



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

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SENSITIVE

MEMORANDUM

October 3, 2007

TO: The Commission

THROUGH: Patrina M. Clark *mc*
Staff Director

FROM: John D. Gibson *JDG*
Chief Compliance Officer

Deborah Ruth Kant *DRK*
Director, ADR Office

SUBJECT: ADR 388 Americans Against Illegal Immigration PAC, and John W.
Leuthold, Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Quarterly internal audits; hire a reporting specialist; audit certifications to the Commission; civil penalty of \$10,000 (amount in dispute \$258,051.73)

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 388 (RAD 07L-13)**. This case was received by the ADR Office on April 25, 2007, and was assigned to the ADR Office on June 20, 2007.

SUMMARY: Treasurers of political committees are required to report all financial activity, including all receipts, disbursements, and debts pursuant to the FECA. In this case, the Respondents filed an amended 2005 Year-end Report on October 12, 2006, disclosing additional receipts totaling \$83,571.85, additional disbursements totaling \$75,764.62, and additional debts totaling \$98,715.26. In an electronic submission responding to a RFAI, the Committee contended that it had difficulty in using the reporting software, and that it lacked familiarity with some aspects of accounting. The Committee explained that it corrected the reporting problem by hiring a professional familiar with filing FEC reports.

Recommendation to Approve
Settlement Agreement
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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Americans Against Illegal Immigration PAC and John W. Leuthold, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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