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By Office of the Commission Secretary at 8:07 am, Jan 25, 2024

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

January 25, 2024

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 1133 - Activate America and
Stacy Owens, Treasurer (C00640300)

RESOLUTION TERMS: Certify the Committee amended relevant 2021-2022 reports after consultation with the FEC's Reports Analysis Division (RAD); certify that a representative of the Committee participated in an FEC training; certify annually for two years that the Committee continued to retain the services of a compliance firm; and pay a civil penalty of \$5,000.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 1133 (RAD 23L-45). The ADR Office received this referral on September 12, 2023.

SUMMARY: RAD referred Activate America and Stacy Owens, Treasurer (Respondents or the Committee) for a series of reporting errors and other FECA violations during the 2021-2022 election cycle. The Committee's errors included, among other items: mathematical discrepancies, failure to provide supporting schedules, failure to properly itemize disbursements, and independent expenditure reporting problems.

During negotiations, Respondents contended that there were personnel and software challenges during the 2021-2022 election cycle that affected the Committee's

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reporting. The Committee stated that it has taken measures to address these challenges by hiring additional staff with FEC reporting experience. Additionally, the Committee continues to retain the services of an external compliance firm to assist with their filings.

RECOMMENDATIONS:

1. Approve the attached Negotiated Settlement of Activate America and Stacy Owens, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.