



Federal Election Commission
Washington, DC 20463

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SENSITIVE

MEMORANDUM

April 1, 2014

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Lynn M. Fraser *LF*
Director, ADR Office

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

SUBJECT: ADR 659 Ann Wagner for Congress and Richard Magee,
Treasurer, Resubmission of Recommendation to Approve
Settlement Agreement

RESOLUTION TERMS: Perform an annual internal audit and reconciliation; send a
representative to an FEC seminar; and pay a civil penalty of
\$2,600.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 659 (RAD 13L-38). The ADR Office received this referral on August 30, 2013.

SUMMARY: The Reports Analysis Division referred Respondents for failing to
disclose all disbursements on their 2012 12 Day Pre-General Report originally
filed on October 25, 2012. On February 18, 2013, the Committee filed an
Amended 2012 12 Day Pre-General Report to disclose \$200,000 in additional
disbursements, and on April 15, 2013 the Committee filed another Amended 2012
12 Day Pre-General Report to disclose \$1,000 in additional disbursements, a total
increase of \$201,000 from the original report.

The Committee asserted in a Form 99 Miscellaneous Text Submission dated May
10, 2013, that the Committee discovered the omission of this disbursement as a

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result of a voluntary, comprehensive internal audit "designed to ensure complete past and ongoing compliance with the requirements of the FEC and to self-report any discrepancies." The Committee provides correspondence from the independent accounting group who performed the audit confirming that a complete audit for the 2012 election cycle was performed and necessary amendments to previously-filed reports have been made to ensure the Committee's reports are complete and accurate. The Committee contends that it took steps to immediately report the inadvertently omitted disbursement upon discovery. The Committee further contends that the transaction was reported by the recipient, the Missouri Republican Party, in a timely fashion.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Ann Wagner for Congress and Richard Magee, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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