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Federal Election Commission
Washington, DC 20463

MEMORANDUM

July 22, 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 706 North Dakota Republican Party and Shane Goettle, Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Have an independent vendor certify an annual reconciliation each year for three (3) calendar years by March 1 of the succeeding year; i.e., by March 1, 2015, March 1, 2016, and March 1, 2017; verify that the Committee designated a compliance specialist; and pay a civil penalty of \$16,500.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 706 (AR 14-01)**. The ADR Office received this referral on March 12, 2014.

SUMMARY: In this case, the Audit Division referred the North Dakota Republican Party and Shane Goettle, Treasurer (Respondents or the Committee) for a material misstatement of financial activity in 2009 and 2010. The Final Audit of the Committee's reports filed with the Commission and the Committee's bank records, approved February 3, 2014, revealed a \$657,482 misstatement of financial activity.

Respondents contend that they worked with the Audit Team to file amended reports throughout the process. When the Committee realized there were significant errors or omissions in reports filed with the Commission they sent two

representatives to FEC conferences in 2012 and again in 2013 to increase knowledge of the requirements under the FECA. In response to the Draft Final Audit Report, the Committee filed additional amended reports that materially corrected 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.

11-11-14 10:00 AM