



THE FEDERAL ELECTION COMMISSION  
Washington, DC 20463

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**SENSITIVE**

**MEMORANDUM**

September 26, 2006

TO: The Commission

THROUGH: Patrina M. Clark *PMC*  
Staff Director

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

SUBJECT: ADR 312 American Institute of Certified Public Accountants PAC and  
Anthony Pugliese, Treasurer, Recommendation to Approve Settlement  
Agreement

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 312 (RR 05L-63). This case was opened on February 21, 2006, and was assigned to the ADR Office on March 20, 2006.

**SUMMARY:** RAD referred the American Institute of Certified Public Accountants PAC and Anthony Pugliese, Treasurer, ("Respondents") for failing to disclose all financial activity on three (3) reports in 2004; i.e., the 2004 August Monthly Report, the 2004 September Monthly Report, and the 2004 Year-End Report. RAD determined that these reports, when amended, disclosed additional receipts of \$111,828 in the Amended 2004 August Monthly Report, \$81,664 in the Amended 2004 September Monthly Report, and \$59,923 in the Amended 2004 Year-End Report.

Respondents contend that the omissions were due to programming issues arising from the Committee's conversion of its computer systems. Respondents assert that while the computer systems now appear to be operating as intended, they have taken additional steps to ensure future compliance, such as making personnel changes and adding more internal controls to review reports before filing.

Recommendation to Approve  
Settlement Agreement  
ADR 312 (RR 05L-63)  
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**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of the American Institute of Certified Public Accountants PAC and Anthony Pugliese, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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