



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

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April 20, 2006

**MEMORANDUM**

**SENSITIVE**

**TO:** The Commission

**THROUGH:** Robert J. Costa   
Acting Staff Director

**FROM:** Allan D. Silberman   
Director, ADR Office

**SUBJECT:** ADR 309 – Committee to Elect Patsy Keever and Francis Ellis, Treasurer  
Recommendation to Approve the Settlement Agreement

Attached for your review is a signed negotiated ADR settlement agreement pertaining to ADR 309 (AD,05-01), Committee to Elect Patsy Keever and Francis Ellis, Treasurer, (the "Respondents" or the "Committee"). This matter was opened January 27, 2006, and assigned to the ADR Office on March 6, 2006.

**Summary:** Audit determined that Respondents received, prior to the 2004 primary election, excessive contributions from twelve individuals in the amount \$18,890. Copies of contributors' checks carried no election designation. No other supporting documentation regarding the subject contributions was provided. Respondents presumptively re-designated the excessive portions of the subject contributions, but failed to notify contributors of their actions or offer a refund. Respondents argued that the subject donations were accurately reported and refunds unnecessary. Respondents contend they were unaware of their potential liability until after the primary election, by which time much of the excessive campaign funds had been donated to others. The Candidate argued she would have kept sufficient funds to make the subject payments if she had known refunds were necessary. To comply with Audit's recommendations, the Committee provided copies of checks for \$14,140 written to contributors, and agreed to issue the remaining refunds from the Candidate's personal account.

**For Your Information:** The Candidate argued the Committee was unaware of its obligation to advise contributors that they could receive refunds if they did not want their excess contributions redesignated. The Candidate also indicated that she is anxious to close down her Committee.

**Recommendations:**

1. Approve the attached Settlement Agreement of the Committee to Elect Patsy Keever and Francis Ellis, Treasurer
2. Approve the appropriate letter
3. Close the file on this matter.

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