



Federal Election Commission
Washington, DC 20463

March 16, 2015

Robert K. Kelner
Covington & Burling LLP
1201 Pennsylvania Avenue
Washington, DC 20004-2401

Re: ADR 739 (RR 13L-33)
Lynn Jenkins for Congress and Heather Grote, Treasurer

Dear Mr. Kelner:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on October 20, 2014, by the Federal Election Commission ("FEC/Commission") involving the above-shown Respondents. The Negotiated Settlement was approved by the Commission on March 12, 2015—the effective date of the agreement.

As you are aware, the Negotiated Settlement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our 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,

A handwritten signature in black ink, appearing to read "KRISTA J. ROCHE", is written over a printed name.

Krista J. Roche
Assistant Director
Alternative Dispute Resolution Office

Enc: Negotiated Settlement

14-00000-0000-0000



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 739

Source: RR 13L-33

Case Name: Lynn Jenkins for Congress

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 Robert K. Kelner, Esq., representing Lynn Jenkins for Congress and Heather Grote, in her 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:

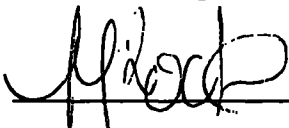
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 52 U.S.C. § 30109 (formerly 2 U.S.C. § 437g).
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred the Committee for failing to disclose all financial transactions in violation of the FECA. The Committee filed a Miscellaneous Electronic Submission ("Form 99") on January 31, 2013 to disclose unauthorized disbursements totaling \$21,300 and the refund of the unauthorized disbursements totaling \$21,308.92.
4. Treasurers of political committees are required to report all financial activity, including all receipts and disbursements, pursuant to the FECA. 52 U.S.C. §§ 30104(b)(2) and (4) (formerly 2 U.S.C. §§ 434(b)(2) and (4)), 11 C.F.R. §§ 104.3(a) and (b).
5. In the Form 99, Respondents contend that after transitioning to a new treasurer, the Committee became aware that the former treasurer was under investigation for possible misappropriation and immediately authorized an independent vendor to perform an audit. The audit uncovered three unauthorized disbursements totaling

\$21,300 and the subsequent reimbursement in full of those funds making the campaign whole.

6. Respondents, in an effort to avoid similar errors in the future, agree to: develop and certify implementation of internal controls consistent with those described in the Commission's Internal Controls and Political Committees advisory document (2007) and the Best Practices for Committee Management (published in the April 2009 Record, available at www.fec.gov/pages/brochures/bestpractices.shtml) within thirty (30) days of the effective date of this agreement.
7. 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.
8. 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.
9. 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.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 739 (RR 13L-33), 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.

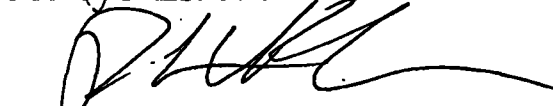
FOR THE COMMISSION:

Krista J. Roche, Assistant Director
Alternative Dispute Resolution Office



3/12/15
Date Signed

FOR THE RESPONDENTS:



Robert K. Kelner, Esq.
Representing Lynn Jenkins for Congress and
Heather Grote, Treasurer

2-25-15
Date Signed
