



Federal Election Commission  
Washington, DC 20463

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**MEMORANDUM**

**SENSITIVE**

TO: The Commission

THROUGH: James A. Pehrkon  
Staff Director

FROM: Allan D. Silberman  
Director, ADR Office

BY: Lynn M. Fraser  
Assistant Director, ADR Office

SUBJECT: Negotiated Settlement ADR 163  
John Sullivan for Congress, Gregory Colpitts, Treasurer, and John Sullivan

DATE: July 16, 2004

Attached for your review is a signed agreement for ADR 163 (MUR 5368) - Respondents John Sullivan for Congress, Gregory Colpitts, Treasurer and John Sullivan. This case originated with a complaint filed with the Commission on June 10, 2003, and was assigned to the ADR Office on May 7, 2004.

**ADR 163/MUR 5368:** Complainant alleges that Respondents knowingly and willfully filed false disclosure reports before and after the special election held in the 1<sup>st</sup> Congressional District of Oklahoma on January 8, 2002. Specifically, Complainant alleges that Respondents tried to mislead the public on its financial status by failing to accurately report its debts. The complaint stated that Respondents eventually filed amended reports to disclose some, but not all, debt owed to Complainant. In addition, even when the aggregate of debt was reported on the summary page, Respondents often failed to itemize the debt on Schedules C or D as required by the regulations.

Respondents contend that Complainant misread the first Pre-General Report filed on December 27, 2001. The debt owed by Respondents was reported as \$141,911 on that report. In addition, Respondents stated that an audit was done during the same time period, and nothing was noted in the audit about errors in the reports filed. Respondents further contend that their software had glitches which failed to correctly identify debts. Respondents stated they never intentionally filed false reports, and the amount of the debt owed to Complainant was in dispute.

**ADR Director's Recommendation:** We recommend that the Commission approve the negotiated settlement for ADR 163, and that we subsequently close the file on this matter and send the appropriate letters.