



Federal Election Commission
Washington, DC 20463

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SENSITIVE

MEMORANDUM

March 8, 2016

TO: The Commission *SWH*

THROUGH: Alec Palmer
Staff Director

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

Lynn M. Frase *LF*
Director, ADR Office

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

SUBJECT: ADR 797 Tarkanian for Congress and Richard M. Egan, Treasurer
Recommendation to Dismiss

The Office of General Counsel (OGC) referred MUR 6986, and the ADR Office designated the matter as ADR 797. The ADR Office recommends the Commission exercise prosecutorial discretion and dismiss the matter. *Heckler v. Chaney* 470 U.S. 821 (1985). We include a summary and discussion of the matter for your information.

Summary and Analysis of Case: On November 20, 2015, Michael Roberson filed a Complaint against Tarkanian for Congress and Richard M. Egan, Treasurer, (Respondents or the Committee) alleging that in the 2015 October Quarterly Report filed on October 10, 2015, the Committee (1) did not properly identify, report, or attribute contributions from spouses, partnerships, and limited liability companies to individual persons (Paragraphs 1-9 of the Complaint); (2) accepted and failed to return unlawful contributions (Paragraphs 10-16); (3) failed to properly document receipts from the candidate (Paragraph 17); and (4) failed to provide disbursement purposes in Schedule B (Paragraph 18).

The Committee has adequately addressed all contribution issues listed in Paragraphs 1-16 of the Complaint in an amended report filed December 18, 2015. With regard to the allegations in Paragraph 17 that the Committee did not properly disclose in-kind contributions from the candidate, the committee has since clarified in their Form 99, dated February 2, 2016, that the

candidate's out-of-pocket expenses will be reimbursed by the Committee; and provided information about the ultimate vendor for each case where the expenses to a vendor exceeded the \$200 itemization threshold. Finally, Paragraph 18 of the Complaint concerned missing disbursement purposes on Schedule B. Four (4) entries totaling \$127.18 are still missing purposes. However, due to the low dollar amount, the ADR Office recommends the Commission exercise its prosecutorial discretion and dismiss the matter.

RECOMMENDATION:

1. Dismiss ADR 797 (MUR 6986), and close the file.
2. Approve the appropriate letters.