



Federal Election Commission
Washington, DC 20463

December 17, 2014

Cleta Mitchell, Esq.
Foley & Lardner LLP
3000 K Street NW, Suite 600
Washington, DC 20007

Re: ADR 672 (RR 13L-39)
Friends of Christine O'Donnell and Matthew Moran, Treasurer

Dear Ms. Mitchell:

Enclosed is the signed copy of the agreement resolving the referral initiated on **December 9, 2013** by the Federal Election Commission ("FEC/Commission") involving Friends of Christine O'Donnell and Matthew Moran, Treasurer ("Respondents or the Committee"). The agreement for ADR 672 (RR 13L-39) was approved by the Commission on **December 15, 2014** – 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 certifying Respondent's compliance with paragraph 6 as stated in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied the term in paragraph 6, and contain the ADR caption and case number.

This settlement only resolves the issues alleged in paragraph 3 of the agreement, as noted in paragraph 11. As stated in paragraph 6 of the settlement, the Committee must continue reporting, and will not be able to terminate its reporting obligations under the FECA, until such time as any and all enforcement matters are resolved.

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 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. 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 and certification of the vote



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 672
Source: RR 13L-39
Case Name: Friends of Christine O'Donnell

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 Cleta Mitchell, Esq., representing the Friends of Christine O'Donnell and Matthew Moran, 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:

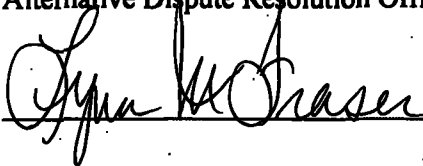
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 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 2009 April Quarterly, 2010 April Quarterly, 2010 July Quarterly, 2010 October Quarterly, 2010 12 Day Pre-General, and 2010 30 Day Post-General Reports. On April 15, 2011, the Committee filed Amended 2009 April Quarterly, 2010 April Quarterly, 2010 July Quarterly, 2010 October Quarterly, 2010 12 Day Pre-General, and 2010 20 Day Post-General Reports disclosing additional receipts of \$87,584.09 and additional disbursements of \$330,965.93.
4. Treasurers of political committees are required to report all financial activity, including all receipts and disbursements, pursuant to the FECA. 2 U.S.C. §§ 434(b)(2) and (4), 11 C.F.R. §§ 104.3(a) and (b).
5. Respondents contend there were some reporting errors early in the 2010 election cycle due, in the most part, to vendor data omissions. Respondents further contend that as soon

as the Committee realized that a fundraising vendor was not providing adequate, correct or timely information, the Committee undertook an extensive internal audit and reconciliation. Following that process, Respondents filed amended reports to correct the record.

6. Respondents, in an effort resolve this matter, agree to certify the closure of the Committee's federal account and work with Commission staff to terminate their political committee status and reporting obligations with the Commission, and continue reporting until such time as the Commission notifies the Committee that its reporting obligations have ceased.
7. Respondents acknowledge that a civil penalty would be appropriate under the circumstances of this matter. The Respondents, however, indicate that financial hardship prevents them from paying any civil penalty, and have submitted extensive financial documentation in support of this claim. The Commission regards these submissions and representations as material representations. Due to the mitigating circumstances, which include Respondents' financial condition, the Commission agrees to depart from the civil penalty that the Commission would normally seek for the violations at issue, and the Commission agrees that no civil penalty will be due. If evidence is discovered indicating that Respondents' financial condition is not as stated, a civil penalty of up to \$6,500 shall be immediately due.
8. 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.
9. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
10. 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, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 672 (RR 13L-39), 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



12/15/2014
Date Signed

FOR THE RESPONDENTS:


Cleta Mitchell, Esq.
Representing the Friends of Christine O'Donnell
And Matthew Moran, Treasurer

07-16-2014
Date Signed

07-16-2014