



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4168

DATE FILMED 10/5/98 CAMERA NO. 2

CAMERAMAN EE8

98043895477

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: April 2, 1998

ANALYST: Scott Francis

I. COMMITTEE: The Committee for Quality Orthopaedic Health Care Inc. (C00210542)
Charles M. Younger, MD, Treasurer
317 Massachusetts Avenue NE #100
Washington, DC 20002

II. RELEVANT STATUTE: 2 U.S.C. §434(a)(4)(B)
11 CFR §104.5(c)(3)

III. BACKGROUND:

Failure to Timely File the 1997 March Monthly Report

The Committee for Quality Orthopaedic Health Care Inc. ("the Committee") failed to timely file the 1997 March Monthly Report. The Committee was notified of the filing date for the 1997 March Monthly Report in the Prior Notices mailed to the Committee on December 30, 1996 and February 14, 1997 (Attachment 2).

On April 15, 1997 a Non-Filer Notice was sent to the Committee via mailgram for failure to file the 1997 March Monthly Report (Attachment 3).

On May 9, 1997, the Reports Analysis Division ("RAD") analyst called to speak with the Assistant Treasurer, Nicholas Cavarocchi. A message was left for Mr. Cavarocchi stating that the March Monthly Report needed to be filed (Attachment 4).

The Committee filed the 1997 March Monthly Report on May 20, 1997 (Attachment 5).

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AL ELECTION COMMISSION
1987-1990

Attachment 1
Page 1 of 1

COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	8 OF PAGES	MICROFILM LOCATION TYPE OF FILER
COMMITTEE FOR QUALITY ORTHOPAEDIC HEALTH CARE INC				ID 8C00210542 NON-PARTY QUALIFIED		
SUPPORTED ORGANIZATION: NONE						
1997	FEBRUARY MONTHLY	8,267	9,883	1JAN97 - 31JAN97	9	97FEL/105/2851
	MARCH MONTHLY	19,986	6,435	1FEB97 - 28FEB97	10	97FEL/203/3076
	NOTICE OF FAILURE TO FILE			1FEB97 - 28FEB97	2	97FEL/197/0703
	APRIL MONTHLY	40,267	10,295	1MAR97 - 31MAR97	13	97FEL/203/3086
	NOTICE OF FAILURE TO FILE			1MAR97 - 31MAR97	2	97FEL/202/2378
	MAY MONTHLY	32,233	19,797	1APR97 - 30APR97	10	97FEL/203/3066
	JUNE MONTHLY	22,157	8,527	1MAY97 - 31MAY97	26	97FEL/213/0137
	NOTICE OF FAILURE TO FILE			1MAY97 - 31MAY97	2	97FEL/213/1789
	JULY MONTHLY	3,589	13,953	1JUN97 - 30JUN97	8	97FEL/214/3100
	AUGUST MONTHLY	156	7,527	1JUL97 - 31JUL97	6	97FEL/239/3077
	SEPTEMBER MONTHLY	150	2,879	1AUG97 - 31AUG97	6	97FEL/239/3793
	OCTOBER MONTHLY	138	16,673	1SEP97 - 30SEP97	7	97FEL/295/0790
	NOVEMBER MONTHLY	41,961	10,452	1OCT97 - 31OCT97	10	97FEL/299/1290
	DECEMBER MONTHLY	1,767	5,272	1NOV97 - 30NOV97	7	97FEL/256/1739
	YEAR-END	28,900	3,470	1DEC97 - 31DEC97	16	98FEL/260/1078
1998	FEBRUARY MONTHLY	2,098	5,512	1JAN98 - 31JAN98	7	98FEL/283/0196
	MARCH MONTHLY	167	8,115	1FEB98 - 28FEB98	6	98FEL/286/4916
	TOTAL	198,256	0 117,810 0		155	TOTAL PAGES

All Reports Have Been Reviewed.

Ending Cash-on-Hand Balance as of 2/28/98: \$117,886.99

Outstanding Debts Owed to the Committee as of 2/28/98: \$0.00

Outstanding Debts Owed by the Committee as of 2/28/98: \$0.00

YEAR-END REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS

December 30, 1996

QUARTERLY AND MONTHLY FILERS

REPORT	REPORTING PERIOD**	REG./CERT.	FILING
		MAILING DATE**	DATE
Year-End	11/26/96 - 12/31/96	01/31/97	01/31/97

WHO MUST FILE

All party committees and PACs (nonconnected committees and separate segregated funds) must file a Year-End Report.

LABEL

Committees should affix the peel-off label from the envelope to Line 1 of the report. Corrections should be made on the label.

COMPLIANCE

Treasurers of political committees are responsible for filing all reports on time. Failure to do so is subject to enforcement action. Committees filing illegible reports or using non-FEC forms (except for FEC approved computer generated forms) will be required to refile.

*These dates indicate the beginning and the end of the reporting period. A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered.

**Reports sent registered or certified mail must be postmarked by the mailing date; otherwise, they must be received by the filing date.

(over)

PARTIES AND PACS

YEAR-END

1997 REPORTING SCHEDULE
PARTIES AND PACS*

I. SEMIANNUAL FILERS**

REPORT	REPORTING PERIOD	REG./CERT. MAILING DATE***	FILING DATE
Mid-Year	01/01/97 - 06/30/97	07/31/97	07/31/97
Year-End	07/01/97 - 12/31/97	01/31/98	01/31/98

II. MONTHLY FILERS

REPORT	REPORTING PERIOD	REG./CERT. MAILING DATE***	FILING DATE
February	01/01/97 - 01/31/97	02/20/97	02/20/97
March	02/01/97 - 02/28/97	03/20/97	03/20/97
April	03/01/97 - 03/31/97	04/20/97	04/20/97
May	04/01/97 - 04/30/97	05/20/97	05/20/97
June	05/01/97 - 05/31/97	06/20/97	06/20/97
July	06/01/97 - 06/30/97	07/20/97	07/20/97
August	07/01/97 - 07/31/97	08/20/97	08/20/97
September	08/01/97 - 08/31/97	09/20/97	09/20/97
October	09/01/97 - 09/30/97	10/20/97	10/20/97
November	10/01/97 - 10/31/97	11/20/97	11/20/97
December	11/01/97 - 11/30/97	12/20/97	12/20/97
Year-End	12/01/97 - 12/31/97	01/31/98	01/31/98

*Committees that wish to change their filing status must notify the Commission in writing when they file their next report due under their current reporting schedule.

**Committees that filed quarterly reports in 1996 are only required to file semiannually in 1997.

***Reports sent registered or certified mail must be postmarked by the mailing date; otherwise, they must be received by the filing date.

FOR MORE INFORMATION CALL: 800/424-9530 OR 202/219-3420

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MONTHLY REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS

February 14, 1997

WHO MUST FILE

Party Committees and PACs (Nonconnected Committees and Separate Segregated Funds) filing on a monthly basis must file Monthly Reports in 1997.

REPORTING DATES

REPORT	REPORTING PERIOD*	REG./CERT.	FILING DATE
		MAILING DATE**	
February	01/01/97 - 01/31/97	02/20/97	02/20/97
March	02/01/97 - 02/28/97	03/20/97	03/20/97
April	03/01/97 - 03/31/97	04/20/97	04/20/97
May	04/01/97 - 04/30/97	05/20/97	05/20/97
June	05/01/97 - 05/31/97	06/20/97	06/20/97
July	06/01/97 - 06/30/97	07/20/97	07/20/97
August	07/01/97 - 07/31/97	08/20/97	08/20/97
September	08/01/97 - 08/31/97	09/20/97	09/20/97
October	09/01/97 - 09/30/97	10/20/97	10/20/97
November	10/01/97 - 10/31/97	11/20/97	11/20/97
December	11/01/97 - 11/30/97	12/20/97	12/20/97
Year-End	12/01/97 - 12/31/97	01/31/98	01/31/98

24 HOUR REPORT ON INDEPENDENT EXPENDITURES

Any PAC that makes independent expenditures in connection with a special election may have to file a 24 hour report. This reporting requirement will be triggered if the committee makes independent expenditures aggregating \$1,000 or more after the 20th day, but more than 24 hours, before the election.

*These dates indicate the beginning and the end of the reporting period. A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered.

** Reports sent by registered or certified mail must be postmarked by the mailing date; otherwise, they must be received by the filing date.

(over)

CHANGE IN FILING FREQUENCY

Committees wishing to change their reporting schedule (for example, from monthly to semiannual) must notify the Commission in writing when they file their next report due under their current reporting schedule. Committees may change their filing frequencies no more than once per calendar year.

LABEL

Committees should affix the peel-off label from the envelope to Line 1 of the report. Corrections should be made on the label.

ELECTRONIC FILING

As of January 1, 1997, political committees have the option of filing their reports electronically. If you are interested in this option, review the enclosed handout entitled "Electronic Filing Gets Underway at FEC," and call the Data Division at (800) 424-9530 or (202) 219-3730.

COMPLIANCE

Treasurers of political committees are responsible for filing all reports on time. Failure to do so is subject to enforcement action. Committees filing illegible reports or using non-FEC forms (except for FEC approved computer generated forms) will be required to refile.

APR 15 1997

UNION

CONFIRMATION OF MAILGRAM

ELECTRONIC MAIL SERVICES
TO: COMMITTEE FOR QUALITY ORTHOPAEDIC HEALTH
CHARLES M YOUNGER MD
317 MASSACHUSETTS AVE NE # 100
WASHINGTON DC 20002-5701

FEDERAL ELECTION COMMISSION
SHAWN WERTH
999 E ST. NW.
WASHINGTON DC 204630001

IDENTIFICATION NUMBER: C00210542

REFERENCE: MARCH MONTHLY 102/01/1997 - 02/28/1997

DEAR TREASURER:

IT HAS COME TO THE ATTENTION OF THE FEDERAL ELECTION COMMISSION THAT YOU MAY HAVE FAILED TO FILE THE ABOVE REFERENCED REPORT OF RECEIPTS AND EXPENDITURES AS REQUIRED BY THE FEDERAL ELECTION CAMPAIGN ACT, AS AMENDED. YOU WERE PREVIOUSLY NOTIFIED OF THE DUE DATE FOR THIS REPORT.

IT IS IMPORTANT THAT YOU FILE THIS REPORT IMMEDIATELY WITH THE FEDERAL ELECTION COMMISSION, 999 E STREET, N.W., WASHINGTON, D.C. 20463 (OR WITH THE SECRETARY OF THE SENATE). A COPY OF THE REPORT OR RELEVANT PORTIONS SHOULD ALSO BE FILED WITH THE SECRETARY OF STATE OR EQUIVALENT STATE OFFICER.

ALTHOUGH THE COMMISSION MAY INITIATE AN AUDIT OR LEGAL ENFORCEMENT ACTION CONCERNING THIS MATTER, YOUR PROMPT RESPONSE AND A LETTER OF EXPLANATION WILL BE TAKEN INTO CONSIDERATION.

IF YOU HAVE ANY QUESTIONS REGARDING THIS MATTER, PLEASE CONTACT JENNIFER K. WALL ON OUR TOLL FREE NUMBER (800)424-9330. OUR LOCAL NUMBER IS (202)219-3500.

SINCERELY,

JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

TELECON

ANALYST: Jennifer Wall

CONVERSATION WITH: Nicholas Cavarocchi, Assistant Treasurer

COMMITTEE: Committee For Orthopaedic Health Care Inc.

DATE: 5/9/97

SUBJECT: Left message stating that the March Monthly report needed to be filed.

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REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)Attachment 5
Page 1 of 1RECEIVED
FEDERAL ELECTION
COMMISSION MAIL ROOM

MAY 20 9 40 AM '97

USE FEC MAILING LABEL
OR
TYPE OR PRINT

1. NAME OF COMMITTEE (in full)

C00210542
CHARLES M YOUNGER MD
COMMITTEE FOR QUALITY ORTHOPAE
DIC HEALTH CARE INC
317 MASSACHUSETTS AVE NE #100
WASHINGTON DC 20002

red

2. FEC IDENTIFICATION NUMBER

C00210542

3. ☐ This committee has qualified as a multicandidate
committee. (see FEC FORM 1M)

4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report• ☐ July 15 Quarterly Report☐ October 15 Quarterly Report☐ January 31 Year End Report☐ July 31 Mid Year Report (Non-election Year Only)☐ Termination Report

Monthly Report Due On:

<input checked="" type="checkbox"/> February 20	<input type="checkbox"/> June 20	<input type="checkbox"/> October 20
<input checked="" type="checkbox"/> March 20	<input type="checkbox"/> July 20	<input type="checkbox"/> November 20
<input type="checkbox"/> April 20	<input type="checkbox"/> August 20	<input type="checkbox"/> December 20
<input type="checkbox"/> May 20	<input type="checkbox"/> September 20	<input type="checkbox"/> January 31

☐ Twelfth day report preceding _____
(Type of Election)

election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____
in the State of _____

(b) Is this Report an Amendment?

☐ YES☒ NO

SUMMARY

5. Covering Period 2-1-97 through 2-28-97COLUMN A
This PeriodCOLUMN B
Calendar Year-to-Date6. (a) Cash on Hand January 1, 1997

(b) Cash on Hand at Beginning of Reporting Period

(c) Total Receipts (from Line 18)

(d) Subtotal (add Lines 6(b) and 6(c) for Column A and
Lines 6(a) and 6(c) for Column B)

7. Total Disbursements (from Line 20)

8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))

9. Debts and Obligations Owed TO the Committee
(Itemize all on Schedule C and/or Schedule D)10. Debts and Obligations Owed BY the Committee
(Itemize all on Schedule C and/or Schedule D)I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct
and complete.

Type or Print Name of Treasurer

Nicholas G. Casarachi

Signature of Treasurer

Nicholas G. Casarachi

Date

3/20/97

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X

(revised 9/93)

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FEDERAL ELECTION COMMISSION

999 E Street, N.W.
Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
WASHINGTON, D.C. 20463

JUN 26 5 15 PM '98

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

RAD REFERRAL: #98NF-05
DATE ACTIVATED: 5/20/98

STAFF MEMBER: Tamara K. Kapper

SOURCE: INTERNALLY GENERATED

RESPONDENTS: The Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(B)

INTERNAL REPORTS CHECKED: Referral Material
Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Office of the General Counsel received a referral from the Reports Analysis Division ("RAD") on April 3, 1998. The basis of the referral is the failure of The Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer, ("Ortho Inc.") to file timely a 1997 March Monthly Report.

II. FACTUAL AND LEGAL ANALYSIS

Based on the Factual and Legal Analysis, see Attachment 1, this Office recommends the Commission find reason to believe Ortho Inc. violated 2 U.S.C. § 434(a)(4)(B).

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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IV. RECOMMENDATIONS

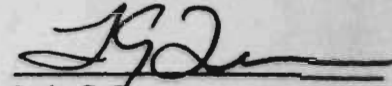
1. Open a MUR.
2. Find reason to believe The Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer, violated 2 U.S.C. § 434(a)(4)(B), and enter into conciliation prior to a finding of probable cause to believe.
3. Approve the attached Factual and Legal Analysis and conciliation agreement, and the appropriate letter.

Lawrence M. Noble
General Counsel

Date

6/25/98

BY:


Lois G. Lerner
Associate General Counsel

Attachments:

1. Factual and Legal Analysis
2. Proposed Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

The Committee for Quality Orthopaedic
Health Care Inc. and Dr. Alan Levine,
as treasurer.

)
)
)
)
)

MUR 4768
RAD Referrals
#98NF-05

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election
Commission, do hereby certify that on July 1, 1998, the
Commission decided by a vote of 5-0 to take the following
actions in RAD Referral #98NF-05:

1. Open a MUR.
2. Find reason to believe The Committee for
Quality Orthopaedic Health Care Inc. and Dr.
Alan Levine, as treasurer, violated 2 U.S.C.
§ 434(a)(4)(B), and enter into conciliation
prior to a finding of probable cause to
believe.
3. Approve the Factual and Legal Analysis and
conciliation agreement, and the appropriate
letter, as recommended in the General
Counsel's Report dated June 25, 1998.

Commissioners Aikens, Elliott, McDonald, McGarry, and
Thomas voted affirmatively for the decision.

Attest:

7-1-98
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Fri., June 26, 1998 9:19 a.m.
Circulated to the Commission: Fri., June 26, 1998 12:00 p.m.
Deadline for vote: Wed., July 01, 1998 4:00 p.m.

lrd

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1998

Dr. Alan Levine, Treasurer
Committee for Quality Orthopaedic
Health Care Inc.
317 Massachusetts Ave., NE, #100
Washington, DC 20002

RE: MUR 4768
Committee for Quality Orthopaedic
Health Care Inc. and Dr. Alan Levine, as
treasurer

Dear Dr. Levine:

On July 1, 1998, the Federal Election Commission found that there is reason to believe the Committee for Quality Orthopaedic Health Care Inc. ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(B), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

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Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Tamara K. Kapper, the staff member assigned to this matter, at (202) 694-1650.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures

1. Factual and Legal Analysis
2. Procedures
3. Designation of Counsel Form
4. Conciliation Agreement

9 8 0 4 3 8 9 5 4 9 1

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Committee for Quality MUR: 4768
 Orthopaedic Health Care Inc.
 and Dr. Alan Levine,
 as treasurer

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended, requires treasurers of political committees, other than authorized committees of a candidate, to file periodic reports of receipts and disbursements. 2 U.S.C. § 434(a)(1). Such committees may choose to file reports either on a monthly or quarterly basis. 2 U.S.C. § 434(a)(4). In any calendar year, all political committees that choose to file on a monthly basis shall file monthly reports which shall be filed no later than the 20th day after the last day of the calendar month. 2 U.S.C. § 434(a)(4)(B).

The Committee for Quality Orthopaedic Health Care Inc. ("Ortho Inc.") is a political committee not authorized by any candidate, which has elected to file disclosure reports on a monthly basis. Dr. Alan Levine is the treasurer of Ortho Inc.

Pursuant to 2 U.S.C. § 434(a)(4)(B), the due date for Ortho Inc.'s 1997 March Monthly Report was March 15, 1997. Respondents were notified on December 30, 1996, and on February 14, 1997, that the 1997 March Monthly Report was due on March 15, 1997. On

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April 15, 1997 Respondents were sent a mailgram non-filer notice instructing them to file the late report immediately, and informing them that the Commission might initiate an audit or legal enforcement action regarding the late report. On May 20, 1997, Ortho Inc. filed the 1997 March Monthly Report, 61 days late, disclosing receipts totaling \$14,486 and disbursements totaling \$6,435.

Based on the foregoing, there is reason to believe the Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer, violated 2 U.S.C. § 434(a)(4)(B).

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

THE ORTHOPAEDIC PAC

Committee for Quality Orthopaedic Health Care 1 PM '98

317 Massachusetts Avenue, N.E., Suite 100, Washington, D.C. 20002

Telephone: (202) 546-4732 • Fax: (202) 546-5051

Board of Directors

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Alan M. Levine, M.D.
Baltimore, Maryland
Secretary-Treasurer

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Jackson, Mississippi

Richard B. Welch, M.D.
San Francisco, California

Richard P. Whittaker, M.D.
Pottstown, Pennsylvania

Eugene C. Wittenstrom, M.D.
Geneva, Illinois

Charles M. Younger, M.D.
Midland, Texas

Nicholas G. Cavarocchi
Assistant Treasurer

July 30, 1998

Hand Delivered By Courier

Ms. Joan D. Aikens
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

ATTN: Tamara K. Kapper

RE: MUR 4768

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT
JUL 31 11 23 AM '98

Dear Ms. Aikens:

This is to acknowledge receipt of your July 9, 1998 letter on July 29, 1998. We regret to inform you that the original letter was never delivered to this office. We only became aware of the letter on July 29th when Ms. Kapper contacted us to follow up on our response. We immediately sent a messenger to pick up a copy of the letter.

We fully intend to cooperate with the FEC. We would, however, like an extension of time until August 15th in order to conduct a review of our operations to determine how we handled the processing of the March 1997 Monthly report.

We regret any inconvenience this may cause you and your staff.

We look forward to your response. In the interim, we will attempt to assemble our data for an appropriate response to your letter.

Sincerely,

Nicholas G. Cavarocchi
Assistant Treasurer

98043895494



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 3, 1998

Nicholas G. Cavarocchi, Assistant Treasurer
Committee for Quality Orthopaedic Health Care Inc.
317 Massachusetts Ave., N.E., Suite 100
Washington, D.C. 20002

RE: MUR 4768
Committee for Quality Orthopaedic
Health Care Inc. and Dr. Alan M.
Levine, as treasurer

Dear Mr. Cavarocchi:

This is in response to your letter dated July 30, 1998, which we received on July 31, 1998, requesting an extension until August 15, 1998 to respond to the Commission's reason to believe finding and offer to enter into preprobable cause conciliation. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on August 15, 1998.

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in dark ink, reading "Tamara K. Kapper", is written over the typed name.

Tamara K. Kapper
Paralegal Specialist

98043895495



RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

THE ORTHOPAEDIC PAC

Committee for Quality Orthopaedic Health Care

317 Massachusetts Avenue, N.E., Suite 100, Washington, D.C. 20002

Telephone: (202) 546-4732 • Fax: (202) 546-5051

August 5, 1998

MUR 4768

Board of Directors

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Alan M. Levine, M.D.
Baltimore, Maryland
Secretary-Treasurer

Sanford H. Anzel, M.D.
Orange, California

W. Dilworth Cannon, Jr. M.D.
San Francisco, California

Mrs. Beverly Clayburgh
Grand Forks, North Dakota

Paul C. Collins, M.D.
Boise, Idaho

Guy M. Esposito, M.D.
Somersworth, New Hampshire

Lynn C. Garner, M.D.
Panama City, Florida

Michael H. Gordon, M.D.
Bricktown, New Jersey

Ronald C. Hillegass, M.D.
Providence, Rhode Island

David R. Mauerhan, M.D.
Charlotte, North Carolina

Alan H. Morris, M.D.
St. Louis, Missouri

Tom Mullane
PM Medical, Inc.
Industry Representative

Andrew K. Palmer, M.D.
Syracuse, New York

Chitranjan S. Ranawat, M.D.
New York, New York

Bernard A. Rineberg, M.D.
New Brunswick, New Jersey

Scott B. Scutchfield, M.D.
Danville, Kentucky

William A. Sims, M.D.
Decatur, Alabama

Guy T. Vise, Jr., M.D.
Jackson, Mississippi

Richard B. Welch, M.D.
San Francisco, California

Richard P. Wittenhorst, M.D.
Pottstown, Pennsylvania

Eugene C. Wittenstrom, M.D.
Geneva, Illinois

Charles M. Younger, M.D.
Midland, Texas

Nicholas G. Cavarocchi
Annapolis, Maryland

Ms. Joan D. Aikens
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Madame Chairman:

We have received your letter, dated July 9, 1998, in which you claim that you did not receive our March 1997 monthly report in a timely matter in compliance with applicable law and regulations.

In your "Factual and Legal Analysis" which you mailed us, we are confused by the facts as you state them, and would very much like some clarifications, so that we may be in a better position to respond to the Federal Election Commission (FEC).

We are aware that monthly reports are to be filed no later than the 20th day after the last day of the calendar month. Yet, in your "Factual and Legal Analysis" you state that "the due date for Ortho Inc.'s 1997 March Monthly Report was March 15, 1997." You mentioned that we "were notified on December 30, 1996, and on February 14, 1997, that the 1997 March Monthly Report was due on March 15, 1997."

We have checked our records carefully, and have no record of the FEC notifications of December 30, 1996, or February 14, 1997. Could you please provide us with copies of these notifications? Also, we are confused as to why you state that the 1997 March Report was due on March 15, 1997. We believed that a monthly report should be filed on or before the 20th day of the month.

Moreover, you state that on April 15, 1997, we were sent a "mailgram non-filer notice: instructing us 'to file the late report immediately.'" Please be advised that since the time of its existence, the Committee for Quality Orthopaedic Health Care (the Orthopaedic PAC) has never received a non-filer notice from the FEC. Could you please provide us with a copy of this mailgram?

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

AUG 6 9 14 AM '98

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Ms. Joan D. Aikens
August 5, 1998
Page 2

Finally, you mention that on May 20th, the Orthopaedic PAC filed its 1997 March Monthly Report, disclosing receipts totaling \$14,486 and disbursements totaling \$6,435. We checked our records, and the 1997 March Monthly Report, which left our office on March 20, 1997, had total disbursements of \$6,420.61. Although, we do not believe that we filed an amended report, could you please provide us with a copy of the monthly report, which you received that gave a different disbursement amount?

We are at a complete loss to determine how the FEC has taken two months to process a monthly report, which we believed was filed in a timely matter. As you know, the FEC previously contacted us with regard to late filings, and we immediately corrected our procedures to document our filings.

On July 3, 1997, the FEC notified the Orthopaedic PAC that it was not receiving our monthly reports in a timely matter in accordance with applicable law and regulations. (MUR 4654). This was the first and only time, we had received any notice that the Orthopaedic PAC was not in compliance with the law. In that notification, the FEC listed several reports which it claimed were not filed in a timely manner.

Prior to that date, the Orthopaedic PAC believed that in all previous filings, we were in compliance with the law, since the FEC monthly reports always left our office on or before the 20th of the month (except for pre- and post-election reports). However, since we had no records in our files to reflect timely filings, we were unable to dispute your allegations.

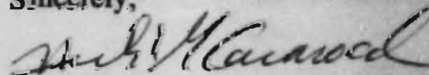
As a consequence of the July 1997 agreement with the FEC, we did change our filing procedures. Beginning with the report filed in August 1997, we hand-delivered all reports to the Federal Election Commission's Office by messenger. We now receive a signed acknowledgement from your staff, so that we would have undisputed documentation in our records that the FEC did indeed receive our filings in compliance with the law.

We have thoroughly corrected the problem the FEC identified in July 1997, and the Orthopaedic PAC continues to operate in "good faith" compliance with all applicable laws and regulations.

We look forward to your responses and clarifications, and we would be pleased to meet with FEC staff so that we can completely resolve any and all late filing allegations by the FEC on reports filed before July 1997.

Thank you for your consideration in this matter.

Sincerely,



Nicholas G. Cavarocchi
Assistant Treasurer

98043895497



THE ORTHOPAEDIC PAC

Committee for Quality Orthopaedic Health Care

317 Massachusetts Avenue, N.E., Suite 100, Washington, D.C. 20002

Telephone: (202) 546-4732 • Fax: (202) 546-5051

Board of Directors

Robert S. Adelaar, M.D.
Richmond, Virginia
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Pottstown, Pennsylvania

Eugene C. Wittenstrom, M.D.
Glenview, Illinois

Charles M. Younger, M.D.
Midland, Texas

Nicholas G. Cavarocchi
Assistant Treasurer

September 2, 1998

Note to Tamara K. Kapper

Tamara:

Attached is the agreed upon check in the amount of \$1,200.00 and the signed Revised Conciliation Agreement.

Nicholas G. Cavarocchi

NGC:cs

Attachments: Check #3320
Revised Conciliation Agreement

9 3 0 4 3 8 9 5 4 9 8

3320

COMMITTEE FOR QUALITY ORTHOPAEDIC HEALTH CARE

THE ORTHOPAEDIC PAC
317 MASSACHUSETTS AVE., NE., SUITE 100
WASHINGTON, D.C. 20002

DATE 9/1/98

15-31
540

PAY
TO THE
ORDER OF FEDERAL ELECTION COMMISSION

\$1,200.00***

TWELVE HUNDRED AND 00/100**

DOLLARS



RIGGS

Riggs Bank N.A.
Capital Hill Office
Washington, DC 20005-4592

FEC MUR 4768

FOR

⑈003320⑈ ⑆054000030⑆

08563203⑈

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 2, 1998

TWO WAY MEMORANDUM

TO: OGC Docket

FROM: Rosa E. Swinton
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from **Committee For Quality Orthopaedic Health Care**, check number **3320**, dated **September 1, 1998**, for the amount of , **\$1200.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton
Accounting Technician

FROM: OGC Docket

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 1200.00, the MUR/Case number is 4768 and in the name of Committee For Quality Orthopaedic Health Care. Place this deposit in the account indicated below:

- ☒ Budget Clearing Account (OGC), 95F3875.16
- ☐ Civil Penalties Account, 95-1099.160
- ☐ Other: _____

Rosa E. Swinton
Signature

9-3-98
Date

98043895500

SEP 7 10 11 AM '98

Sep 16 1 30 PM '98

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4768
Committee for Quality Orthopaedic)
Health Care Inc. and Dr. Alan Levine, as)
treasurer)

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On July 1, 1998, the Federal Election Commission ("the Commission") found reason to believe that the Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer ("Ortho Inc.") violated 2 U.S.C. § 434(a)(4)(B), a provision of the Federal Election Campaign Act of 1971, as amended. Specifically, Ortho Inc. failed to file timely their 1997 March Monthly Report. On August 5, 1998, Ortho Inc. submitted a written response to the Commission's reason to believe finding which included recent corrective measures undertaken by the committee. Attachment 1. On September 2, 1998, this Office received a signed counterproposal from Ortho Inc. along with a check in payment of the committee's proposed amount in resolution of this matter. Attachment 2.

II. DISCUSSION OF COUNTERPROPOSAL

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III. RECOMMENDATIONS

1. Accept the attached conciliation counterproposal by the Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer.
2. Close the file.
3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

9/16/98
Date

BY:

Lois G. Lerner
Lois G. Lerner
Associate General Counsel

Attachments

1. Response dated August 6, 1998
2. Signed Counterproposal and Photocopy of Civil Penalty Check, received September 2, 1998

Staff Assigned: Tamara K. Kapper

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Committee for Quality Orthopaedic) MUR 4768
Health Care Inc. and Dr. Alan Levine,)
as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 21, 1998, the Commission decided by a vote of 4-0 to take the following actions in MUR 4768:

1. Accept the conciliation counterproposal by the Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer, as recommended in the General Counsel's Report dated September 16, 1998.
2. Close the file.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated September 16, 1998.

Commissioners Elliott, Mason, Sandstrom, and Thomas voted affirmatively for the decision; Commissioners Aikens and McDonald did not cast votes.

Attest:

9-22-98
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Wed., Sept. 16, 1998 1:30 p.m.
Circulated to the Commission: Wed., Sept. 16, 1998 4:00 p.m.
Deadline for vote: Mon., Sept. 21, 1998 4:00 p.m.

lrd

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 25, 1998

Nicholas G. Cavarocchi, Assistant Treasurer
Committee for Quality Orthopaedic Health Care Inc.
317 Massachusetts Ave., N.E., Suite 100
Washington, D.C. 20002

RE: MUR 4768
Committee for Quality Orthopaedic
Health Care Inc. and Dr. Alan M.
Levine, as treasurer

Dear Mr. Cavarocchi:

On September 21, 1998, the Federal Election Commission accepted the signed conciliation agreement and civil penalty that you submitted on behalf of the Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan M. Levine, as treasurer, in settlement of a violation of 2 U.S.C. § 434(a)(4)(B), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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Mr. Cavarocchi
Page 2

Enclosed you will find a copy of the fully executed conciliation agreement for your files.
If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Tamara K. Kapper
Paralegal Specialist

Enclosure
Conciliation Agreement

98043895505

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4768
Committee for Quality Orthopaedic)
Health Care Inc. and Dr. Alan Levine,)
as treasurer)

SEP 2 3 01 PM '98

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FEDERAL ELECTION
COMMISSION
OFFICE OF SECRETARY

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that the Committee for Quality Orthopaedic Health Care Inc. and Dr. Alan Levine, as treasurer ("Respondents"), violated 2 U.S.C. § 434(a)(4)(B).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Committee for Quality Orthopaedic Health Care Inc. is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Dr. Alan Levine is the treasurer of the Committee for Quality Orthopaedic Health Care Inc.

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3. The Federal Election Campaign Act of 1971, as amended, ("the Act") requires treasurers of political committees other than authorized committee of a candidate to file periodic reports of receipts and disbursements. 2 U.S.C. § 434(a)(1).

4. In any calendar year, all political committees that choose to file on a monthly basis shall file monthly reports which shall be filed no later than the 20th day after the last day of the calendar month. 2 U.S.C. § 434(a)(4)(B).

5. Respondents' 1997 March Monthly Report was due on March 20, 1997. 2 U.S.C. § 434(a)(4)(B). Respondents filed their 1997 March Monthly Report on May 20, 1997, 61 days late, disclosing receipts totaling \$14,486 and disbursements totaling \$6,435.

V. Respondents failed to file timely their 1997 March Monthly Report in violation of 2 U.S.C. § 434(a)(4)(B).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of one thousand two hundred dollars (\$1,200), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:

L. G. Lerner
Lois G. Lerner
Associate General Counsel

9-24-98
Date

FOR THE RESPONDENTS:

N. G. Cavarocchi
(Name) Nicholas G. Cavarocchi
(Position) Assistant Treasurer

9-2-98
Date

9804389508



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4763

DATE FILMED 10/5/48 CAMERA NO. 2

CAMERAMAN EEF

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