



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

2005 JUN 24 A 9:15

June 23, 2005

**MEMORANDUM**

TO: The Commission

THROUGH: James A. Pehrkon  
Staff Director

FROM: Allan D. Silberman  
Director

SUBJECT: ADR 263 – Walcher for Congress and Lon Carpenter, Treasurer  
Recommendation to Assign Case

**SENSITIVE**

On June 10, 2005, the ADR Office received from OGC/CELA RR 05L-22 to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case, ADR 263, is appropriate for ADR and recommend that it be assigned to the ADR Office.

**Summary:** The Reports Analysis Division (“RAD”) determined that Respondents, i.e., Walcher of for Congress and Lon Carpenter, Treasurer, failed to disclose additional debt totaling \$100,794.51, a 13,145% increase over the amount disclosed on the Committee’s original 12 Day Pre-Primary Report. Respondents’ initial 12 Day Pre-Primary Report, filed on July 29, 2004, disclosed \$761.00 in debt. An amended report, filed on August 25, 2004, disclosed the same amount of debt. However, a later amended 12 Day Pre-Primary Report, filed on December 1, 2004, disclosed a debt of \$100,794.51. Respondents initially reported that they did not understand how to account for primary election expenses that were not due until after the date of the election. They subsequently advised that the volunteers who filed the reports lacked understanding of how to account for expenses incurred in the primary election. Respondents also advised that they were unaware of the incurred expenses until the bills arrived during the general election.

Attached for the Commission’s review is the *ADR Case Analysis Report* on ADR 263 along with a copy of the EPS and ADR Rating Sheets. The *Case Analysis Report* includes an analysis of the case and a description of the issues that the ADR Office (ADRO) anticipates addressing if the case is assigned to ADR. In addition, the Report has been reviewed by OGC, which concurs in the description of the case. If the Commission concurs in the recommendation to assign the matter to ADRO, the above case description will be provided to Respondents as part of ADRO’s notification package sent to Respondents.

**Recommendation:**

1. Assign ADR 263/RR 05L-22 to the ADR Office.

26190263700

## ADR CASE ANALYSIS REPORT

ADR Case: 263

Respondents: Walcher for Congress  
Lon Carpenter, Treasurer

RR: 05L-22

Respondents Rep: Lon Carpenter

Date Forwarded to ADRO: 6-10-05

Committee Type: Authorized

Date Reviewed by ADRO: 6-20-05

Committee Name: Walcher for Congress

Election Cycle: 2004

District #/or State: 3rd C.D. CO

Election: Lost

Complainant: RAD Referral

**Summary of Referral:** The Reports Analysis Division ("RAD") determined that Respondents failed to disclose additional debt totaling \$100,794.51, a 13,145% increase over the amount disclosed on the Committee's original report 12 Day Pre-Primary Report. Respondents' initial 12 Day Pre-Primary Report, filed on July 29, 2004, disclosed \$761.00 in debt. An amended report, filed on August 25, 2004, disclosed the same amount of debt. However, a subsequent amended 12 Day Pre-Primary Report, filed on December 1, 2004, disclosed \$100,794.51 in debt. The Committee was later advised that the Committee was being referred to the Office of General Counsel for the increased activity disclosed on their amended December 1, 2004 12 Day Pre-Primary Report.

**Respondents' Reply:** Respondents initially reported that they did not understand how to account for primary election expenses that were not due until after the date of the election. They subsequently advised that it was volunteers who filed the reports who lacked understanding of how to account for expenses incurred in the primary election. Respondents also advised that they were unaware of the incurred expenses until the bills arrived during the general election.

**Analysis:** Committees are obliged to report the total amount and nature of outstanding debt. Respondents apparently misunderstood that obligation and reportedly were confused when payment was not due until many days later. The confusion apparently was due in part to the volunteers who were responsible for filing the FEC reports.

**Issue:**

- Reporting of Debt and Obligations, 2 U.S.C. § 434(b)(8) and 11 C.F.R. § 104.3(d)

10761916263701

**Recommendation: Assign to ADR**

26190263702