

**REPORTS ANALYSIS DIVISION REFERRAL**  
**TO**  
**ALTERNATIVE DISPUTE RESOLUTION OFFICE**

**DATE: December 3, 2015**

**ANALYST: Don Michael**

**I. COMMITTEE:** Conservative Majority Fund  
C00524454  
Scott B. MacKenzie, Treasurer  
2776 S. Arlington Mill Dr. #806  
Arlington, VA 22206

**TYPE OF COMMITTEE:** Nonconnected

**II. REGISTRATION DATE:** July 9, 2012

**III. MULTICANDIDATE STATUS:** Non-Qualified

**IV. BACKGROUND:**

The Committee was sent five (5) Requests for Additional Information (RFAs) for reporting errors including mathematical discrepancies, failure to provide supporting schedules, and failure to properly itemize contributions from individuals.

**DATE:** December 3, 2015

**ANALYST:** Don Michael

**REPORTS ANALYSIS DIVISION AUDIT REFERRAL**  
**TO**  
**ALTERNATIVE DISPUTE RESOLUTION OFFICE**

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C00524454  
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2776 S. Arlington Mill Dr. #806  
Arlington, VA 22206
- TYPE OF COMMITTEE:** Nonconnected
- II. REGISTRATION:** July 9, 2012
- III. MULTICANDIDATE STATUS:** Non-Qualified
- IV. SUMMARY OF RFAI RESPONSES:** The Committee did not respond, responded inadequately or responded late to five (5) of five (5) RFAs sent in the 2013-2014 election cycle.

O-Index

11/18/2015 3:11 PM

O-Index (2015)

Treasurer Name: SCOTT B MACKENZIE      Cmte. ID: C00524454      Cmte. Name: CONSERVATIVE MAJORITY FUND  
 Address: 2776 S ARLINGTON MILL DR #806 ATTN: SCOTT B MACKENZIE, ARLINGTON, VA 22206  
 Cmte. Type: N (NON-QUALIFIED NON-PARTY)      Cmte. Designation: U (UNAUTHORIZED)      Filing Frequency: QUARTERLY FILER

Form Tp	Rpt Tp	Alt	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
MS-T			1/31/2015	2	15950577436				-	-	-	-	-	-	-
MS-T			7/27/2015	1	1595059484				-	-	-	-	-	-	-
F3XN	MY	N	7/27/2015	62	201507279000421635	1/1/2015	6/30/2015		\$40,199	\$165,059	\$154,748	\$50,510	-	\$800	\$800
Totals										\$165,059	\$154,748				

O-Index (2013-2014)

Treasurer Name: SCOTT B MACKENZIE      Cmte. ID: C00524454      Cmte. Name: CONSERVATIVE MAJORITY FUND  
 Address: 2776 S ARLINGTON MILL DR #806 ATTN: SCOTT B MACKENZIE, ARLINGTON, VA 22206  
 Cmte. Type: N (NON-QUALIFIED NON-PARTY)      Cmte. Designation: U (UNAUTHORIZED)      Filing Frequency: QUARTERLY FILER

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MS-T			4/8/2014	1	14960620418				-	-	-	-	-	-	-
RO2	MY	N	4/8/2014	1	14330009774	7/1/2013	12/31/2013		-	-	-	-	-	-	-
RO2	YE	N	4/8/2014	2	14330048171	7/1/2013	12/31/2013	4/6/2014	-	-	-	-	-	-	-
RO2	Q1	N	4/8/2014	3	14330022768	7/1/2013	12/31/2013		-	-	-	-	-	-	-
RO2	Q2	N	8/21/2014	4	14330059774	4/1/2014	6/30/2014	8/21/2014	-	-	-	-	-	-	-
RO2	Q3	N	8/21/2014	5	14330090281	4/1/2014	6/30/2014	8/21/2014	-	-	-	-	-	-	-
F3XN	MY	N	7/31/2013	248	13964483098	1/1/2013	6/30/2013		\$88,916	\$1,739,468	\$1,768,457	\$41,925	\$128,876	-	\$128,876
F3XN	MY	N	7/31/2013	248	13964483098	1/1/2013	6/30/2013		\$88,916	\$1,739,468	\$1,768,457	\$41,925	\$128,876	-	\$128,876
F3XN	YE	N	2/1/2014	724	14940324447	7/1/2013	12/31/2013		\$41,925	\$1,322,724	\$1,236,798	\$127,851	\$86,221	-	\$86,221
F3XN	YE	N	3/28/2015	1724	15970331974	7/1/2013	12/31/2013		\$41,925	\$1,322,724	\$1,236,798	\$127,851	\$86,221	-	\$86,221
F3XN	Q1	N	4/9/2014	88	14980620278	1/1/2014	3/31/2014		\$127,851	\$452,702	\$511,452	\$69,101	\$87,349	-	\$87,349
F3XN	Q2	N	7/15/2014	139	14941843179	4/1/2014	6/30/2014		\$69,101	\$432,884	\$482,498	\$38,498	\$87,349	-	\$87,349
F3XN	Q3	N	10/15/2014	191	14978389342	7/1/2014	9/30/2014		\$38,498	\$381,133	\$389,081	\$21,569	\$87,349	-	\$87,349
F3XN	Q4	N	10/23/2014	282	14952423168	10/1/2014	10/19/2014		\$21,569	\$170,896	\$159,388	\$83,098	\$87,349	-	\$87,349
F3XN	30G	N	12/2/2014	121	14952674858	10/16/2014	11/24/2014		\$83,096	\$166,233	\$215,650	\$33,678	\$14,985	\$0	\$14,985
F3XN	30G	N	11/19/2015	167	15960580490	11/25/2014	11/23/2014		\$33,678	\$156,566	\$150,045	\$40,199	\$0	\$0	\$0
Totals									\$4,622,618	\$4,651,334					

**Conservative Majority Fund (C00524454)**  
**ADRO Referral Response Guide**

**Mathematical Discrepancies**

Report	RFAL Due Date	Response Date(s)	Code	Reason for code
2013 YE	5/12/14	3/26/15	LIR	<p>Schedule B supporting Line 21(b) disclosed memo entries totaling \$45,000.00 that did not appear to correspond with any itemized transaction(s).</p> <p>The Committee filed an Amended 2013 YE on 3/26/15, which failed to resolve the issue.</p> <p>The Committee filed a Form 99 on 3/27/15, which failed to clarify the discrepancy.</p>
2014 Q1	6/16/14	1/31/15	LIR	<p>Schedule B supporting Line 21(b) disclosed memo entries totaling \$18,750.00 that did not appear to correspond with any itemized transaction(s).</p> <p>The Committee filed a Form 99 on 1/31/15, which failed to clarify the discrepancy.</p>

**Failure to Provide Supporting Schedules**

Report	RFAL Due Date	Response Date(s)	Code	Reason for code
2014 Q2	9/25/14	N/A	NR	<p>The Committee failed to timely file a required 48-Hour Report for \$12,687.61 in independent expenditures disclosed on Schedule E.</p> <p>To date, the Committee has not taken corrective action or provided further clarification.</p>
2014 Q3	5/26/15	N/A	NR	<p>Schedule E disclosed memo entries for two (2) independent expenditures totaling \$15,000.00, which were publicly disseminated prior to payment, but failed to disclose a debt on Schedule D.</p> <p>The Committee also failed to file a required 48-Hour Report for \$15,000.00 in independent expenditures disclosed on Schedule E.</p> <p>To date, the Committee has not taken corrective action or provided further clarification.</p>

# Failure to Properly Itemize Contributions from Individuals

Report	RFAI Due Date	Response Date(s)	Code	Reason for code
2013 MY	12/03/13	1/31/15	LAR	<p>Schedule A supporting Line 11(a)(i) failed to disclose adequate identification for 357 of 594, or 60.1%, of the contributions from individuals that require itemization.</p> <p>The Committee filed a FEC Form 99 on 1/31/15, which stated in part, "BEST EFFORTS</p> <p>Given that a large number of the contributions received are as a result of solicitations for our "small donor programs" and despite the fact that each appeal includes a clear and conspicuous request for the contributor information as well as occupation and employer; many of the donors do not provide that information on the initial request. The committee has established procedures whereby the following steps are taken to satisfy the "best efforts" requirements: (i) within thirty (30) days of the receipt of the contribution, a letter is sent, clearly asking for the missing information, without soliciting a contribution; (ii) we inform the contributor of the requirements of federal law for the reporting of such information; and (iii) we provide a pre-addressed return envelope, a fax number and an email address. Upon receipt of the information the committee will amend its reports to provide the new information.</p> <p>The Committee has amended its report to disclose Employer and Occupation information received through our "best efforts" mailings."</p> <p>The Committee filed an Amended 2013 MY on 3/29/15, which failed to provide further clarifying information.</p>
2014 Q2	9/25/14	1/31/15	LAR	<p>Schedule A supporting Line 11(a)(i) failed to disclose adequate identification for 162 of 288, or 56.3%, of the contributions from individuals that require itemization.</p> <p>The Committee filed a FEC Form 99 on 1/31/15, which stated in part, "BEST EFFORTS</p> <p>Given that a large number of the contributions received are as a result of solicitations for our "small donor programs" and despite the fact that each appeal includes a clear and conspicuous request for the contributor information as well as occupation and employer; many of the donors do not provide that information on the initial request. The committee has established procedures whereby the following steps are taken to satisfy the "best efforts" requirements: (i) within thirty (30) days of the receipt of the contribution, a letter is sent, clearly asking for the missing information, without soliciting a contribution; (ii) we inform the contributor of the requirements of federal law for the reporting of such information; and (iii) we provide a pre-addressed return envelope, a fax number and an email address. Upon receipt of the information the committee will amend its reports to provide the new information.</p> <p>The Committee has amended its report to disclose Employer and Occupation information received through our "best efforts" mailings."</p>