



**Federal Election Commission
Washington, DC 20463**

February 9, 2017

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1-1000004127
David Frulla, Esq.
Kelley Drye & Warren LLP
3050 K Street NW
Washington, DC 20007

Re: ADR 808 (RR 15L-26)
Southwest Regional Council of Carpenters Legislative Improvement Cmte
United Brotherhood of Carpenters & Joiners of America and Randy Thornhill,
Treasurer

Dear Mr. Frulla:

Enclosed is the signed copy of the agreement resolving the referral initiated on July 21, 2016 by the Federal Election Commission (“FEC/Commission”) involving Southwest Regional Council of Carpenters Legislative Improvement Cmte United Brotherhood of Carpenters & Joiners of America and Randy Thornhill Treasurer (“Respondents”). The agreement for **ADR 808 (RR 15L-26)** was approved by the Commission on February 7, 2017 – the effective date of the agreement.

Note the specific time frames for compliance in **paragraph 6** of the agreement. Please forward to this office, a statement certifying Respondent’s compliance with the terms listed in the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 6, and contain the ADR caption and case number. The civil penalty payment should be sent to the attention of the Accounting/Finance Office of the FEC. The civil penalty under the agreement is due on or before May 7, 2017.¹ Please put the ADR case number on the civil penalty check as well, to ensure crediting to the correct case.

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by

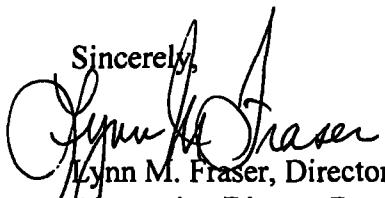
¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

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this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Lynn M. Fraser, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Gwen Holmes and Nida Awan, Finance and Accounting Office
Room 819



**Federal Election Commission
Washington, DC 20463**

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Case Number: ADR 808
Source: RR 15L-26
Case Name: Southwest Regional Council of Carpenters
Legislative Improvement Committee United
Brotherhood of Carpenters & Joiners of America

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with David Frulla, Esq., representing the Southwest Regional Council of Carpenters Legislative Improvement Committee United Brotherhood of Carpenters & Joiners of America and Randy Thornhill, Treasurer (Respondents or the Committee). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondent addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondent. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 52 U.S.C. § 30109.
2. Respondent voluntarily enters into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred Respondents for failing to disclose all financial activity on their 2014 August Monthly Report. Respondents filed their original 2014 August Monthly Report on August 20, 2014, followed by an Amended 2014 August Monthly Report on September 19, 2014. The amended report disclosed \$226,932.34 in additional receipts.
4. Treasurers of political committees are required to report all financial activity, including all receipts, pursuant to the FECA. 52 U.S.C. §§ 30104(a)(1), 30104(b)(2), 11 C.F.R. §§ 104.1, 104.3(a).
5. The Committee contends it was a single time staff-level decision to delay depositing a single, semi-annual member vacation pay deduction contribution transmittal check.

The Committee asserts that it alerted the Commission to the potential violation, took immediate and appropriate corrective action, and amended reports to correct the record. Respondents further contend that the unusual circumstances arose toward the end of an extensive, months-long review of potentially misallocated authorized contributions between two affiliated committees caused by an obscure accounting software error over a 20-year period.

6. Respondent, in an effort to avoid similar errors in the future, agrees to: (a) develop and certify implementation of a compliance operations manual which includes internal controls consistent with those described in the Commission's Internal Controls and Political Committees advisory document (2007) and the Best Practices for Committee Management (published in the April 2009 Record, available at www.fec.gov/pages/brochures/bestpractices.shtml), as well as a process to track receipt of, and response to, communications with the Commission within ninety (90) days of the effective date of this agreement; (b) certify that a representative of the Committee participated in an FEC conference, webinar, or other program developed in consultation with the FEC's Information Division within twelve (12) months of the effective date of this agreement; and (c) pay a civil penalty of \$2,500 within thirty (30) days of the effective date of this agreement.
7. Respondent agrees that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
8. The parties agree that if Respondent fails to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondent shall comply with the terms of this agreement as set out in paragraph 6 above, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 808 (RR 15L-26), and resolves those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:

Lynn M. Fraser, Director
Alternative Dispute Resolution Office


Lynn M. Fraser

2/7/17

Date Signed

FOR THE RESPONDENT:


David E. Frulla, Esq.

Representing Southwest Regional Council of
Carpenters Legislative Improvement Committee
United Brotherhood of Carpenters & Joiners
of America and Randy Thornhill, Treasurer

11/22/16

Date Signed