



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION
COMMISSION
SECRETARIAT

2011 MAR 15 P 3:31

SENSITIVE

MEMORANDUM

March 15, 2011

TO: The Commission

THROUGH: Alec Paimer
Acting Staff Director *AP*

FROM: Patricia Carmona *PC*
Chief Compliance Officer

Lynn M. Fraser *LMF*
Director, ADR Office

BY: Krista J. Roche *KJR*
Assistant Director, ADR Office

SUBJECT: ADR 557 Mason Tenders District Council of Greater New York & LI PAC
and Michael Prohaska, Treasurer
Recommendation to Approve Negotiated Settlement

RESOLUTION TERMS: Develop and implement a compliance manual; attend a FEC conference; and pay a civil penalty of \$2,500.

Attached for your review is a signed ADR Negotiated Settlement pertaining to ADR 557 (RAD 11L-01). The ADR Office received this referral on January 13, 2011.

SUMMARY: The Reports Analysis Division referred Mason Tenders District Council of Greater New York & LI PAC and Michael Prohaska, Treasurer, (Respondents or the Committee) for failure to disclose all financial activity. Respondents amended their 2007 Year End Report on October 10, 2010, to disclose additional receipts totaling \$199,362.43, a 45.7% increase over the originally reported activity. The Committee contends that due to a software error some contribution data was not captured on the original report. The Committee further states that the software provider has eliminated the problem and added precautions to avoid an error of this type in the future. The Committee also contends it implemented new internal reporting procedures including reconciliation of records to reports each time a report is filed and monthly bank reconciliation. Additionally, the Committee states it regularly sends representatives to FEC conferences and roundtables.

Recommendation to Approve
Negotiated Settlement
ADR 557 (RAD 11L-01)
Page 1

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Mason Tenders District Council of Greater New York & LI PAC and Michael Prohaska, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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