

RECEIVED

By Office of the Commission Secretary at 10:32 am, Feb 07, 2024

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

February 7, 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

Joshua A. Rebollozo *JAR*
Assistant Director, ADR Office

SUBJECT: Recommendation to Approve Negotiated Settlement
ADR 1143 - McClellan for Congress and Scott M. Hubay,
Treasurer (C00829812)

RESOLUTION TERMS: Retain an outside consultant to review its compliance
procedures and conduct a training with those responsible for
preparing and filing its reports and pay a civil penalty of
\$3,200.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 1143 (RAD 23L-55). The ADR Office received this referral from the Reports Analysis Division (RAD) on September 26, 2023.

SUMMARY: RAD referred McClellan for Congress and Scott M. Hubay, Treasurer (Respondents or the Committee) for failing to disclose all financial activity on its 2023 12-Day Pre-Special Report. On March 23, 2023, the Committee filed an Amended 2023 12-Day Pre-Special Report which disclosed \$56,029.88 in additional disbursements.

On August 17, 2023, the Committee filed a Form 99 (Miscellaneous Electronic Submission) stating certain expenditures were not properly imported into the Committee's reporting software due to an issue with its accounting software.

Recommendation to Approve
Negotiated Settlement
ADR 1143 (RAD 23L-55)
Page 1

Further, the Committee stated that upon discovery of the error, it filed an amendment to correct its report and took additional steps to ensure the error does not reoccur, including implementing more frequent audits of the Committee's data.

RECOMMENDATIONS:

1. Approve the attached Negotiated Settlement of McClellan for Congress and Scott M. Hubay, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.