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By Office of the Commission Secretary at 11:18 am, Nov 12, 2021

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463**SENSITIVE****MEMORANDUM**

November 12, 2021

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

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

Krista J. Roche *KJR*
Director, ADR Office

Rosa Marshall *RM*
Assistant Director, ADR Office

SUBJECT: Recommendation to Approve Negotiated Settlement
ADR 1041 - PACRONYM (C00646877)
and Vernon Gair, Treasurer

RESOLUTION TERMS: Pay a civil penalty of \$5,575; and work with Commission staff to terminate political committee status and reporting obligations.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 1041 (RAD 21L-49). The ADR Office received this referral on August 3, 2021.

SUMMARY: The Reports Analysis Division (RAD) referred PACRONYM and Vernon Gair, Treasurer (Respondents or the Committee) for failing to disclose all financial activity on its original 2020 12-Day Pre-General Report, filed on October 22, 2020. On February 19, 2021, the Committee filed the Amended 12-Day Pre-General Report to disclose additional receipts totaling \$161,815.16.

On May 18, 2021, the Committee filed a Form 99 (Miscellaneous Electronic Submission) stating that the receipts were omitted due to data entry errors. During negotiations, Respondents stated that the compliance firm that prepared the report did not reconcile the data from the Committee's accounting system with the data from the Committee's bank account, which also included contributions the

Recommendation to Approve
Negotiated Settlement
ADR 1041 (RAD 21L-49)
Page 1

Committee received via checks, totaling \$161,815.16. In addition, Respondents stated that they have hired an experienced compliance firm to prepare all FEC reports. Lastly, Respondents state that they intend to terminate the Committee's political committee status once this matter has been resolved and that they will work with Commission staff to ensure all reporting requirements are satisfied prior to termination.

RECOMMENDATIONS:

1. Approve the attached Negotiated Settlement of PACRONYM and Vernon Gair, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.