



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2008 AUG 20 P 3: 57

MEMORANDUM

August 19, 2008

TO: The Commission

THROUGH: Joseph E. Stolz, *JES*
Acting Staff Director

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

Lynn M. Fraser, *LMF*
Acting Director, ADR Office

SENSITIVE

SUBJECT: ADR 438 Republicans for Choice and Ann E. W. Stone, Treasurer,
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Send a representative to a FEC conference within twelve months of the effective date of this agreement; and pay a civil penalty of \$2,500.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 438 (RAD 07L-57). This case was received by the ADR Office on December 28, 2007, and was activated by the ADR Office on March 3, 2008.

SUMMARY: The Reports Analysis Division (RAD) referred the Respondents for the cumulative nature of deficiencies on reports filed with the Commission in the 2005-2006 election cycle which disclosed the Committee was not in substantial compliance with the FECA. Some of the errors involved mathematical discrepancies, missing schedules, and failures to clarify public communication expenses. Respondents contend they began making systematic revisions to their financial procedures and activities enhancing compliance.

A committee may be referred for audit under the Act if the cumulative nature of the reporting errors reveals the committee is not in substantial compliance with the law. 2 U.S.C. § 438(b).

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Republicans for Choice and Ann E. W. Stone, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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