

Organization: The Government Integrity Fund (GIF)

Year founded: 2011

State of formation: Ohio

Fiscal year: January 1 to December 31

Summary of CREW complaint: The amount of GIF's political spending in 2014 appears to have violated its tax-exempt status, and the group seems to have taken extraordinary steps to avoid disclosing information demonstrating that fact. GIF's 2014 tax return was due in May 2015, but it failed to file it until July 2016. And the tax return GIF finally did file left out at least \$2.45 million in political expenditures – missing spending that is critical to GIF's apparent attempt to conceal its violation of its tax-exempt status. While GIF admitted to donating more than \$1.13 million to political action committees in 2014, it failed to disclose an additional \$615,798 in similar contributions, according to Federal Election Commission ("FEC") filings. GIF also contributed \$735,000 to a non-profit organization that the recipient group admitted to having used immediately for political expenditures, but GIF did not report that spending as political activity. Just accounting for all of GIF's political contributions, political expenditures make up at least 55% of the group's overall spending in 2014. GIF also paid between \$1.1 and \$1.4 million dollars for television advertisements supporting a candidate for the Arkansas Senate seat, but again failed to report it as political activity. That spending also is political, ultimately making political expenditures account for as much as 86.7% of GIF's overall spending.

Elections involved: 2014 Arkansas Senate, general election; 2014 Georgia Senate, primary runoff election; Rhode Island Governor, general election. GIF contributed \$1,055,000 to The Government Integrity Fund Action Network (GIFAN), a super PAC that spent \$1,047,000 on advertising supporting then-Rep. Tom Cotton (R-AR) in his Senate campaign. GIF also ran its own ads boosting Sen. Cotton, but did not report them to the FEC since they were framed as "issue" ads. The pro-Cotton ad apparently run by GIF was nearly identical to a pro-Cotton ad run by GIFAN, but for a small change to the conclusion in an attempt to make it appear related to issues rather than politics. GIF also contributed \$444,006 to Citizens for a Working America PAC, a super PAC that spent more than \$2 million on ads attacking then-Rep. Jack Kingston (R-GA) or supporting his opponent during the Georgia Republican Senate primary and subsequent runoff. GIF also contributed \$735,000 to a non-profit organization that the recipient group admitted using immediately for political expenditures aimed at defeating now-Rhode Island Gov. Gina Raimondo, then the Democratic candidate. Finally, GIF contributed a combined \$250,000 to two super PACs, the Hometown Freedom Action Network and the Concrete and Portland

Cement Action Network, that spent hundreds of thousands on independent expenditures in House, Senate, and state level races during the 2014 election.

Players:

- Joel Riter is the chairman of GIF. Riter is a former staff member of Ohio State Treasurer Josh Mandel. Riter later worked for Ohio lobbyist Tom Norris. He is also the treasurer of several super PACs, including the Concrete and Portland Cement Action Network. He is also the president of Citizens for a Working America, a politically active non-profit, and the secretary of the Foundation for Economic Prosperity, also a politically active non-profit.
- James Geddes is the trustee of GIF.
- Brad Elgin is the treasurer of GIF.
- Tom Norris is the former president and executive director of GIF. Norris is an Ohio lobbyist who has represented the concrete industry. He also is the president of the Jobs and Progress Fund, another politically active non-profit.

Known donors: GIF does not reveal its donors, but tax returns for other non-profit organizations reveal that the Club for Growth contributed \$1,100,000 to GIF between July 1, 2014 and June 30, 2015; The Jobs and Progress Fund contributed \$500,000 to GIF between October 1, 2013 and September 30, 2014 “to provide support for jobs-related policy initiatives”; Citizens for a Working America contributed \$600,000 to GIF between October 1, 2012 and September 30, 2013; and New Models contributed \$627,000 to GIF in 2012.

Additional information of interest: After telling the IRS in 2011 that it had no intention to spend money influencing politics, GIF made a name for itself in 2012 when it spent more than \$1 million to run TV ads attacking Sen. Sherrod Brown (D-OH) and praising his Republican opponent in Ohio’s Senate race, State Treasurer Josh Mandel. In 2012, GIF also contributed \$1,907,250 to GIFAN, which spent \$2.43 million on independent expenditures, including in the Ohio Senate race. That year, GIF also contributed \$100,000 to the Louisiana Prosperity Fund, a super PAC that spent \$214,406 on independent expenditures. On its 2012 tax return, which was filed nearly eight months late, GIF admitted to spending more than \$2 million on political activity, accounting for 38 percent of GIF’s \$5.2 million in total spending. That total, however, only consisted of contributions to super PACs and did not include the more than \$1 million GIF spent on ads in the Ohio Senate race. GIF’s fundraising and spending dropped significantly in 2013, a non-election year, as the group told the IRS it only raised \$25,000 and spent \$324,474. GIF’s fundraising and spending bounced back in 2014, an election year. GIF also filed its 2013 tax return late.