



Federal Election Commission
Washington, DC 20463

December 1, 2011

Jennifer L. Farrell, Esq.
Hancock Askew & Co. LLP
PO Box 2486
Savannah, GA 31402

Re: ADR 578 (RAD 11L-16)
Friends of Jack Kingston and J. Harry Haslam, JR., Treasurer, Treasurer

Dear Ms. Farrell:

Enclosed is the signed copy of the agreement resolving the referral initiated on June 24, 211 by the Federal Election Commission ("FEC/Commission") involving Friends of Jack Kingston and J. Harry Haslam, Jr., Treasurer ("Respondents"). The agreement for ADR 578 (RAD 11L-16) was approved by the Commission on November 29, 2011 – 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 has been paid and credited to the Committee's account.

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.

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

Sincerely,

Lynn M. Fraser, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Gwen Holmes, Finance and Accounting Office
Room 819

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**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 578
Source: RAD 11L-16
Case Name: Friends of Jack Kingston

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 Jenni Farrell, Esq., representing Friends of Jack Kingston and J. Harry Haslam, Jr., 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 2010 12 Day Pre-General Report. The Committee filed an Amended 2010 12 Day Pre-General Report on January 31, 2011 which disclosed additional disbursements totaling \$74,859.62.
4. Treasurers of political committees are required to report all financial activity, including all disbursements, pursuant to the FECA. 2 U.S.C. §§ 434(a)(1), 434(b)(4), 11 C.F.R. §§ 104.1, 104.3(b).
5. Respondents acknowledge an inadvertent clerical error, resulting in the failure of a disbursement being put into the data base. Respondents filed the amended report as soon as they realized the omission, and undertook staff training and a revision of financial procedures to ensure future compliance.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) develop and implement a compliance operations manual which includes internal controls

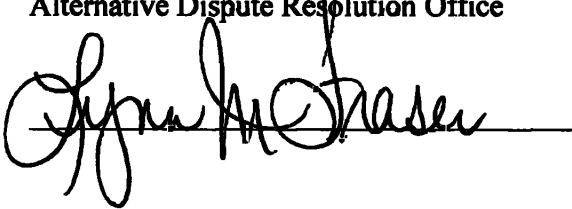
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consistent with the Commission's Internal Controls Policy (2007) and a process to track receipt of, and response to, communications with the Commission within sixty (60) days of the effective date of this agreement; (b) send a representative to a FEC conference within twelve (12) months of the effective date of this agreement; and (c) pay a civil penalty of \$1,500 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 578 (RAD 11L-16), 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.

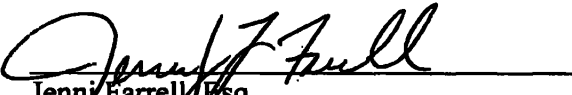
FOR THE COMMISSION:

Lynn M. Fraser, Director
Alternative Dispute Resolution Office



11/29/2011
Date Signed

FOR THE RESPONDENTS:


Jenni Farrell, Esq.
Representing Friends of Jack Kingston
and J. Harry Haslam, Jr., Treasurer

9/6/2011
Date Signed