



FEDERAL ELECTION COMMISSION SECRETARIAT
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Federal Election Commission
Washington, DC 20463

SENSITIVE

MEMORANDUM

February 19, 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 670 North Dakota Republican Party and Shane Goettle, 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) and a process to track receipt of, and response to, communications with the Commission; send a representative to an FEC conference; and pay a civil penalty of \$5,000.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 670 (RAD 13L-51). The ADR Office received this referral on November 19, 2013.

SUMMARY: The Reports Analysis Division referred the North Dakota Republican Party and Shane Goettle, Treasurer (Respondents or the Committee) for cumulative errors during the 2012 election cycle which disclosed the Committee was not in substantial compliance with the FECA. A political committee may be referred if, after an internal review of reports filed by the committee, the Commission determines the reports do not meet the threshold requirements for substantial compliance with the FECA. 2 U.S.C. § 437(g).

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Respondents acknowledge that a new business manager noted inconsistencies in reporting approximately 4 years ago. They contend they then hired an accounting firm to complete an internal audit, and made significant changes in financial procedures. Respondents contend that they filed amended reports to correct the record.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of the North Dakota Republican Party and Shane Goettle, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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