



FEDERAL ELECTION COMMISSION SECRETARIAT

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Federal Election Commission
Washington, DC 20463

SENSITIVE

MEMORANDUM

January 3, 2014

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

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

Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 662 America's Next Generation LLC d/b/a/ The Next Generation and Lance Davis, Treasurer, Recommendation to Approve 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), a process to track receipt of, and response to, communications with the Commission, and tracking the dates the work is performed on the vendor invoices, the payment application data, and getting work-in-process files from the vendor showing un-invoiced work that has been performed during the reporting period; and pay a civii penalty of \$5,800.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 662 (RAD 13L-40). The ADR Office received this referral on September 17, 2013.

SUMMARY: In this case, the Reports Analysis Division referred America's Next Generation LLC d/b/a/ The Next Generation and Lance Davis, Treasurer (Respondents or the Committee) for failing to disclose all financial activity on their 2012 July Quarterly Report and their 2012 12 Day Pre-General Report. The

Recommendation to Approve
Settlement Agreement
ADR 662 (RAD 13L-40)
Page 1

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Committee filed the original 2012 July Quarterly Report on July 13, 2012. It filed two Amended 2012 July Quarterly Reports on March 31, 2013 that disclosed additional debts of \$143,010.20. The Committee filed its original 2012 12 Day Pre-General Report on October 25, 2012. It then filed an Amended 2012 12 Day Pre-General Report on April 3, 2013 that disclosed additional debts of \$89,884.34.

Respondents acknowledge inadvertently omitting some of their debt on the 2012 July Quarterly Report and the 2012 12 Day Pre-General Report due to untimely and/or incomplete receipt of invoices. When the Committee realized what occurred, a new process was developed to accurately and completely track the expenditures and obligations outstanding, and amended reports were filed.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of America's Next Generation LLC d/b/a/ The Next Generation and Lance Davis, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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