



**Federal Election Commission
Washington, DC 20463**

June 4, 2007

Scott B. MacKenzie
1155 15th Street, NW Suite 614
Washington, DC 20005

Re: ADR # 357
Coronado for Congress and Scott B. MacKenzie, Treasurer

Dear Mr. MacKenzie:

Enclosed is the signed copy of the agreement resolving the referral initiated on October 2, 2006 with the Federal Election Commission ("FEC/Commission") against Coronado for Congress and Scott B. MacKenzie ("Respondents"). The agreement for ADR 357 (RAD 06L-27) was approved by the Commission on May 29, 2007 – the effective date of the agreement.

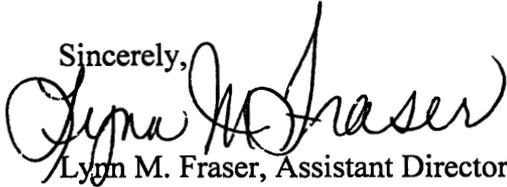
Note the specific time frames for compliance in paragraph 10 of the agreement. Please forward to this office, a statement confirming Respondent's compliance with the terms listed in paragraph 7 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 7.

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist 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 resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory

responsibilities regarding violations of federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

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Federal Election Commission
Washington, DC 20463

Case Number ADR 357
Source RAD 06L-27
Case Name Coronado for Congress

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, ("FECA") and resolve this matter, the Commission entered into negotiations with Scott MacKenzie, representing Coronado for Congress and Scott MacKenzie, in his/her official capacity as Treasurer ("the Committee" or "Respondents"). 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 addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures ("ADR") is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division ("RAD") referred Respondents for failing to disclose all financial activity for their 2006 April Quarterly Report. Respondents filed their original 2006 April Quarterly Report on April 15, 2006. On April 26, 2006, the Committee filed an amended 2006 April Quarterly Report that disclosed \$160,765.91 in outstanding debts (previously reported on the 2005 Year End Report), \$95,292.77 in debts incurred for the reporting period, and \$151,428.33 in payments made during the reporting period.
4. The FECA requires political committees to disclose the amount and nature of outstanding debts and obligations owed by or to such political committee. 2 U.S.C. § 434(b)(8), 11 C.F.R. § 104.3(d).
5. Respondents acknowledge an inadvertent violation of FECA, but contend that the omission was corrected within eleven days of the original report. Respondents further contend that the Committee was transitioning between treasurers and not all of the financial documentation was available to the new treasurer.

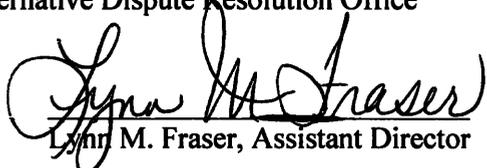
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- 6 Respondents, in addition, acknowledge that a civil penalty may be appropriate under the circumstances of this matter. The Respondents, however, indicate that financial hardship prevents them from paying any civil penalty, and have submitted extensive financial documentation in support of this claim. Due to the mitigating circumstances pertaining to Respondents' material representations, the Commission agrees to depart substantially from the civil penalty justified in this matter.
- 7 Respondents agree to work with RAD to terminate the Committee.
- 8 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.
- 9 The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
- 10 This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms within thirty (30) days from the effective date of this agreement.
- 11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 357 (RAD 06L-27), and effectively resolves the issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:

Deborah Ruth Kant, Director
Alternative Dispute Resolution Office

By: 
Lynn M. Fraser, Assistant Director

5/29/07
Date Signed

FOR THE RESPONDENTS:


Scott B. MacKenzie
Representing Coronado for Congress and
Scott B. MacKenzie, Treasurer

5/15/2007
Date Signed