



Federal Election Commission  
Washington, DC 20463

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**SENSITIVE**

MEMORANDUM

March 17, 2015

TO: The Commission

THROUGH: Alec Palmer *AP*  
Staff Director

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

Lynn M. Fraser *LMF/RR*  
Director, ADR Office

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

SUBJECT: ADR 741 CE Action Committee and Rita Copeland,  
Treasurer, Recommendation to Approve Settlement  
Agreement

RESOLUTION TERMS: Terminate political committee status and reporting  
obligations and pay a civil penalty of \$2,853.64

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 741 (RR 14L-23). The ADR Office received this referral on October 30, 2014.

**SUMMARY:** The Reports Analysis Division referred Respondents for failing to timely file four (4) 48-Hour Reports totaling \$62,865.81 to support fourteen (14) independent expenditures made in March and April 2013, which were disclosed on the Amended 2013 12 Day Pre-Special Report, received September 27, 2013. In addition, on June 19, 2013, the Committee amended its 2013 12 Day Pre-Special Report, originally filed on April 18, 2013, to disclose additional debts totaling \$124,842.93.

On September 27, 2013, the Committee filed a Miscellaneous Electronic Submission (Form 99) to explain the omissions. The Committee stated it had

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recently been formed at the time the original 2013 12 Day Pre-Special was filed. The Committee contended that it received invoices for debts and independent expenditures from its political consultants after the original report was filed. The Committee stated that after these errors and omissions, it adopted a better system for tracking work performed by consultants to facilitate timely reporting of accrued expenses and 48-Hour Reports. In response to the referral, the Committee further explained that it filed several independent expenditure reports prior to the election, thus alerting the public that it was actively spending in the election. The Committee contends that it voluntarily and promptly corrected the public record when it became aware of the existence of these debts and expenses from its vendors. The Committee also stated that it has brought in new personnel to assist with reporting and compliance. The Committee has not been involved in any other elections and now wishes to terminate operations.

**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of CE Action Committee and Rita Copeland, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.