

SUMMARY: In this case, the Reports Analysis Division referred Respondents for a failure to fully and accurately report all financial activity during the 2013-2014 election cycle. The Committee filed its 2014 Year End Report which included a partial repayment of funds totaling \$14,420 diverted from the Committee by an outside subvendor into a "ghost" account. The diversion of those funds resulted in the Committee filing incomplete disclosure reports with the FEC.

Respondents contend that the Committee maintained appropriate internal controls and safeguards ensuring its full compliance with Federal Election Commission reporting and record-keeping obligations. Despite these safeguards, however, an outside subvendor of the Committee diverted direct mail contributions directly from the mail into an unauthorized "ghost" account which the subvendor was neither authorized to open nor to operate. Respondents further contend that they were not aware, and had no reason to be aware, of this unauthorized account. The Committee agreed to file amended reports to disclose contributions and disbursements not previously provided by the subvendor.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of David Vitter for US Senate and William Vanderbrook, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.