



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 21, 2010

Scott B. Mackenzie  
William Russell for Congress 2008  
1155 15<sup>th</sup> Street, NW, Suite 614  
Washington, DC 20005

Re: ADR 531 (RAD 09L-49)  
William Russell for Congress 2008 and Scott MacKenzie, Treasurer

Dear Mr. Mackenzie:

Enclosed is the signed copy of the agreement resolving the referral initiated on **December 7, 2010** by the Federal Election Commission ("FEC/Commission") involving William Russell for Congress 2008 and Scott MacKenzie, Treasurer ("Respondents"). The agreement for **ADR 531 (RAD 09L-49)** was approved by the Commission on **May 12, 2010**, the effective date of the agreement.

Note the specific time frames for compliance in **paragraph 6** of the agreement. **Please forward to this office a statement confirming Respondent's compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed in **paragraph 6**, and contain the ADR caption and case number. **The civil penalty payment should be sent to the attention of the Accounting/Finance Office of the FEC. The civil penalty under the agreement is due on or before June 11, 2010. Please put the ADR case number on the civil penalty check as well, to ensure crediting to the correct case.**

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate

your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Krista J. Roche, Assistant Director  
Alternative Dispute Resolution Office  
202-694-1661

Enclosure: Agreement

cc: Chris Wedderburn, Finance and Accounting Office  
Room 819

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**Federal Election Commission  
Washington, DC 20463**

Case Number: ADR 531  
Source: RAD 09L-49  
Case Name: William Russell For Congress

**NEGOTIATED SETTLEMENT**

This matter was initiated by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with Scott Mackenzie representing William Russell For Congress and Scott Mackenzie, in his official capacity as Treasurer (the Committee or Respondents). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

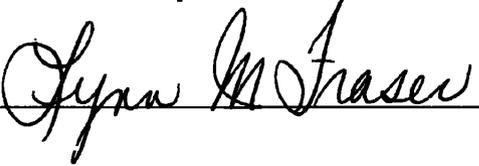
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred Respondents for failing to disclose all financial activity on their 2008 12 Day Pre-General Report. On July 15, 2009 and again on August 4, 2009, the Committee filed amended 2008 12 Day Pre-General Reports which disclosed an aggregate of additional receipts of \$99,580.81, and additional disbursements of \$103,767.65.
4. Treasurers of political committees are required to report all financial activity, including all receipts and all disbursements, pursuant to the FECA. 2 U.S.C. §§ 434(a)(1), 434(b)(2), 434(b)(4), 11 C.F.R. §§ 104.1, 104.3(a), 104.3(b).
5. Respondents acknowledge some reporting deficiencies due to inexperienced staff during its first general election campaign, but contend that as soon as the reporting errors and omissions were discovered, the Committee took steps to correct the record. In addition, the Committee made changes in its financial procedures, upgraded its financial software, hired more staff and provided training for them, as well as communicated more consistently with RAD staff.

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- 6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) appoint a compliance specialist within thirty (30) days of the effective date of this agreement; (b) develop and implement a monthly reconciliation of the Committee's financial records with the financial data to be disclosed to the FEC prior to a report being filed within thirty (30) days of the effective date of this agreement; and (c) pay a civil penalty of \$7,500 within thirty (30) days of the effective date of this agreement.
- 7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
- 8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
- 9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of this agreement as set out in paragraph 6 above.
- 10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 531 (RAD 09L-49), and resolves those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

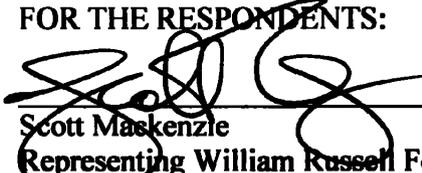
FOR THE COMMISSION:

Lynn M. Fraser, Director  
Alternative Dispute Resolution Office

  
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5/12/2010  
Date Signed

FOR THE RESPONDENTS:

  
\_\_\_\_\_

Scott Mackenzie  
Representing William Russell For Congress  
and Scott Mackenzie, Treasurer

4/21/2010  
Date Signed