



FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

February 17, 2004

TO: The Commission

THROUGH: James A. Pehrkon
Staff Director

FROM: Allan D. Silberman
Director, ADR Office

SUBJ: Negotiated Settlement: **ADR 145**

Attached for your review is a signed negotiated ADR settlement agreement, **ADR 145** (AR 03-08), Americans for Sound Energy Policy ("AFSEP") and Gregg Renkes, treasurer, Respondents. This matter was opened on October 16, 2003 and assigned by the Commission to the ADR Office ("ADRO") on December 9, 2003.

ADR 145: Audit identified two matters pertaining to AFSEP for referral to ADRO: (1) receipt of apparent prohibited contributions and (2) misstatements of financial activity. Regarding the first item, AFSEP received ten contributions totaling \$19,302 that appeared to be illegal. Following the audit review, AFSEP submitted copies of non-negotiated refund checks, amounting to \$10,500 to confirm that refunds were made to eight of the contributors. Respondents maintained that the remaining balance of \$8,802 were not contributions to AFSEP but the cost of dinners to a community event. Regarding the second matter, AFSEP was charged with misstating receipts and disbursements on disclosure reports for CY 1999 and 2000. The central issue in both matters is a dinner hosted by AFSEP to which corporations contributed. Respondents argued that the dinner was a community fund raising event sponsored annually by the AFSEP.

ADR Director's Recommendation: Approve the attached negotiated agreement, **ADR 145**, and subsequently close the file on this matter.