



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 29, 2018

Rebecca Gordon
607 14th Street, NW
Washington, DC 20005

Re: ADR 847
CVS Health PAC and Laura Hawxhurst, Treasurer

Dear Rebecca Gordon:

On February 9, 2017, your client filed a *sua sponte* submission with the Federal Election Commission ("FEC" or "Commission") acknowledging potential violations of the Federal Election Campaign Act of 1971, as amended.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and take no further action against the Respondents CVS Health PAC and Laura Hawxhurst, Treasurer. In its memorandum to the Commission, dated March 13, 2018, this office stated:

Summary and Analysis of Case: On February 9, 2017, CVS Health PAC and Laura Hawxhurst, Treasurer, (Respondents or the Committee) filed a *sua sponte* submission stating that its cash on hand was less than its bank account balance, as reported on its 2016 Year-End Report. In a supplementary filing on July 31, 2017, the Committee indicated its reported cash on hand was \$9,510.30 less than its bank balance.

The Committee indicates that the misstatement between the bank balance and its FEC reports was discovered when new staff began handling the Committee's reports. The Committee contends it devoted substantial resources to correcting this matter, including conducting a thorough review of records from 2013-2015, including a partial review for 2011-2012, conducted by Committee staff and outside compliance consultants. In response to the discovery of the error, Respondents retained additional outside counsel to assist with compliance, implemented new reconciliation procedures, implemented a process to handle stale-dated checks, provided training to employees responsible for PAC operations, and put in place procedures to better ensure the payroll department and PAC management communicate regarding refunds. In addition, Respondents ensured that new procedures meet the requirements of the Commission's Safe Harbor Policy¹.

¹ Policy Regarding Self-Reporting of Campaign Finance violations (Sua Sponte Submissions), 72 Fed. Reg. at 16,695-16,698 (Apr. 5, 2007).

Based on the remedial measures already undertaken by the Committee and the low dollar amount at issue, the ADR Office recommends the Commission exercise its prosecutorial discretion and dismiss the matter.

Accordingly, the Commission closed its file in this matter on March 22, 2018.

The FEC is obligated by federal regulations to make a finding to terminate its proceedings public, as well as the basis therefore. 11 C.F.R. § 111.20(b). In addition, the Commission will also place on the record copies of the complaint, correspondence exchanged between Respondent(s) and the Commission, and reports prepared for the Commission by this office to assist in its consideration of this matter. Accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

If you have any questions regarding this matter please be in touch. My telephone number is 202-694-1661.

Sincerely,

Krista J. Roche

Krista J. Roche, Director,
Alternative Dispute Resolution Office