

Thomas E. Lubnau (1931-1990)
Thomas E. Lubnau, II
DaNee Day ☐
J. David Horning †
M. Frances Gadez †
Christopher R. Ringer †
Ryan W. McGrath †
Jason D. Wasserburger

☐ Also Admitted in New York
† Also Admitted in Ohio
* Also Admitted in Colorado
‡ Also Admitted in South Dakota

LUBNAU LAW OFFICE, PC
ATTORNEYS AT LAW

WWW.ETSEQ.COM

Gillette Office
300 S. Gillette Ave
Suite 2000
PO Box 1028
Gillette, Wyoming 82717-1028
Telephone (307) 682-1313
Facsimile (307) 682-9340

Cheyenne Office
1825 Carey Avenue
Cheyenne, Wyoming 82001
Telephone (307) 635-3354
Facsimile (307) 635-3364

November 9, 2009
Via Facsimile to 202-219-0613; and
Electronic Transmission to lfraser@fec.gov; and U.S. First Class Regular Mail

Lynn M. Fraser, Acting Director
Alternative Dispute Resolution Office
Federal Elections Commission
9999 E. Street N.W.
Washington, D.C. 20463

Reference: ADR 508 (RAD 09I.-30)
Wyoming Republican Party and Donna Robitaille, Treasurer

Dear Ms. Fraser:

Pursuant to our previous discussions and telephone conference regarding the above-captioned matter, I am writing to provide you with information and conceptual proposals for the resolution of the matter referred. In accordance with those discussions I submit this material to you as confidential at this time for purposes of our negotiation and development of that resolution. I also want to confirm again that the previous response by my letter of October 6, 2009 was also submitted to you as confidential.

Initially, I repeat what the Respondents consider to be certain mitigating factors. Those factors include, but are not limited to, the facts that the Respondents have an excellent reporting record with no adverse action by the Commission; the additional disbursements which were referred to ADR were very few in number, simple in nature and entirely the result of non-culpable conduct; that the omission of the additional disbursements at issue arose in the context of improvements to reporting procedures initiated by Respondents, including retention of a compliance specialists and utilization of "industry standard" software for reporting; and the additional disbursements were identified by the Respondents and disclosed in its amended reporting on its own initiative in advance of any contact for the Commission. The Respondents submit that these facts and the explanation previously provided demonstrate not only the Respondents' good faith, but also that the matter at issue is not likely to be repeated. Respondents still maintain that a civil penalty is neither warranted nor will it serve any remedial purpose.

However, in the spirit of compromise and with a desire to not only remedy the factors that may have led to the issue referred, but also to demonstrate the Respondents' commitment to review and, as appropriate, improve its procedures to prevent reporting errors and to safeguard its funds to further promote timely and accurate reporting. Based on our discussions Respondents propose measures of two kinds: remedial – to minimize the likelihood of a repetition of the kind of reporting error at issue;

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and preventive – to improve operational procedures and safeguard assets so as to facilitate accurate reporting.

Respondents had already retained a consultant compliance specialist experienced in FEC reporting and entered into a licensing agreement to use “industry standard” on campaign finance reporting software.

Respondents have also now filled its vacant Executive Director position. Respondents’ new Executive Director will be in important part of its existing operations and the measures proposed herein. That Executive Director begins work on November 18, 2009.

Remedial Measures: Respondents propose to address reporting practices and procedures. This would involve reviewing current practices and procedures, conducting a “self assessment/audit” as a part of that review, and identifying improvements as appropriate. Respondents would do that through a collaborative effort of its Chairman, Treasurer, Executive Director and compliance specialist. Those practices and procedures would then be reduced to a written policy and guidance memorandum which would include specific direction on how, and from whom, to obtain necessary guidance and instruction in preparing reporting information (i.e. compliance specialists, FEC personnel, Republican National Committee personnel, legal counsel and reporting software vendor personnel) as well as specific “fail safe” procedures to be employed for timely filing in the absence of its compliance specialist and/or the inability to access its filing software. Respondents propose to conduct the review and codification process and share the interim results with the ADR Office for its comment before finalization and implementation. Respondents would then implement the practices and procedures, including training of Respondents’ personnel, consistent with the practices and procedures developed. This review and codification of practices and procedures would substantially eliminate reporting errors.

Respondents propose that they could complete the review, codification and implementation within approximately one hundred eighty (180) days. That proposed time frame is based upon the fact that the proposal requires the participation of the incoming Executive Director and could possibly further require changes to bylaws which can only be done at the Wyoming Republican Party’s state convention in May of 2010.

Preventive Measures: Respondents have been engaged in reviewing and improving operations practices and procedures. Respondents currently utilize internal controls which assist Respondents in meeting its goals, protecting their assets and facilitating the filing of accurate reports. The practices and procedures of Respondents include a number of the “best practices” recommendations contained in the Commission’s “Internal Controls and Political Committees” memorandum. Respondents internal control process utilizes a separation of duties commensurate with their size and capabilities and review by a budget and audit committee. Respondents propose as additional assurance of their commitment to meeting their reporting obligations to further review and improve, as appropriate, their internal controls.

However, Respondents propose to review those practices and conduct an internal control evaluation and “self assessment/audit” to improve the essentials of its internal control system as a preventive measure. Respondents proposes to do that as a collaborative effort by their Chairman, Treasurer, Executive Director, Budget and Audit Committee and compliance specialists. The existing practices and identified areas where improvement is desirable and warranted would then be reduced to a written internal controls policy and guidance memorandum which would then be implemented,

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including training of Respondents' personnel as necessary. Respondents propose to conduct the review and codification process and share the interim results with the ADR Office for its comment before finalization and implementation. Respondents would then implement the practices and procedures, including training of Respondents' personnel, consistent with the practices and procedures developed. This review and codification of practices and procedures would substantially eliminate reporting errors.

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Respondents submit that these proposals are consistent with their ongoing efforts to improve efficiency, capabilities and organization and with respect to its reporting obligations in particular. These proposals would reduce the likelihood of repetition of the issue referred and help prevent other reporting errors in the future.

These proposals are not only intended to address any concerns regarding the matter referred, they will serve the Respondents' interests in improving its operational procedures and safeguarding its assets so as to facilitate accurate reporting. The arrival of a new Executive Director, the retention of a consulting compliance specialist and utilization of "industry standard" reporting software align to make these proposed measures both timely and relevant.

I look forward to discussing these proposed measures further with you and welcome your comment.

Very truly yours,

LUBNAU LAW OFFICE, PC
Attorneys at Law


J. DAVID HORNING

JDH/rld
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