



FEDERAL ELECTION COMMISSION
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SENSITIVE

MEMORANDUM

February 4, 2010

TO: The Commission

THROUGH: Alec Palmer *AP*
Acting Staff Director

FROM: Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 522 & ADR 527 Houston Fire Fighters Political Action Fund,
International Association of Fire Fighters and Jeffery Caynon, Treasurer,
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Have counsel conduct a comprehensive two day training based upon FEC curriculum; put a process in place whereby outside counsel will review all reports, amendments and communications to and from the Commission; develop and maintain a compliance procedural manual, including flow charts for reporting and reconciliation, and a tickler/notification system to ensure timely reporting and prompt responses to all FEC communications; contract with an independent compliance/accounting specialist to do annual audits of the Committee's financial activity, and certify the results to the Commission within three months of the conclusion of each calendar year for the years 2010 through 2012; send a representative and an officer to a FEC training; review and amend all reports from January 1, 2006 to the present time; and pay a civil penalty of \$4,000.

Attached for your review is a signed consolidated ADR Settlement Agreement pertaining to ADR 522 (RAD 09L-38) and ADR 527 (RAD 09L-45). The ADR Office received ADR 522 on November 6, 2009, and ADR 527 on November 24, 2009.

SUMMARY: In ADR 522, the Reports Analysis Division (RAD) referred the Houston Fire Fighters Political Action Fund, International Association of Fire Fighters and Jeffery

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Caynon, Treasurer (Respondents or the Committee) for circumventing the Administrative Fine Program during the 2005-2006 election cycle. Respondents filed two post-due reports, the 2006 October Quarterly and 2006 Year-End Reports, on March 9, 2009. These reports disclosed total receipts of \$56,068.50 and total disbursements of \$76,950.00, and covered the period of July 1 through December 31, 2006. This period included the 30 Day Post-General Report coverage period of October 1 through November 27, 2006. Prior to filing these reports, the Committee did not appear to have sufficient activity for inclusion in the Administrative Fines Program during the 2005-2006 election cycle.

In ADR 527, RAD referred the Respondents for the cumulative nature of deficiencies on reports filed with the Commission in the 2008 election cycle which disclosed the Committee was not in substantial compliance with the FECA.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of the Houston Fire Fighters Political Action Fund, International Association of Fire Fighters and Jeffery Caynon, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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