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Federal Election Commission
Washington, DC 20463

MEMORANDUM

May 7, 2014

TO: The Commission

THROUGH: Alec Palmer *AP* *PCO*
Staff Director

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

Lynn M. Fraser *LMF*
Director, ADR Office

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

SUBJECT: ADR 673 Nolan for Congress Volunteer Committee and
James A. Dechaine, Treasurer, Recommendation to
Approve Settlement Agreement

RESOLUTION TERMS: Retain an outside consultant to review its compliance
procedures and conduct training with Committee staff
responsible for the Committee's finances; perform a
financial reconciliation for reports filed in calendar year
2014; and pay a civil penalty of \$5,250.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 673 (RAD 13L-52). The ADR Office received this referral on December 20, 2013.

SUMMARY: The Reports Analysis Division referred Respondents for failing to
disclose all financial activity on the 2012 October Quarterly Report. On October
15, 2012, the Committee filed the original 2012 October Quarterly Report. On

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April 26, 2013, the Committee filed an Amended 2012 October Quarterly Report disclosing \$230,423.83 in disbursements not included on the original report.¹

In a Miscellaneous Electronic Submission (Form 99) filed on June 21, 2013, the Committee states that it retained a new compliance vendor who undertook a complete review of its 2011 and 2012 reports and filed an omnibus set of amendments (including this amendment) to correct the public record. Respondents contend this review was completed prior to the Reports Analysis Division's referral of this matter and the corrected reports were prepared and filed at Respondents' own initiative and expense.

Early in the campaign, reports were filed by staff and volunteers inexperienced in federal campaign finance reporting. As the campaign grew after the primary election, the Committee asserts there was a transition of financial staff which led to reporting errors. The Committee contends it has since hired an experienced compliance vendor to file reports in order to ensure compliance with the FECA. The Committee states that \$189,593.77 of the disbursements originally omitted from the 2012 October Quarterly Report was for four large wire transfers for advertising. In response, the Committee contends it has changed procedures surrounding the processing of wire transfers, including performing additional reconciliations and switching accounts to a financial institution that reflects wire transfers in real-time on electronic banking statements.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Nolan for Congress Volunteer Committee and James A. Dechaine, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

¹ Please note, the Committee amended their 2012 October Quarterly Report on February 19, 2014. This amendment reflected no additional increase in disbursements.

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