



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

2009 MAR 19 A 11: 37

**MEMORANDUM**

March 19, 2009

**SENSITIVE**

TO: The Commission  
THROUGH: Robert A. Hickey  
Staff Director  
FROM: John D. Gibson  
Chief Compliance Officer  
Lynn M. Fraser  
Acting Director, ADR Office

SUBJECT: ADR 471 Oklahoma State Medical Association PAC and Dr. Johnny Roy,  
Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Work with RAD to terminate their federal political action; and pay  
a civil penalty of \$4,000 (amount in dispute \$319,579)

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR  
471 (RR 07L-43). This case was referred to the ADR Office by a vote of the Commission on  
October 21, 2008.

**SUMMARY:** The Reports Analysis Division (RAD) referred Respondents for failing to  
disclose all financial activity on their 2003 Mid-Year Report, 2004 October Quarterly  
Report, and 2006 October Quarterly Report. Respondents filed an amended 2003 Mid-  
Year Report to disclose additional disbursements totaling \$63,839.61, an amended 2004  
October Quarterly Report to disclose additional disbursements totaling \$142,318.18, and  
an amended 2006 October Quarterly Report to disclose additional disbursements totaling  
\$113,421.62. The amended reports were filed on May 3, 2007.

Respondents contend that the errors relevant to this referral were due to a  
misinterpretation of the FECA by the bookkeeper responsible for filing the reports. While  
that individual is no longer working for the Committee, the misinterpretation was passed  
to her successor, and the errors continued until the mistakes were discovered. Following a  
voluntary audit of their financial records for 2003-2006, Respondents filed amended  
reports to correct the record.

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**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of Oklahoma State Medical Association PAC and Dr. Johnny Roy, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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