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Federal Election Commission  
Washington, DC 20463

**SENSITIVE**

**MEMORANDUM**

June 16, 2016

TO: The Commission

THROUGH: Alec Palmer *WHP*  
Staff Director

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

Lynn M. Fraser *LMF*  
Director, ADR Office

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

SUBJECT: ADR 799 Utah State Democratic Committee and Peter Corroon, Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Circulate a written policy document regarding employee timekeeping log procedures to all employees; develop and implement new allocation procedures focusing on the requirements of 11 C.F.R. § 106.7 and circulate a written copy of those procedures; and pay a civil penalty of \$1,550.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 799 (AR 16-01)**. The ADR Office received this referral on March 31, 2016.

**SUMMARY:** On February 9, 2016, the Commission approved the Proposed Final Audit Report on the Utah State Democratic Party and Peter Corroon, Treasurer (Respondents or the Committee). In that report the Commission found that the Committee misstated its financial activity, which included receipts in the amount of \$92,203<sup>1</sup>. The Commission

<sup>1</sup>The Committee amended their reports after the audit notification letter was sent. These amendments resulted in a revised misstatement amount of \$89,290.

also found that the Committee failed to maintain monthly payroll logs to document the time employees spent on federal activity, totaling \$62,135.

Respondents acknowledge there were reporting challenges during the 2014 election cycle. The Committee contends that it has adopted new employee recordkeeping policies which require employees to sign timesheets tracking the time spent on federal activity.

**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of Utah State Democratic Committee and Peter Corroon, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.