



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 2853

DATE SCANNED 4/21/15

SCANNER NO. 2

SCAN OPERATOR ΣΣΣ



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2014 DEC 10 AM 10: 54

December 9, 2014

MEMORANDUM

SENSITIVE

TO: The Commission

THROUGH: Alec Palmer *APCO*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Debbie Chacona *DC/MAC*
Assistant Staff Director
Reports Analysis Division

BY: *KDP* Kristin D. Roser/Sari Pickerall *JP*
Reports Analysis Division
Compliance Branch

SUBJECT: Reason To Believe Recommendation – 2014 October Quarterly Report (Non-Election Sensitive) for the Administrative Fine Program

Attached is a list of political committees and their treasurers who failed to file the 2014 October Quarterly Report in accordance with 52 U.S.C. § 30104(a) (formerly 2 U.S.C. 434(a)). The 2014 October Quarterly Report was due on October 15, 2014.

The committees listed in the attached RTB Circulation Report either failed to file the report, no more than thirty (30) days after the due date (considered a late filed report), or filed the report more than thirty (30) days after the due date (considered a non-filed report). In accordance with the schedule of civil money penalties for reports at 11 CFR 111.43, these committees should be assessed the civil money penalties highlighted on the attached circulation report.

Recommendation

- 1.
2. Find reason to believe that the political committees and their treasurers listed on the RTB Circulation Report violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. 434(a)) and make a preliminary determination that the civil money penalties would be the amounts indicated on the RTB Circulation Report.
3. Send the appropriate letters.

Federal Election Commission
Reason to Believe Circulation Report
2014 OCTOBER QUARTERLY Not Election Sensitive 10/15/2014 H_S_P_UNAUTH

AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	PV	Receipt Date	Days Late	LOA	RTB Penalty
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2853	C0050665	FRIENDS OF TERRY ADAMS	ADAMS, TERRY GLEN JR	ROBERT D. TUKE	\$193,468	0		Not Filed	\$48,367 (est)	\$1,090
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation –)
2014 October Quarterly Report (Non-)
Election Sensitive) for the Administrative)
Fine Program:)

FRIENDS OF TERRY ADAMS, and) AF# 2853
ROBERT D TUKE as treasurer;)

UNCLASSIFIED

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on December 11, 2014 the Commission took the following actions on the Reason To Believe Recommendation – 2014 October Quarterly Report (Non-Election Sensitive) for the Administrative Fine Program as recommended in the Reports Analysis Division's Memorandum dated December 09, 2014, on the following committees:

AF#2853 Decided by a vote of 6-0 to: (1) find reason to believe that FRIENDS OF TERRY ADAMS, and ROBERT D TUKE as treasurer violated 52 U.S.C. 30104(a) (formerly 2 U.S.C. 434(a)) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate letter. Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision.

MEMORANDUM

MEMORANDUM

1-506-270-2229

1-506-270-2229

Federal Election Commission
Certification for Administrative Fines
December 11, 2014

Page 6

Attest:

December 12, 2014
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission

20141212140000



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 12, 2014

Robert D. Tuke, in official capacity as Treasurer
Friends of Terry Adams
8517 Kingston Pike
Knoxville, TN 37919

C00550665
AF#: 2853

Dear Mr. Tuke:

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires that your committee file an October Quarterly Report of Receipts and Disbursements every calendar year. This report, covering the period July 19, 2014 through September 30, 2014, shall be filed no later than October 15, 2014. 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)). Records at the Federal Election Commission ("FEC") indicate that this report was not filed within thirty (30) days of the due date. You should file this report if you have not already done so.

The Act permits the FEC to impose civil money penalties for violations of the reporting requirements of 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)). 52 U.S.C. § 30109(a)(4) (formerly 2 U.S.C. § 437g(a)(4)). On December 11, 2014, the FEC found that there is reason to believe ("RTB") that Friends of Terry Adams and you, in your official capacity as treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) by failing to file timely this report on or before October 15, 2014. Based on the FEC's schedules of civil money penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at the RTB stage is \$1,090. Please see the attached copy of the Commission's administrative fine regulations at 11 CFR §§ 111.30-111.55. Attachment 1. The Commission's website contains further information about how the administrative fine program works and how the fines are calculated. See <http://www.fec.gov/af/af.shtml>. 11 CFR § 111.34. Your payment of \$1,090 is due within forty (40) days of the finding, or by January 20, 2015, and is based on these factors:

Sensitivity of Report: Not Election Sensitive
Level of Activity: \$48,367
Number of Days Late: Not Filed
Number of Previous Civil Money Penalties Assessed: 0

At this juncture, the following courses of action are available to you:

1. If You Choose to Challenge the RTB Finding and/or Civil Money Penalty

If you should decide to challenge the RTB finding and/or calculated civil money penalty, you must submit a written response, including the AF# found at the top of page 1 under your

committee's identification number, to the FEC's Office of Administrative Review, 999 E Street, NW, Washington, DC 20463. Your response must be received within forty (40) days of the Commission's RTB finding, or January 20, 2015. 11 CFR § 111.35(a). Your written response must include the reason(s) why you are challenging the RTB finding and/or calculated civil money penalty, and must include the factual basis supporting the reason(s) and supporting documentation. The FEC strongly encourages that documents be submitted in the form of affidavits or declarations. 11 CFR § 111.36(c).

The FEC will only consider challenges that are based on at least one of three grounds: (1) a factual error in the RTB finding; (2) miscalculation of the calculated civil money penalty by the FEC; or (3) your demonstrated use of best efforts to file in a timely manner when prevented from doing so by reasonably unforeseen circumstances that were beyond your control. 11 CFR § 111.35(b). In order for a challenge to be considered on the basis of best efforts, you must have filed the required report no later than 24 hours after the end of these reasonably unforeseen circumstances. *Id.* Examples of circumstances that will be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) a failure of Commission computers or Commission-provided software despite your seeking technical assistance from Commission personnel and resources; (2) a widespread disruption of information transmissions over the Internet that is not caused by a failure of the Commission's or your computer systems or Internet service provider; and (3) severe weather or other disaster-related incident. 11 CFR § 111.35(c). Examples of circumstances that will not be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) negligence; (2) delays caused by vendors or contractors; (3) treasurer and staff illness, inexperience or unavailability; (4) committee computer, software, or Internet service provider failures; (5) failure to know filing dates; and (6) failure to use filing software properly. 11 CFR § 111.35(d).

The "failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver" of your right to present such argument in a petition to the U.S. district court under 52 U.S.C. § 30109 (formerly 2 U.S.C. § 437g). 11 CFR § 111.38.

If you intend to be represented by counsel, please advise the Office of Administrative Review. You should provide, in writing, the name, address and telephone number of your counsel and authorize counsel to receive notifications and communications relating to this challenge and imposition of the calculated civil money penalty.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Submit a Challenge

If you do not pay the calculated civil money penalty and do not submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that Friends of Terry Adams and you, in your official capacity as treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a civil money penalty.

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA"), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 *et seq.* The FEC may take any and all appropriate action authorized and required by the DCA, as amended, including transfer to the U.S. Department of the Treasury for collection. 11 CFR § 111.51(a)(2).

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the calculated civil money penalty, send the enclosed remittance form, along with your payment, to the FEC at the address on page 4. Upon receipt of your payment, the FEC will send you a final determination letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the calculated civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assesses upon making a final determination.

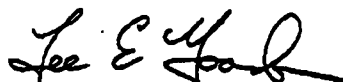
5. Settlement Offers

If you make a payment in an amount less than the calculated civil money penalty as an offer to settle or compromise a debt owed to the Commission, the offer is herewith rejected despite any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assesses upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

This matter was generated based on information ascertained by the FEC in the normal course of carrying out its supervisory responsibilities. 52 U.S.C. § 30109(a)(2) (formerly 2 U.S.C. § 437g(a)(2)). It will remain confidential in accordance with 52 U.S.C. § 30109(a)(4)(B) (formerly 2 U.S.C. § 437g(a)(4)(B)) and 30109(a)(12)(A) (formerly 437g(a)(12)(A)) until it is placed on the public record in accordance with 11 CFR § 111.42, unless you notify the FEC in writing that you wish the matter to be made public.

As noted earlier, you may obtain additional information on the FEC's administrative fine program, including the final regulations, on the FEC's website at <http://www.fec.gov/af/af.shtml>. If you have questions regarding the payment of the calculated civil money penalty, please contact Sari Pickerall in the Reports Analysis Division at our toll free number (800) 424-9530 (at the prompt press 5) or (202) 694-1130. If you have questions regarding the submission of a challenge, please contact the Office of Administrative Review at our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Lee E. Goodman
Chairman

ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at RTB is \$1,090 for the 2014 October Quarterly Report.

Please mail this remittance with a check or money order made payable to the Federal Election Commission to the following address:

Federal Election Commission
P.O. Box 979058
St. Louis, MO 63197-9000

If you choose to send your remittance and payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The remittance and your payment are due by January 20, 2015. Upon receipt of your remittance and payment, the FEC will send you a final determination letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTS). Your account will be electronically debited for the amount on your check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Friends of Terry Adams

FEC ID#: C00550665

AF#: 2853

PAYMENT DUE DATE: January 20, 2015

PAYMENT AMOUNT DUE: \$1,090



RECEIVED

2015 JAN 26 AM 10:16

FEC MAIL CENTER

www.AdamsForTN.com

January 20, 2015

Federal Election Commission
999 E Street, NW
Washington DC 20463

RE: Friends of Terry Adams, AF# 2853

Dear Federal Election Commission,

Please be advised that this committee is in receipt of your December 12, 2014 letter regarding late filed October Quarterly Report of Receipts and Disbursements:

This committee hereby challenges the findings detailed in the above mentioned communication. The basis for this challenge is that the FEC has miscalculated the civil money penalty.

The FEC based the civil money penalty on an estimated level of activity that was higher than the actual amount of activity.

The October Quarterly Report is being prepared immediately and will reflect the proper amount of activity for calculating a civil penalty for late filing.

Should you have any questions, please do not hesitate to contact my office.

Regards,

Terry Adams
8517 Kingston Pike
Knoxville, TN 37919
865-531-6440

PAID FOR BY FRIENDS OF TERRY ADAMS

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 28, 2015

Terry Adams, Candidate
Friends of Terry Adams
8517 Kingston Pike
Knoxville, TN 37919

C00550665
AF#: 2853

Dear Mr. Adams:

On January 26, 2015, the Commission's Office of Administrative Review ("OAR") received your written response ("challenge") for Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, which is being reviewed by OAR. If you have any questions regarding your challenge, please contact this Office on our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

Sincerely,

A handwritten signature in cursive script that reads "Rhiannon Magruder".

Rhiannon Magruder
Reviewing Officer
Office of Administrative Review

Date: February 2, 2015

**REFERRAL TO OFFICE OF ADMINISTRATIVE REVIEW
CHALLENGE RECEIVED**

AF#: 2853

Committee Name: Friends of Terry Adams

Committee ID#: C00550665

Committee Address (if different than in RTB letter): N/A

Treasurer Name (if different than in RTB finding): N/A

2014 October Quarterly Report Prior Notice Sent: Y

-Date Sent: September 19, 2014

Attachments:

- **Copy of RTB Circulation Report, dated December 9, 2014 and RTB Certification, dated December 12, 2014 (Y/N):** Previously Forwarded
- **Proof of Delivery (to be forwarded at later date if not yet received) (Y/N):** Y
- **Original Correspondence Received by RAD in Response to RTB Letter (Y/N):** N
- **RAD Staff Declaration (Y/N):** Y
 - Non-Filer Letter, dated October 31, 2014.
 - RTB Letter, dated December 12, 2014.
-
- **Other Relevant Telecoms (Y/N):** N
- **Other RAD Information: (Y/N):** N



Delivery Notification

Dear Customer,

This notice serves as proof of delivery for the shipment listed below.

Tracking Number: 1Z WF5 860 A2 9321 636 2
Reference Number(s): RAD, RTB - 2853
Service: NEXT DAY AIR
Special Instructions: ADULT SIGNATURE REQUIRED
Shipped/Billed On: 12/12/2014
Delivered On: 12/15/2014 9:29 A.M.
Delivered To: 8517 KINGSTON PIKE
 KNOXVILLE, TN, US 37919

Signed By:

[Handwritten signature]

Location: FRONT DESK

Thank you for giving us this opportunity to serve you.

**Sincerely,
UPS**

Tracking results provided by UPS: 12/18/2014 4:04 P.M. ET



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2015 FEB 24 PM 4:01

SENSITIVE

February 24, 2015

MEMORANDUM

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Rhiannon Magruder *RM*
Reviewing Officer
Office of Administrative Review

Subject: AF# 2853 – Friends of Terry Adams and Robert D. Tuke, in his official capacity
as Treasurer (C00550665)

The attached Reviewing Officer Recommendation is being circulated on an informational basis. A copy was also sent to the respondents in accordance with 11 C.F.R. § 111.36(f). The respondents may file with the Commission Secretary a written response within 10 days of transmittal of the recommendation. After the 10 day period, the Reviewing Officer Recommendation and the respondents' written response, if any, will be circulated to the Commission to make a final determination.

Please note that the respondents' 2014 October Quarterly Report discloses a level of activity that exceeds the level of activity estimated at Reason to Believe (RTB). However, per Administrative Fine Program internal policy, a civil money penalty assessed at Final Determination cannot exceed the civil money penalty assessed at RTB.

Attachment



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 24, 2015

**REVIEWING OFFICER RECOMMENDATION
OFFICE OF ADMINISTRATIVE REVIEW ("OAR")**

AF# 2853 – Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer
(C00550665)

Summary of Recommendation

Make a final determination that the respondents violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a \$1,090 civil money penalty.

Reason-to-Believe Background

The 2014 October Quarterly was due on October 15, 2014. The respondents filed the report on January 31, 2015, 108 days late. The report is not election sensitive and was not filed within 30 days of the due date; therefore, the report is considered not filed. 11 C.F.R. §§ 111.43(d)(1) and (e)(1).

On December 11, 2014, the Commission found reason to believe ("RTB") that the respondents violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) for failing to timely file the 2014 October Quarterly and made a preliminary determination that the civil money penalty was \$1,090 based on the schedule of penalties at 11 C.F.R. § 111.43. A letter was mailed to the respondents' address of record from the Reports Analysis Division ("RAD") on December 12, 2014 to notify them of the Commission's RTB finding and civil money penalty.

Legal Requirements

The Federal Election Campaign Act ("Act") states that the treasurer of a principal campaign committee shall file a report for the quarter ending September 30 no later than October 15. 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and 11 C.F.R. § 104.5(a)(1)(i). All reports required to be filed by the principal campaign committee of a candidate for the office of U.S. Senator shall be filed with the Secretary of the Senate. 52 U.S.C. § 30102(g) (formerly 2 U.S.C. § 432(g)) and 11 C.F.R. § 105.2. If the report is sent by registered or certified mail, by Express or Priority Mail with delivery confirmation or by overnight delivery service with an online tracking system, and scheduled for next business day delivery, it must be postmarked, or deposited with the mailing service, no later than the filing date to be timely filed. 52 U.S.C. § 30104(a)(5) (formerly 2 U.S.C. § 434(a)(5)), and 11 C.F.R. §§ 100.19 and 104.5(e). The treasurer shall be personally responsible for the timely and complete filing of reports and for the accuracy of any information or statement contained in it. 11 C.F.R. § 104.14(d).

Respondents' Challenge

On January 26, 2015, the Commission received the written response ("challenge") from the Candidate. The challenge states that the civil money penalty was miscalculated, as it was based on an estimated level of activity which exceeds the actual level of activity. The Candidate notes that the 2014 October Quarterly Report is being prepared immediately, which will reflect the actual level of activity for recalculating the civil money penalty.

Analysis

At the time of the RTB finding, the Commission used an estimated level of activity of \$48,367 to calculate the civil money penalty because the report had not yet been filed. 11 C.F.R. § 111.43(d)(2)(i). The challenge contends that the level of activity to be disclosed on the 2014 October Quarterly Report is less than the estimated level of activity.

On January 31, 2015, the respondents filed the 2014 October Quarterly Report, 108 days late. The report discloses \$58,955 in total receipts and \$63,748 in total disbursements, resulting in an actual level of activity of \$122,703.

Despite the Candidate's contention in the challenge, the level of activity disclosed on the respondents' 2014 October Quarterly Report exceeds the estimated level of activity used to calculate the civil money penalty at RTB. Therefore, the Reviewing Officer recommends that the Commission make a final determination that the respondents violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a civil money penalty of \$1,090.

OAR Recommendations

1. Adopt the Reviewing Officer recommendation for AF# 2853 that Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, in making the final determination:
2. Make a final determination in AF# 2853 that Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a \$1,090 civil money penalty; and
3. Send the appropriate letter.

Attachments

- Attachment 1 – Challenge Received from Respondents
- Attachment 2 – Declaration from RAD
- Attachment 3 – Declaration from OAR

DECLARATION OF KRISTIN D. ROSER

1. I am the Chief of the Compliance Branch for the Reports Analysis Division of the Federal Election Commission ("Commission"). In my capacity as Chief of the Compliance Branch, I oversee the initial processing of the Administrative Fine Program. I make this declaration based on my personal knowledge and, if called upon as a witness, could and would testify competently to the following matters.
2. I hereby certify that documents identified herein are true and accurate copies of the following sent by the Commission to Friends of Terry Adams:
 - A) Non-Filer Letter, dated October 31, 2014, referencing the 2014 October Quarterly Report (sent via electronic mail to: tadams@terryadamslaw.com);
 - B) Reason-to-Believe Letter, dated December 12, 2014 referencing the 2014 October Quarterly Report (sent via overnight mail to the address of record).
3. I hereby certify that I have searched the Commission's public records and find that Friends of Terry Adams has not yet filed the 2014 October Quarterly Report with the Commission.
4. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct and that all relevant telecoms for the matter have been provided. This declaration was executed at Washington, D.C. on the 2nd day of February, 2015.

Kristin D. Roser

Kristin D. Roser
Chief, Compliance Branch
Reports Analysis Division
Federal Election Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-7

October 31, 2014

ROBERT D. TUKE , TREASURER
FRIENDS OF TERRY ADAMS
8517 KINGSTON PIKE
KNOXVILLE, TN 37919-5354

IDENTIFICATION NUMBER: C00550665

REFERENCE: OCTOBER QUARTERLY REPORT (07/19/2014 - 09/30/2014)

Dear Treasurer:

It has come to the attention of the Federal Election Commission that you may have failed to file the above referenced report of receipts and disbursements or failed to file a report covering the entire reporting period as required by the Federal Election Campaign Act, as amended. 52 U.S.C. §30104(a) (formerly 2 U.S.C. §434(a))

It is important that you file this report immediately. The report must be filed with the Federal Election Commission, 999 E Street, N.W., Washington, DC 20463 for House candidates, or the Secretary of the Senate, 232 Hart Senate Office Building, Washington, DC 20510 (if sent via overnight delivery service) or Senate Office of Public Records, P.O. Box 77578, Washington, DC 20013-7578 (if sent via USPS) for Senate Candidates. Please note that electronic filers must submit their reports electronically, as per 11 CFR §104.18. A copy of the report must also be filed with the Secretary of State or equivalent State officer unless the State is exempt from the federal requirement to receive and maintain paper copies. You can verify the Commission's receipt of any documents submitted by your committee on the FEC website at www.fec.gov.

The failure to timely file a complete report may result in civil money penalties, an audit or legal enforcement action. The civil money penalty calculation for late reports does not include a grace period and begins on the day following the due date for the report. Due to heightened security screening measures, delivery of mail by the US Postal Service may be delayed. The Commission recommends that you submit your report via overnight delivery or courier service.

FRIENDS OF TERRY ADAMS

Page 2 of 2

If you have any questions regarding this matter, please contact Christopher Ritchie at our toll-free number (800)424-9530. The analyst's direct number is (202)694-1146.

Sincerely,

Debbie Chacona

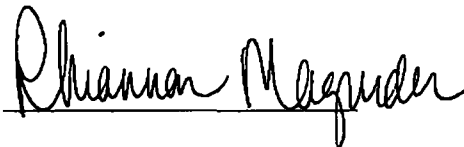
Deborah Chacona
Assistant Staff Director
Reports Analysis Division

250

14330064165

DECLARATION OF RHIANNON MAGRUDER

- 1) I am the Reviewing Officer in the Office of Administrative Review for the Federal Election Commission ("Commission"). In my capacity as Reviewing Officer, I conduct research with respect to all challenges submitted in accordance with the Administrative Fine program.
1. The principal campaign committee of a candidate must file a report for the quarter ending September 30 no later than October 15. Senate principal campaign committees must file reports with the Secretary of the Senate. If the report is sent by registered or certified mail, by Express or Priority Mail with delivery confirmation or by overnight delivery service with an online tracking system, and scheduled for next business day delivery, it must be postmarked, or deposited with the mailing service, no later than the filing date to be timely filed.
- 2) It is the practice of the Reports Analysis Division to document all calls to or from committees regarding a letter they receive or any questions relating to the administrative fine regulations, including due dates of reports and filing requirements.
- 3) I hereby certify that I have searched the Commission's public records and that the documents identified herein are the true and accurate copies of:
 - a) Report Cover Page, Summary Page, and Detailed Summary Pages for the 2014 October Quarterly Report filed by Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer. According to the Commission's records, the report covers the period from July 19 through September 30, 2014 and was received on January 31, 2015.
- 4) Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Washington, D.C. on the 24th day of February, 2015.



Rhiannon Magruder
Reviewing Officer
Office of Administrative Review
Federal Election Commission

**FEC
FORM 3**

**REPORT OF RECEIPTS
AND DISBURSEMENTS**
For An Authorized Committee

RECEIVED
SECRETARY OF THE SENATE
15 FEB -4 AM 10:54
Office Use Only

1. NAME OF COMMITTEE (in full) TYPE OR PRINT Example: If typing, type over the lines.

Friends of Terry Adams

12FE4M5

ADDRESS (number and street) 8517 Kingston Pike

Check if different
than previously
reported. (ACC)

Knoxville

TN

37919

CITY

STATE

ZIP CODE

2. FEC IDENTIFICATION NUMBER

3. IS THIS
REPORT

☒ NEW
(N)

OR

☐ AMENDED
(A)

STATE

DISTRICT

TN

4. TYPE OF REPORT (Choose One)

(a) Quarterly Reports:

☐ April 15 Quarterly Report (Q1)

☐ July 15 Quarterly Report (Q2)

☒ October 15 Quarterly Report (Q3)

☐ January 31 Year-End Report (YE)

(b) 12-Day PRE-Election Report for the:

☐ Primary (12P)

☐ General (12G)

☐ Runoff (12R)

☐ Convention (12C)

☐ Special (12S)

Election on

in the
State of

(c) 30-Day POST-Election Report for the:

☐ General (30G)

☐ Runoff (30R)

☐ Special (30S)

Election on

in the
State of

☐ Termination Report (TER)

5. Covering Period

07/19/2014

through

09/30/2014

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

Mr. Robert D. Tuke

Signature of Treasurer

Robert D. Tuke

Date

1/30/2015

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the Penalties of 2 U.S.C. 437g.

Office
Use
Only

FEC FORM 3
(Revised 02/2003)

SUMMARY PAGE

FEC Form 3 (Revised 02/2003)

of Receipts and Disbursements

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Write or Type Committee Name

Friends of Terry Adams

Report Covering the Period:

From:

7/19/2014

To:

9/30/2014

	COLUMN A This Period	COLUMN B Election Cycle-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e)) ..	\$22,455.68	\$22,333.57
(b) Total Contribution Refunds (from Line 20(d)) ..	\$500.00	\$900.00
(c) Net Contribution (other than loans) (subtract Line 6(b) from Line 6(a)) ..	\$21,955.68	\$121,433.57
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17) ..	\$63,248.11	\$156,045.74
(b) Total Offsets to Operating Expenditures (from Line 14) ..	\$0.00	\$0.00
(c) Net Operating Expenditures (subtract Line 7(b) from Line 7(a)) ..	\$63,248.11	\$156,045.74
8. Cash on Hand at Close of Reporting Period (from Line 27) ..	\$8,796.49	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D) ..	\$0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D) ..	\$40,100.00	

For further information contact:

Federal Election Commission
999 E Street, NW
Washington, DC 20463

Toll Free 800-424-9530
Local 202-694-1100

DETAILED SUMMARY PAGE
of Receipts

FEC Form 3 (Revised 02/2003)

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Write or Type Committee Name

Friends of Terry Adams

Report Covering the Period:

From:

7/19/2014

To:

9/30/2014

I. RECEIPTS

COLUMN A
Total This Period

COLUMN B
Election Cycle-to-Date

11. Contributions (other than loans) FROM:

(a) Individuals/Persons Other Than
Political Committees

(i) Itemized (use Schedule A)...

\$13,765.00

\$94,845.28

(ii) Unitemized

\$5,090.68

\$19,388.29

(iii) TOTAL of contributions
from individuals..

\$18,855.68

\$114,233.57

(b) Political Party Committees

\$0.00

\$0.00

(c) Other Political Committees
(such as PACs)

\$0.00

\$0.00

(d) The Candidate

\$3,600.00

\$8,100.00

(e) TOTAL CONTRIBUTIONS

(other than loans) (add lines

11(a)(iii), (b), (c), and (d))..

\$22,455.68

\$122,333.57

12. TRANSFERS FROM OTHER
AUTHORIZED COMMITTEES

\$0.00

\$0.00

13. LOANS:

(a) Made or Guaranteed by the
Candidate ..

\$36,500.00

\$40,100.00

(b) All Other Loans

\$0.00

\$0.00

(c) TOTAL LOANS (add
Lines 13(a) and (b))

\$36,500.00

\$40,100.00

14. OFFSETS TO OPERATING
EXPENDITURES (Refunds,
Rebates, etc.)

\$0.00

\$0.00

15. OTHER RECEIPTS
(Dividends, Interest, etc.)

\$0.00

\$0.00

16. TOTAL RECEIPTS (add Lines
11(e), 12, 13(c), 14, and 15) (Carry
Total to Line 24, page 4)

\$58,955.68

\$162,433.57

DETAILED SUMMARY PAGE of Disbursements

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II. DISBURSEMENTS	COLUMN A Total This Period	COLUMN B Election Cycle-to-Date
17. OPERATING EXPENDITURES	\$63,248.11	\$156,045.74
18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES	\$0.00	\$0.00
19. LOAN REPAYMENTS:		
(a) Of Loans Made or Guaranteed by the Candidate ..	\$0.00	\$3,600.00
(b) Of All Other Loans	\$0.00	\$0.00
(c) TOTAL LOAN REPAYMENTS (add Lines 19(a) and (b)) ..	\$0.00	\$3,600.00
20. REFUNDS OF CONTRIBUTIONS TO:		
(a) Individuals/Persons Other Than Political Committees ..	\$500.00	\$900.00
(b) Political Party Committees ..	\$0.00	\$0.00
(c) Other Political Committees (such as PACs)	\$0.00	\$0.00
(d) TOTAL CONTRIBUTION REFUNDS (add Lines 20(a), (b), and (c)) ..	\$500.00	\$900.00
21. OTHER DISBURSEMENTS	\$0.00	\$0.00
22. TOTAL DISBURSEMENTS (add Lines 17, 18, 19(c), 20(d), and 21) ..	\$63,748.11	\$160,545.74
III. CASH SUMMARY		
23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD ..		\$13,588.92
24. TOTAL RECEIPTS THIS PERIOD (from Line 16, page 3) ..		\$58,955.68
25. SUBTOTAL (add Line 23 and Line 24) ..		\$72,544.60
26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22) ..		\$63,748.11
27. CASH ON HAND AT CLOSE OF REPORTING PERIOD (subtract Line 26 from Line 25)		\$8,796.49



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 25, 2015

Robert D. Tuke, Treasurer
Friends of Terry Adams
8517 Kingston Pike
Knoxville, TN 37919

C00550665
AF#: 2853

Dear Mr. Tuke:

On December 11, 2014, the Federal Election Commission ("Commission") found reason to believe ("RTB") that Friends of Terry Adams and you, in your official capacity as Treasurer ("respondents"), violated 2 U.S.C. § 434(a) for failing to file the 2014 October Quarterly Report. The Commission also made a preliminary determination that the civil money penalty was \$1,090 based on the schedule of penalties at 11 C.F.R. § 111.43.

After reviewing the written response and any supplemental information submitted by the Candidate and Commission staff, the Reviewing Officer has recommended that the Commission make a final determination. A copy of the Reviewing Officer's recommendation is attached.

You may file with the Commission Secretary a written response to the recommendation within 10 days of the date of this letter. Your written response should be sent to the Commission Secretary, 999 E Street, NW, Washington, DC 20463 or via facsimile (202-208-3333). Please include the AF # in your response. Your response may not raise any arguments not raised in your original written response or not directly responsive to the Reviewing Officer's recommendation. 11 C.F.R. § 111.36(f). The Commission will then make a final determination in this matter.

Please contact me at the toll free number 800-424-9530 (press 0, then press 1660) or 202-694-1660 if you have any questions.

Sincerely,

Rhiannon Magruder
Rhiannon Magruder
Reviewing Officer
Office of Administrative Review



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION
COMMISSION
SECRETARY

2015 MAR 10 PM 2: 06

March 10, 2015

MEMORANDUM

SENSITIVE

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Rhiannon Magruder *RM*
Reviewing Officer
Office of Administrative Review

Subject: Final Determination Recommendation in AF# 2853 – Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer (C00550665)

On December 11, 2014, the Commission found reason to believe ("RTB") that the respondents violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) for failing to timely file the 2014 October Quarterly Report and made a preliminary determination that the civil money penalty was \$1,090 based on the schedule of penalties at 11 C.F.R. § 111.43.

On January 26, 2015, the Commission received their written response ("challenge"). After reviewing the challenge, the Reviewing Officer Recommendation ("ROR") dated February 24, 2015 was forwarded to the Commission, a copy was forwarded to the respondents, and is hereby incorporated by reference. Despite the Candidate's contention in the challenge, the level of activity disclosed on the respondents' 2014 October Quarterly Report exceeds the estimated level of activity used to calculate the civil money penalty at RTB. Therefore, the Reviewing Officer recommended that the Commission make a final determination that the respondents violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a civil money penalty of \$1,090.

Within 10 days of transmittal of the recommendation, they may file a written response with the Commission Secretary which may not raise any arguments not raised in their challenge or not directly responsive to the ROR. 11 C.F.R. § 111.36(f). As of this date, a written response has not been received.

OAR Recommendations

1. Adopt the Reviewing Officer recommendation for AF# 2853 that Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, in making the final determination;
2. Make a final determination in AF# 2853 that Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a \$1,090 civil money penalty; and
3. Send the appropriate letter.

2025 RELEASE UNDER E.O. 14176

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Final Determination Recommendation:) AF 2853
Friends of Terry Adams and Robert D.)
Tuke, in his official capacity as Treasurer)
(C00550665))

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on March 19, 2015, the Commission decided by a vote of 6-0 to take the following actions in AF 2853:

1. Adopt the Reviewing Officer recommendation for AF# 2853 that Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, in making the final determination.
2. Make a final determination in AF# 2853 that Friends of Terry Adams and Robert D. Tuke, in his official capacity as Treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a \$1,090 civil money penalty.
3. Send the appropriate letter.

Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision

Attest:

March 19, 2015
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 24, 2015

Robert D. Tuke, Treasurer
Friends of Terry Adams
8517 Kingston Pike
Knoxville, TN 37919

C00550665
AF#: 2853

Dear Mr. Tuke:

On December 11, 2014, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Friends of Terry Adams and you, in your official capacity as Treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) for failing to file the 2014 October Quarterly Report. By letter dated December 12, 2014, the Commission sent notification of the RTB finding that included a civil money penalty calculated at RTB of \$1,090 in accordance with the schedule of penalties at 11 C.F.R. § 111.43. On January 26, 2015, the Office of Administrative Review received your written response challenging the RTB finding.

The Reviewing Officer reviewed the Commission's RTB finding with its supporting documentation and your written response. Based on this review, the Reviewing Officer recommended that the Commission make a final determination that Friends of Terry Adams and you, in your official capacity as Treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assess a civil money penalty in the amount of \$1,090 in accordance with 11 C.F.R. § 111.43. A copy of the Reviewing Officer Recommendation was sent to you on February 25, 2015.

On March 19, 2015, the Commission adopted the Reviewing Officer's recommendation and made a final determination that Friends of Terry Adams and you, in your official capacity as Treasurer, violated 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)) and assessed a civil money penalty in the amount of \$1,090. A copy of the Final Determination Recommendation is attached.

At this juncture, the following courses of action are available to you:

- 1. If You Choose to Appeal the Final Determination and/or Civil Money Penalty**
If you choose to appeal the final determination, you should submit a written petition, within 30 days of receipt of this letter, to the U.S. District Court for the district in which the

committee or you reside, or transact business, requesting that the final determination be modified or set aside. See 52 U.S.C. § 30109(a)(4)(C)(iii) (formerly 2 U.S.C. § 437g(a)(4)(C)(iii)). Your failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver of the respondents' right to present such argument in a petition to the district court under 52 U.S.C. § 30109 (formerly 2 U.S.C. § 437g). 11 CFR § 111.38.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Appeal

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996 ("DCIA"), 31 U.S.C. § 3701 *et seq.* If you do not pay this debt within 30 days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within 5 days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 28% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the civil money penalty, send the enclosed remittance form, along with your payment, to the address on page 4 within 30 days of receipt of this letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assessed upon making a final determination.

5. Settlement Offers

Any offer to settle or compromise a debt owed to the Commission, including a payment in an amount less than the civil money penalty assessed or any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your

check or money order, will be rejected. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assessed upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

The confidentiality provisions at 52 U.S.C. § 30109(a)(12) (formerly 2 U.S.C. § 437g(a)(12)) no longer apply and this matter is now public. Pursuant to 11 C.F.R. §§ 111.42(b) and 111.20(c), the file will be placed on the public record within 30 days from the date of this notification.

If you have any questions regarding the payment of the civil money penalty, please contact Rhiannon Magruder on our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Ann M. Ravel
Chair

ADMINISTRATIVE FINE PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 C.F.R. § 111.43, the civil money penalty is \$1,090 for the 2014 October Quarterly Report.

This penalty should be paid by check or money order, made payable to the Federal Election Commission. It should be sent by mail to:

Federal Election Commission
PO Box 979058
St. Louis, MO 63197-9000

If you choose to send your payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The form and payment are due within 30 days of receipt of this letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTs). Your account will be electronically debited for the amount on the check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Friends of Terry Adams

FEC ID#: C00550665

AF#: 2853

PAYMENT AMOUNT DUE: \$1,090.



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 2853

DATE SCANNED 4/21/15

SCANNER NO. 2

SCAN OPERATOR ΣΕΤ