



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

September 20, 2021

Alexander Rabb  
80 Eighth Avenue, 8<sup>th</sup> Floor  
New York, NY 10011

Re: ADR 945 (19-08R)  
WFP IE Committee and Mike Boland, Treasurer (C00626861)

Dear Mr. Rabb:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matter. The Negotiated Settlement was approved by the Commission on September 14, 2021 – the effective date of the agreement.

Note the specific time frames for compliance detailed in the agreement. Please forward to this office, a statement confirming Respondent's compliance with each term. The letter should note the dates on which Respondents satisfied each of the terms and contain the ADR case number. For your convenience, a compliance chart is attached.

Under the terms of the agreement, a civil penalty in the amount of \$12,000 is due on October 14, 2021. Kindly review the attached payment instructions for details on payment methods and the collection of unpaid debts.

As you are aware, the Negotiated Settlement 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 negotiations, and reports prepared for the Commission by 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 Records Office.

This agreement resolves this matter. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Krista J. Roche  
Director  
Alternative Dispute Resolution Office

Enc: Payment Instructions  
Compliance Chart  
Negotiated Settlement

## **ADRO Civil Penalty Payment Instructions**

You may remit payment by credit card, debit card, or ACH withdrawal from your bank account through Pay.gov, the federal government's secure portal for online collections. Visit [www.fec.gov/adrpayment](http://www.fec.gov/adrpayment) to be directed to Pay.gov's FEC ADR Payment form.

### **Unpaid Civil Penalties**

Unpaid civil money penalties will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996 ("DCIA"), 31 U.S.C. § 3701 et seq. If you do not pay this debt within 30 days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within 5 days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 30% of the civil money penalty amount for its collection services. If the age of the debt is greater than or equal to two years old, Treasury will charge a fee of 32% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

**ADR 945 Compliance Chart**

Type	Date Due
Develop RFAI tracking & response procedures	Thu 10/14/2021
Develop a FEC Compliance Manual	Sat 11/13/2021
Attend FEC seminar	Sat 11/13/2021
Conduct & certify internal audit/reconciliation	Wed 9/14/2022
Conduct & certify internal audit/reconciliation	Thu 9/14/2023



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Case Number: ADR 945

Source: AR 19-08R

Case Name: WFP IE Committee

## 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 Alexander Rabb, Esq., representing WFP IE Committee<sup>1</sup> and Mike Boland, in the official capacity of Treasurer (the Committee or Respondents). 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 Respondents 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 Respondents. 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. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division referred and the Audit Division transferred Respondents for a series of reporting errors and other FECA violations during the 2017-2018 election cycle. The Committee's errors included, among other items: mathematical discrepancies, the failure to provide supporting schedules, the failure to properly itemize contributions from individuals, the failure to properly itemize contributions and transfers from political committees, the failure to properly itemize disbursements, and independent expenditure reporting problems. In addition, reports filed contained referable issues including cash-on-hand discrepancies totaling \$677,426.03, the failure to disclose receipts on the 2018 October Quarterly Report totaling \$163,913.80, the failure to properly report independent expenditures disseminated prior to payment totaling \$120,000, and the failure to file 48-Hour Reports for independent expenditures totaling \$50,000.
4. a. 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. 52 U.S.C. § 30109.

<sup>1</sup> On February 27, 2020, the Committee filed an amended Form 1 changing its name to WFP IE Committee. At the time of the referral, the Committee was known as Working Families Party Independent Expenditure Committee.

- b. Each report filed must disclose the amount of cash on hand at the beginning of the reporting period, as well as at the close of the reporting period. 52 U.S.C. §§ 30104(b)(1), 30104(b)(8), 11 C.F.R. §§ 104.3(a)(1), 104.3(b)(1), 104.3(d).
- c. Treasurers of political committees are required to report all financial activity, including all receipts and debts, pursuant to the FECA. 52 U.S.C. §§ 30104(a)(1), 30104(b)(2) and (8), 11 C.F.R. §§ 104.1, 104.3(a) and (d).
- e. Every political committee that makes independent expenditures must report all such independent expenditures on Schedule E in accordance with 11 CFR § 104.3(b)(3)(vii). 52 U.S.C. § 30104(b), 11 C.F.R. § 104.4(a).
- d. A person, including a political committee, that makes or contracts to make independent expenditures aggregating \$10,000 or more at any time up to and including the 20<sup>th</sup> day before the date of an election shall file a report describing the expenditures within 48 hours. 52 U.S.C. § 30104(g)(2), 11 C.F.R. § 104.4(b)(2).

5. Respondents contend that the Committee experienced reporting challenges during the 2017-2018 election cycle. Respondents indicate that they will attend training, develop a compliance manual, and perform internal audits and reconciliations in accordance with the terms of this agreement in order to enhance their compliance efforts.

6. Respondents, in an effort to avoid similar errors in the future, agree to:

- a. Complete compliance with the following outstanding terms of the Negotiated Settlement in ADR 820, as approved by the Commission on July 6, 2017, within sixty (60) days of the effective date of this agreement:
  - i. 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](http://www.fec.gov/pages/brochures/bestpractices.shtml));
  - ii. 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;
- b. Perform an annual internal audit and reconciliation for two years, providing certification of same on the anniversary of the effective date of this agreement each year;
- c. develop and certify implementation of a process to track receipt of, and response to, communications with the Commission within thirty (30) days of the effective date of this agreement; and
- d. Pay a civil penalty of \$12,000 within thirty (30) days of the effective date of this agreement.

7. Respondents agree 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 Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance. Unpaid civil money penalties are subject to the Debt Collection Act of 1982 as amended by the Debt Collection Improvement Act of 1996 (DCIA), 31 U.S.C. § 3701 et seq. The Commission will transfer debt to the United States Department of the Treasury (Treasury) for collection.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents 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 945 (AR 19-08R), 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:

Krista J. Roche, Director  
 Alternative Dispute Resolution Office



9/14/21

Date Signed

FOR THE RESPONDENTS:



Alexander Rabb  
 Representing WFP IE Committee  
 and Mike Boland, Treasurer

March 5, 2020

Date Signed