



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION
COMMISSION
SECRETARIAT

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SENSITIVE

MEMORANDUM

May 21, 2012

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

FROM: Patricia Carmona *PC*
Chief Compliance Officer

Lynn M. Fraser *LF*
Director, ADR Office

SUBJECT: ADR 606 and ADR 608 CT Working Families Federal PAC B/B/A Take Back Congress CT and Timothy Sullivan, Treasurer, Recommendation to Approve Consolidated Settlement Agreement

RESOLUTION TERMS: Develop and certify implementation of a compliance operations manual which includes internal controls consistent with the Commission's Best Practices for Committee Management (2009 update) and a process to track receipt of, and response to, communications with the Commission; designate a compliance specialist; and pay a civil penalty of \$2,500.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 606 (RAD 12L-09) and ADR 608 (MUR 6480)**. The ADR Office received the RAD referral on March 3, 2012 and the MUR on March 5, 2012. The two matters were consolidate for the purposes of the settlement agreement.

SUMMARY: In ADR 606, RAD referred the CT Working Families Federal PAC B/B/A Take Back Congress CT and Timothy Sullivan, Treasurer (Respondents) for Failing to Accurately disclose all financial information in nine reports; specifically their 2010 February Monthly, 2010 May Monthly, 2010 June Monthly, 2010 July Monthly, 2010 October Monthly, 2010 30 Day Post-General, 2010 Year-End, 2011 February Monthly and

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2011 March Monthly Reports. In amended reports filed July 28, 2011, the Committee disclosed additional receipts of \$41,334.96 and additional disbursements of \$55,232.87.

Respondents acknowledge that, due to the inexperience of staff, the nine reports noted by RAD contained incomplete information. The Committee filed amended reports to correct the record as soon as the errors were noted. In addition, Respondents sent a representative to a FEC conference to increase compliance with reporting obligations.

In ADR 608, the complaint filed by Christopher C. Healy, Chairman of the Connecticut Republicans alleges that the Committee violated the FECA and Commission regulations because it does not use the State Party's name in its name. The complaint also alleges that Respondents violated the FECA by accepting contributions from the State Party that were not "listed as income" on their FEC reports.

Respondents contend that the Complainant's allegations are in error, and requests that the Commission dismiss the complaint in ADR 608 (MUR 6480). Respondents further contend the Committee's name complies with Commission regulations, as it does not include the name of any candidate. In addition, Respondents argue that the funds received from the State Party were not illegal contributions, but rather permissible reimbursements of allocable expenses for shared activities that were funded by the Federal PAC.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of the CT Working Families Federal PAC B/B/A Take Back Congress CT and Timothy Sullivan, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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