACTED]

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