



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION
COMMISSION
SECRETARIAT

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SENSITIVE

MEMORANDUM

January 20, 2010

TO: The Commission

THROUGH: Alec Palmer
Acting Staff Director *AP*

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

Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 498 Zinga for Congress and Charles McClurg, Treasurer,
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Provide confirmation Respondents made a good faith effort to refund the excessive contributions to the contributors, or in the alternative, disgorge those contributions to the U.S. Treasury. If Respondents have insufficient funds to cure an excessive contribution remaining after seeking to refund the relevant excessive contributions, the Committee shall report those amounts not refunded as debt on all future reports to the Commission until such time as the excessive contributions are refunded; and pay a civil penalty of \$1,200.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 498 (AR 09-03). The ADR Office received this referral on June 19, 2009.

SUMMARY: In this case, the Audit Division (Audit) referred Zinga for Congress and Charles McClurg, Treasurer, (Respondents or the Committee) after it identified 16 contributions from nine individuals that exceeded the limitation by \$8,600. Of these excessive contributions, \$1,800 could have been resolved by Respondents sending presumptive reattribution notices. The remaining \$6,800 appeared resolvable only by refund. Audit staff recommended that the Committee provide evidence demonstrating that

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the contributions were not excessive, send notices to those contributors that were eligible for presumptive reattribution, or refund the excessive amounts.

Respondents acknowledge that not all contributions were appropriately accounted for, but contend that they worked with Audit to reattribute, redesignate and when necessary, refund the relevant contributions.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Zinga for Congress and Charles McClurg, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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