# COMMONWEALTH OF MASSACHUSETTS OFFICE OF CAMPAIGN AND POLITICAL FINANCE

#### **DISPOSITION AGREEMENT**

This Disposition Agreement is entered into on September 10th, 2025, by and between the Office of Campaign and Political Finance ("OCPF"), Patrick McDermott ("McDermott") and the Patrick McDermott Committee (the "Committee"), in which the parties mutually agree, for the purposes of this Agreement, as follows:

# I. <u>Introduction</u>

- 1. The Committee, at all times relevant to this Agreement, was a duly organized political committee subject to the provisions of M.G.L. c. 55, the Massachusetts campaign finance law.
- 2. The Committee is presently a political committee duly organized on behalf of McDermott, in his capacity as a candidate for the office of Norfolk County Sheriff. McDermott currently serves as the incumbent Sheriff of Norfolk County and was elected to that seat in November 2022.
- 3. McDermott originally organized the McDermott Committee with OCPF on February 4, 2002, to promote his nomination and election to the office of Register of Probate in Norfolk County. On June 4, 2019, McDermott filed a Change of Purpose form with OCPF, to change the office sought to Norfolk County Sheriff.
- 4. OCPF has the authority to review and investigate the legality, validity, completeness, and accuracy of all reports required to be filed and all actions required to be taken by political committees, candidates, campaign treasurers, and any other person pursuant to M.G.L. c. 55 or any other laws of the Commonwealth relative to campaign contributions and expenditures.
- 5. The political contributions, expenditures, and other activities noted in this Agreement are subject to the provisions of M.G.L. c. 55 and the regulations promulgated by this office in accordance with M.G.L. c. 55.

## II. FACTS

1. While conducting a routine audit of the Committee's campaign finance reports, OCPF noted several expenditures that appeared to be related to business development. As a result, OCPF initiated a comprehensive review of the Committee's reported campaign finance activity from January 2022 through December 2024.

- 2. During the review, OCPF learned that McDermott established McDermott Strategic Enterprises, LLC ("MSE") on April 10, 2015. MSE was involuntarily dissolved by court order or by the Secretary of the Commonwealth's Office on June 30, 2021. MSE's address was listed as 55 Dixwell Street in Quincy, Massachusetts, which is also McDermott's residential address; McDermott was listed as the Resident Agent, Manager, and SOC Signatory for MSE.
- 3. OCPF also learned that McDermott established Norfolk Sheriff's Office Cares, Inc. ("NSO Cares") on January 25, 2022; NSO Cares remains a duly-organized nonprofit corporation with the Secretary of the Commonwealth. NSO Cares's address is listed as 23 Copeland Street, Suite 230, in Quincy, Massachusetts. McDermott is listed as the Director of NSO Cares.

#### A. REVIEW OF EXPENDITURES

- 4. OCPF identified certain expenditures made by the Committee, totaling \$31,705.47, during the referenced period. Each of the following expenditures were reflected in the Committee's reports and identified by OCPF as requiring additional documentation to corroborate the campaign-related purpose for the reported expenditures. OCPF requested additional documentation relative to expenditures made to the following vendors:
  - A. <u>Powerful Professionals</u>, in the total amount of \$6,988, described by the Committee as "media relations course and consult";
  - B. Meetup Pro, in the total amount of \$4,255.77, described by the Committee as "software license," "licensing fee software," "campaign software," "software subscription," or "software";
  - C. <u>10X Stages</u>, in the total amount of \$12,961, described by the Committee as "software to organize speaking engagements," "software license," "licensing fee software," "campaign software," "software and consulting," or "software":
  - D. <u>Jenna Kutcher</u>, in the amount of \$494, described by the Committee as "Education: Podcasting & Content Producing";
  - E. <u>Super Connector</u>, in the amount of \$14.40, described by the Committee as "Webinar fee to attend";
  - F. <u>Passive Profit</u>, in the total amount of \$1,096, described by the Committee as "education program for hosting campaign field course" or "education";
  - G. <u>AIMastery</u>, in amount of \$97, described by the Committee as "software";
  - H. <u>Click Funnels/CF Etison, LLC</u>, in the total amount of \$3,994, described by

- the Committee as "software & consulting" or "marketing software program";
- I. <u>BIGVU</u>, in the total amount of \$248.99, described by the Committee as "software" or "teleprompter software"; and
- J. <u>Mastermind.com</u>, in the total amount of \$1,556.31, described by the Committee as "software for campaign staff training (annual)" or "software setup fee".
- 5. Upon request by OCPF, McDermott provided copies of the invoices, albeit incomplete, supporting the above-referenced Committee expenditures. The invoices that were produced by McDermott were either addressed to Patrick McDermott or McDermott Strategic Enterprises, LLC. OCPF noted that none of the invoices were issued to the Committee to Elect McDermott.
- 6. During the above-referenced period, OCPF also reviewed McDermott's activity and presence on the internet and learned that his online presence reflects an active engagement with real estate business. McDermott is known for and holds himself out on the internet as a "seasoned real estate investor, mentor and coach with a proven track record of guiding people to real estate success."
- 7. OCPF also attempted to independently obtain information that would have supported the payment of Committee funds to the above-named vendors. Upon review, OCPF noted that the Committee raised only \$15,270 from August 1, 2022 through the present, during the same time period in which the Committee made the above-referenced expenditures to the ten identified vendors. Since August 2022, the Committee has spent \$102,863.31; of that total, \$31,705.47 was paid to the above-named vendors.
- 8. OCPF also became aware that the Committee spent \$225.79 at BJ's Wholesale Club on March 12, 2024, with a reported purpose of "food for event." OCPF learned that the expenditure for food was not for a Committee event, but, in fact, for one of McDermott's real estate business meetings.
- 9. During its review, OCPF also noted that the Committee made expenditures for an event on March 7, 2024. Upon further investigation, OCPF learned that this event was advertised as an evening with "Norfolk County Sheriff Patrick McDermott & NSO Cares." The invitation requested checks to be made payable to NSO Cares and mailed to Patrick McDermott at 55 Dixwell Street (McDermott's residential address) in Quincy, Massachusetts. The Committee made three expenditures related to this event, totaling \$5,400:
  - A. Dan Murphy/Shire Town Catering, in the amount of \$2,400, for "catering";

- B. Danny Gallagher (reported as "Danny Gallagitwz"), in the amount of \$2,000, for "band for event"; and
- C. Robert Buttomer (reported as "Robert Buttomavz"), in the amount of \$1,000, for "DJ".

The Committee did not report the receipt of any contributions in March of 2024.

- 10. OCPF confirmed that McDermott is an officer of the nonprofit, NSO Cares. In addition to the event sponsored by the Committee in March of 2024 as described above, the Committee also made a donation to NSO Cares on June 28, 2022, in the amount of \$250. The Committee's expenditures for the event, and its donation to NSO Cares, were made in support of the nonprofit run by McDermott.
- 11. OCPF requested and received copies of invoices from the Committee to document these expenses, which raised issues of authenticity.

## B. REVIEW OF RECEIPTS

- 12. As part of its review, OCPF also audited the Committee's bank records and compared the bank records to reports filed by the Committee for the same time period.
- 13. As a result of this audit, OCPF identified one contribution that was deposited in 2022 and made by bank check in excess of \$100. Specifically, on March 15, 2022, the Committee deposited a bank check in the amount of \$1,000 from Thomas Franc.
- 14. In addition, OCPF identified two contributions drawn on business accounts. On June 17, 2022, the Committee deposited a check from Deductible Real Estate in the amount of \$300. This contribution was, however, attributed to Paul O'Rourke. On September 6, 2022, the Committee deposited a check from Cherny PC in the amount of \$100. This \$100 contribution was reported by the Committee as a receipt from David Cherny.

# III. OCPF CONCLUSIONS

#### 1. M.G.L. c. 55, §6 – Personal Use

Section 6 of the campaign finance law prohibits the use of campaign funds for any expenditure that is "primarily for the candidate's or any other person's personal use." Any committee expenditure that is not supported by bills, receipts, or other documentation reflecting the purpose of the expenditure creates a presumption that the expenditure was made for personal use. 970 C.M.R. 1.10(9) and 970 C.M.R. 2.06.

As described above in Section II, Paragraphs 4-8, Committee funds were used to

make payments to ten vendors, totaling \$31,705.47. The documentation relative to those expenditures and provided to OCPF was either incomplete or indicated that the vendors were retained to serve MSE or McDermott in his personal capacity, rather than to serve the Committee or to enhance McDermott's political future. OCPF has determined that these expenditures, which were made at McDermott's direction, were primarily personal within the meaning of M.G.L. c. 55, § 6, as they were made primarily for the purpose of contracting services intended to further McDermott's personal business future rather than his political future.

Further, 970 C.M.R. 2.06(3)(t) prohibits committees from making charitable contributions if "the candidate, treasurer, or any official of the political committee is a trustee, officer, principal or beneficiary or involved in any manner in the operations of said entity." As noted above in Section II, Paragraphs 9-10, Committee funds in the total amount of \$5,650 were used to host an event for the benefit of and to make a donation to NSO Cares, the nonprofit for which McDermott serves as Director. OCPF has determined that such expenditures are not consistent with the restrictions set forth in 970 C.M.R. 2.06(3)(t). The Committee failed to comply with this requirement when it sponsored/paid for the March 2024 event to solely benefit NSO Cares and when it made the charitable donation to NSO Cares in June 2022.

Therefore, OCPF has concluded that Committee funds, in the total amount of \$37,355.47 were used primarily to pay personal expenses for McDermott, in violation of M.G.L. c. 55, § 6.

#### 2. M.G.L. c. 55, §9 – Prohibited or Excess Tender Type Contributions

Section 9 of the campaign finance law prohibits political committees from accepting aggregate contributions in excess of \$100 per year from a single contributor made by money order, bank check, treasurer's check, cashier's check, or other similar instrument. Committee records indicate that the Committee accepted and deposited a contribution in the amount of \$1,000 made by bank check, resulting in an excess contribution in the amount of \$900.

Therefore, OCPF has concluded that the Committee accepted and deposited an excess contribution made via bank check, in violation of M.G.L. c. 55, §9.

#### 3. M.G.L. c. 55, §8 – Prohibited Corporate Contributions

Section 8 of the campaign finance law states that "...no business or professional corporation, partnership, limited liability company partnership under the laws of or doing business in the commonwealth and no officer or agent acting in behalf of any corporation mentioned in this section, shall directly or indirectly give, pay, expend or contribute, or promise to give, pay, expend or contribute, any money or other valuable thing for the purpose of aiding, promoting or preventing

the nomination or election of any person to public office." Committee records indicate that the Committee accepted and deposited two contributions from corporate entities, in the aggregate amount of \$400.

Therefore, OCPF has concluded that the Committee received corporate contributions, in violation of M.G.L. c. 55, §8.

## 4. M.G.L. c. 55, §§18 and 19 – Disclosure

Sections 18 and 19 of the campaign finance law require candidates and committees to file campaign finance reports with OCPF that accurately disclose their respective financial activity. The Committee's campaign finance reports filed for the period between January 1, 2022 and December 31, 2024, failed to accurately reflect Committee activity as described in this Agreement.

## IV. RESPONDENTS' POSITION

I, Patrick McDermott, respectfully enter into this Disposition Agreement with the Office of Campaign and Political Finance ("OCPF") and the McDermott Committee.

I fully recognize OCPF's authority under M.G.L. c. 55 to regulate campaign finance, and I acknowledge the findings identified in the course of its review. I am committed to resolving this matter cooperatively, in the spirit of compliance and transparency.

I acknowledge OCPF's findings regarding campaign expenditures that, while intended for legitimate political purposes, have reasonably been interpreted as personal or business-related—specifically the use of digital platforms and training resources, the NSO Cares event/donation, mistaken acceptance of certain donations, and concerns around documentation and invoice allocation. My intent and direction at all times was to apply these resources toward my political future and the work of my campaign.

The reality of modern campaigning is that the tools and platforms most effective in reaching constituents often originate in the business, leadership, or entrepreneurial space. Programs such as digital communications platforms, public speaking and training workshops, and AI-driven voter engagement tools are widely marketed to businesses, but their applications to political campaigns are significant. In deploying these tools, my focus was not on personal business advancement, but rather on enhancing my campaign's ability to communicate, mobilize, and serve voters in a forward-looking and efficient way.

As referenced, McDermott Strategic Enterprises was formed as a legal entity in 2015. At the time it was designated as a legal entity to hold real estate. As such, only one property was actually put through the entity and, because of its inactivity, was dissolved shortly thereafter. However, I

acknowledge that any invoices should not have been put in the name of this legal entity that related to political business. As to any references on social media regarding real estate, I am often invited to speak on real estate topics at local investment groups and other organizations because of my 30-year experience as a city councillor, attorney, Register of Probate, and Sheriff. My personal social media accounts are often used as a hook to attract conversation with these groups. I have never accepted any financial stipend from these speaking engagements. Rather, I saw these as additional opportunities to gain political supporters for future political aspirations.

In upholding my commitment to my donors, my intent throughout was to modernize campaign operations through advanced outreach tools, communication strategies, and volunteer training programs—not to serve personal business interests. That said, I fully understand the dualuse implications and accept that some expenditures can reasonably be interpreted as overlapping with professional or personal pursuits and, as such, did not adhere to the strict documentation norms expected under M.G.L. c. 55.

I acknowledge OCPF's conclusions and, in the interest of finality and accountability, I will comply fully with the repayment schedule and civil forfeiture outlined in the Agreement.

# V. RESOLUTION

In order to resolve the matter now before OCPF, the parties entered into negotiations and mutually agree, pursuant to M.G.L. c. 55, §3 and 970 CMR 3.07(1), as follows:

- 1. McDermott will make a personal payment of \$7,500 to the Commonwealth in the nature of a civil forfeiture on or before October 1, 2025. In addition, upon signing of the Agreement, McDermott has agreed to forgive the outstanding candidate loan made to the Committee in the amount of \$10,000.
- 2. The McDermott Committee will pay \$28,881.26 to the Commonwealth to purge Committee funds, which were used primarily personally, and the excess tender type contributions and prohibited contributions as identified in this Agreement. Said payment shall be made according to the following schedule:
  - a. \$2,481.26 due on or before October 31, 2025; and
  - b. \$2,400 due on or before the last day of each month, for the period November 2025 through September 2026.
- 3. If the McDermott Committee fails to pay the amounts set forth herein on or before the respective due dates, the entire balance then remaining shall be immediately due and payable, with payment due in full within seven business days of the missed due date.
- 4. McDermott and the Committee agree that all future campaign finance expenditures made to enhance McDermott's political future will be consistent with M.G.L. c 55

- and the regulations issued by OCPF in accordance with the campaign finance law.
- 5. OCPF agrees not to refer the Committee or McDermott to any other governmental agency, including, without limitation, the Office of the Attorney General, for any failure to comply with the provisions of M.G.L. c. 55 cited herein, with respect to the conduct that is specifically referenced in this Agreement.
- 6. OCPF may, at any time, review compliance with this Agreement. If it believes that the provisions of this Agreement have been violated, after notice to the Committee and McDermott, OCPF may, notwithstanding the provisions of the foregoing paragraph, proceed with any action consistent with M.G.L. c. 55 or otherwise authorized by law without the necessity of further hearings under Section 3.
- 7. This Agreement shall be binding upon OCPF, McDermott and the Committee, and their successors in interest.
- 8. The parties have entered into this Agreement, knowingly and voluntarily, in an effort to resolve all matters set forth in the Agreement.
- 9. This Agreement is a public record under M.G.L. c. 4, §7 and shall be subject to public inspection as required by M.G.L. c. 66, §10.

PATRICK MCDERMOTT MCDERMOTT COMMITTEE

OFFICE OF CAMPAIGN AND POLITICAL FINANCE

By:

Patrick McDermott

William C. Campbell, Director