



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 11, 2021

Richard G Morgan, Treasurer
Freedom Club Federal PAC
90 South 7th Street
Minneapolis, MN 55402

**Response Due Date
June 2, 2021**

Re: ADR 1016 (RAD 21L-21)
Freedom Club Federal PAC and Richard G Morgan, Treasurer (C00307777)

Dear Richard G Morgan:

The Federal Election Commission (FEC or Commission) referred a compliance issue to the FEC's Alternative Dispute Resolution Office (ADR Office) for processing. The referral by the Reports Analysis Division (RAD) was based on a review of reports filed by Freedom Club Federal PAC which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended.

The FEC established the ADR Program to provide an informal means for resolving matters that come before the Commission and to facilitate negotiations directly with Freedom Club Federal PAC and Richard G Morgan, Treasurer (Respondents or the Committee). The ADR Program provides Respondents with an opportunity to negotiate settlement of a matter that is mutually agreeable. The negotiations occur prior to any Commission consideration of whether there is reason to believe a violation has occurred. If negotiations are successful, the resulting settlement would conclude the matter.

The Commission, in referring the matter to the ADR Office, determined that the case is eligible for processing in the ADR program. If Respondents decide to participate in the ADR Program, you must: 1) indicate in writing a willingness to have your case submitted for ADR processing; 2) agree to participate in the bilateral interest based negotiations; and 3) waive the statute of limitations while the matter is being processed under the FEC's ADR program.

The issues referred to the ADRO, and the focus of our subsequent negotiations are summarized as follows:

RAD referred Freedom Club Federal PAC and Richard Morgan, Treasurer (Respondents or the Committee) for failing to timely file two (2) 48-Hour Reports totaling \$28,340 to support two (2) independent expenditures disclosed on the 2020 October Quarterly

FEDERAL ELECTION COMMISSION, ALTERNATIVE DISPUTE RESOLUTION OFFICE
1050 FIRST STREET N.E., WASHINGTON, DC 20463
TELEPHONE: (202) 694-1136
EMAIL: JREBOLLOZO@FEC.GOV

Report. On April 13, 2021, the Committee filed one (1) 48-Hour Report covering these independent expenditures.

On March 1, 2021, the Committee filed a Form 99 (Miscellaneous Electronic Submission) acknowledging that it failed to report two ACH bank transactions on 48-hour reports. The Committee additionally noted that it included these transactions on the 2020 Year-End Report. In response, the Committee stated it will audit future transactions during the 48-hour reporting period to ensure there are no missed transactions.

If after reviewing this letter and the enclosed ADR Frequently Asked Questions, which describe the ADR program, Respondent(s) would like to participate in ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR form. **Failure to respond affirmatively within fifteen (15) business days from the date of this letter will be taken as a notice of disinterest in the program and your case will be dropped from further consideration for ADR.** In that event, your case will be sent to the FEC's Office of General Counsel for further processing, and the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as **ADR 1016**. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADRO at my direct dial as indicated below

Sincerely,



Joshua A. Rebollozo
Assistant Director
Alternative Dispute Resolution Office