



**FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463**

2016 FEB -2 AM 11:52

SENSITIVE

MEMORANDUM

February 2, 2018

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

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

Krista J. Roche *KJR*
Director, ADR Office

SUBJECT: ADR 842 Arizona Republican Party and Bob Lettieri,
Treasurer, Recommendation to Approve Negotiated
Settlement

RESOLUTION TERMS: Amend relevant 2015-2016 reports to address any
inadequate responses and nonresponses to requests for
additional information from RAD; certify that two
representatives of the Committee participated in an FEC
conference, webinar, or other program developed in
consultation with the FEC's Information Division; and pay
a civil penalty of \$23,000.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 842 (RAD 17L-34). The ADR Office received this referral on September 15, 2017.

SUMMARY: RAD referred Arizona Republican Party and Bob Lettieri, Treasurer, (Respondents or the Committee) for a series of reporting errors and other FECA violations during the 2015-2016 election cycle. A political committee may be referred if, after an internal review of reports filed by the committee, the Commission determines the reports do not meet the threshold requirements for substantial compliance with the FECA. The Committee's reporting errors included, among other items: excessive, prohibited, and other impermissible contributions or transfers; mathematical discrepancies, failure to provide supporting schedules, failure to properly itemize disbursements, Federal Election Activity/Levin Funds, and allocated federal and non-federal activity.

**Recommendation to Approve
Settlement Agreement
ADR 842 (RAD 17L-34)**

Respondents contend that there were reporting challenges during the 2016 election cycle. Specifically, Respondents indicate that since these reporting errors occurred, committee leadership has changed. The Committee's new leadership contends they are committed to timely and accurate reporting under the FECA and have implemented new compliance procedures and obtained the advice of legal counsel familiar with campaign finance reporting.

RECOMMENDATIONS:

1. Approve the attached negotiated settlement of Arizona Republican Party and Bob Lettieri, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.