



FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, DC 20463

December 1, 2005

Mr. Dave Magnum
Magnum for Congress
N6837 Bobbi Road
Pardeeville, WI 53954

Re: ADR 286/RR 05L-33

Dear Mr. Magnum:

Enclosed is the signed copy of the agreement between the Federal Election Commission and the Magnum for Congress Committee and Thomas Diehl, Treasurer, resolving the matter that was arose from a review by the FEC's Reports Analysis Division of the financial reports filed by the Committee. The agreement, ADR 286/RR 05L-33, was approved by the Federal Election Commission on November 25, 2005 -- the effective date of the agreement.

As you are aware, the settlement agreement will be made part of the record that is released to the public. In addition, as of January 1, 2004, the Commission also will place on the record copies of correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared by this office to assist the Commission in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement effectively resolves the issues raised in the aforementioned complaint filed against the Committee.

I appreciate your assistance in resolving this matter and helping to bring this case to a mutually satisfactory conclusion.

Sincerely,


Allan D. Silberman,
Director, ADR Office

Enclosure: a/s

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

Case Number: ADR 286
Source: RR 05L-33
Case Name: Magnum for Congress
Thomas Diehl, Treasurer

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission ("the Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following a review of the record and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended ("the FECA" or "Act"), and to resolve this matter, the Commission entered into negotiations with the Dave Magnum on behalf of the Magnum for Congress Committee and Thomas Diehl, Treasurer (the "Respondents" or the "Committee"). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents have addressed all the issues raised in this matter. The parties have agreed to resolve the matter according to the following terms:

1. The Commission has entered into this agreement as part of its responsibility for administering the Federal Election Campaign Act and in an effort to promote compliance with the FECA on the part of Respondents. The Commission's use of ADR procedures is authorized in "The Administrative Dispute Resolution Act of 1996", 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. The Respondents have voluntarily entered into this agreement with the Commission.
3. The Reports Analysis Division determined that Respondents amended their 2004 30-Day Post General Report to disclose additional receipts totaling \$126,394.39 over the amount disclosed on the Committee's original 30-Day Post General Report. The amended Report, filed on January 30, 2005 covering the period from October 14, 2004 through November 22, 2004, disclosing total receipts of \$140,864.39, was the second amended report filed by Respondents. The first amended 30-Day Post General Report, filed on January 3, 2005, disclosed receipts of \$119,639.39. The original 2004 30-Day Post General Report filed by Respondents on December 2, 2004 disclosed total receipts of \$14,470.00.
4. Treasurers of political committees are required to file reports of receipts and disbursements in accordance with the provisions of the Act and regulations. 2 U.S.C. § 434(a)(1) and 11 C.F.R. § 104.1(a). Each report shall disclose for the reporting period and election cycle the total amount of all receipts. 2 U.S.C. § 434(b)(2) and 11 C.F.R. § 104.3(a)(3). In addition, the post-general election report must be filed no later than 30 days after any general election in which the candidate seeks election. The post-general election report must be complete as of the 20th day after the general election. 11 C.F.R. §§ 104.5(a)(2)(ii)(A) and (B).

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5. Respondents explained that the Committee had software-related problems recording its receipts and after advising the Commission of the problem, proceeded to file timely the 2004 30-Day Post General Report. The two amended reports subsequently filed by the Committee initially 32 days late and then 27 days later represented, according to Respondents, the Committee's attempt to comply with their reporting obligations. Respondents further contend that their initial call to the Commission on December 2nd – the day the 30-Day Post General Report was due -- to advise it of the data base errors that they discovered earlier that day demonstrated their responsibility and intention to comply with the Committee's disclosure responsibilities.
 6. Respondents explained that they have instituted a number of changes to their procedures for recording and reporting the Committee's financial activity including hiring a professional accounting firm, experienced in filing FEC disclosure reports, to handle all the Committee's "back-room" support. Respondents contend that there was no intent to mislead and committed themselves to complying with the reporting requirements of the Act. In order to avoid similar error in the future, Respondents agree to: 1) extend the contract of the professional accounting firm at least through the life of the election campaign; 2) send a Committee representative to a FEC seminar on Federal election campaign reporting requirements; 3) train Committee personnel on the reporting requirements of the Act and Regulations and the internal procedures to be followed to comply with those responsibilities; 4) prepare and maintain a manual on Committee reporting responsibilities; 5) set up and maintain a resource center to guide Committee personnel on the reporting requirements of the Act and Regulations; and 6) pay a civil penalty of \$2,000.
 7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
 8. The parties agree that if the Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance and/or forward any outstanding civil penalty to the US Treasury for collection.
 9. This agreement will become effective on the date signed by the parties and approved by the Commission. Terms of the settlement listed in paragraph six (6) above will become effective within thirty (30) days of the effective date of the agreement except Respondents shall comply with item two (2) within twelve (12) months of the effective date of the agreement and within sixty (60) days for items three (3), four (4), five (5) and six (6).
 10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 286/RR 05L-33 and effectively resolves this matter. No other statement, promise or Agreement, either written or oral, made by either party, not included in herein, shall be enforceable.

FOR THE COMMISSION:

Allan D. Silberman,
Director Alternative Dispute Resolution Office



Allan D. Silberman

Nov. 30, 2005
Date

FOR THE RESPONDENTS:



Dave Magnum representing Magnum for
Congress and Thomas Diehl, Treasurer

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Date

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