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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE**MEMORANDUM**

November 15, 2023

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 1126 - Organizing Empowerment PAC and
Michael Pfahl, Treasurer (C00763409)

RESOLUTION TERMS: Develop and certify the implementation of a compliance operations manual; and pay a civil penalty of \$8,875.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 1126 (RAD 23L-37). The ADR Office received this referral from the Reports Analysis Division (RAD) on July 27, 2023.

SUMMARY: RAD referred Organizing Empowerment PAC and Michael Pfahl, Treasurer (Respondents or the Committee) for failing to timely file one (1) 48-Hour Report to support one (1) independent expenditure disseminated on September 15, 2022, totaling \$59,626.28, disclosed on the Amended 2022 October Quarterly Report, received January 31, 2023. Additionally, RAD referred Respondents for failing to timely file three (3) 48-Hour Reports to support six (6) independent expenditures disseminated between October 1, 2022, and October 19, 2022, totaling \$119,221.63, disclosed on the Amended 2022 12-Day Pre-General Report, received January 31, 2023. On May 1, 2023, the Committee filed two (2) 48-Hour Reports to support these independent expenditures, albeit untimely.

On May 1, 2023, the Committee filed a Form 99 (Miscellaneous Electronic Submission), stating that the failure to timely file independent expenditure reports was caused by a delay in receiving invoices from an external vendor. During negotiations, Respondents stated that since the incident they have adopted new procedures to prevent similar errors from happening in the future. The Committee further stated that it has since hired a compliance firm and created an electronic system for tracking independent expenditures.

RECOMMENDATIONS:

1. Approve the attached Negotiated Settlement of Organizing Empowerment PAC and Michael Pfohl, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.