



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2006 AUG 11 P 3: 15.

SENSITIVE

MEMORANDUM

August 10, 2006

TO: The Commission

THROUGH: Patrina M. Clark *pmc*
Staff Director

FROM: Lynn M. Fraser, Acting Director *LMF*
Alternative Dispute Resolution Office

SUBJECT: ADR 311 Lyndon LaRouche Political Action Committee and Barbara M. Boyd, Treasurer, Recommendation to Approve Settlement Agreement

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 311 (RAD 05L-55)**. This case was opened on February 21, 2006, and was assigned to the ADR Office on March 28, 2006.

SUMMARY: RAD referred the Lyndon LaRouche Political Action Committee and Barbara M. Boyd, Treasurer, ("Respondents" or the "Committee") for failing to file three (3) 48-Hour Notices for thirteen (13) independent expenditures totaling \$71,946.21 made before the 2004 General Election. Respondents also failed to file five (5) 24-Hour Notices for thirteen (13) independent expenditures totaling \$62,513.70 made before the 2004 General Election. Respondents indicated to RAD that they misunderstood the regulations on 24-Hour and 48-Hour Notices.

In determining the civil penalty, the ADRO reviewed the dollar amount in dispute, as well as the Respondents' reporting history, and what proactive steps they've taken in response to RAD. Beginning with ten percent (10%) of the dollar amount in dispute, a twenty-five percent (25%) deduction was made for their timely response and commitment to the ADR process, as well as a fifteen percent (15%) deduction based on mitigating factors. The mitigating factors were that all independent expenditures had schedules E filed in the original reports, the Committee reorganized from an all volunteer PAC to hiring some experienced paid staff who now review all reports, and steps the Committee has taken to

26190270067

educate all staff. The final deduction was made when Respondents agreed to send at least one representative to attend an FEC seminar, and institutionalize the education of their staff through the development of a reporting compliance desk manual.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of the Lyndon LaRouche Political Action Committee and Barbara M. Boyd, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

26190270068