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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Buchanan for President, Inc.,)
and Angela Buchanan, Treasurer)

MUR 5045

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 Buchanan for President, Inc., and Angela Buchanan, as Treasurer ("Respondents") violated 2 U.S.C. § 434(b)(8), and 2 U.S.C. § 434(b)(3)(A).

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 and violations of law in this matter are as follows:

1. Buchanan for President, Inc. ("Committee") is the authorized committee of Patrick J. Buchanan. The Committee and Patrick J. Buchanan received \$10,983,475 in public funds for the purpose of seeking the 1996 Republican Party nomination for President of the United States.

2. Angela Buchanan is the Treasurer of the Committee

3. Matching Funds, Inc. ("MFI") appears to be an unincorporated vendor with its principal place of business, in McLean, Virginia.

4. Scott B. Mackenzie is the President of MFI.

5. Commission regulations require a political committee to report the existence of a debt over \$500 to a vendor as of the date on which the debt or obligation is incurred. 11 C.F.R. § 104.11(b).

6. Political committees are required to disclose the identity of each person who contributes in excess of \$200 within the calendar year. 2 U.S.C. § 434(b)(3)(A). Specifically, committees shall report to the Commission the name, mailing address, occupation, and employer of the contributor. 2 U.S.C. § 431(13)(A). Also, the treasurer of a political committee is required to exercise his or her best efforts to obtain, maintain, and submit the required information, by making at least one attempt after the receipt of the contribution to obtain the missing information. 11 C.F.R. § 104.7(b)(2).

7. Respondents agreed, by contract dated June 3, 1995, that in exchange for MFI preparing and filing all submissions for matching funds, Respondents would pay a fee equal to 10% of the matching funds received divided by the net individual contributions. MFI was to submit invoices on a monthly basis beginning January 1, 1996 and continuing until the termination of the contract. The Committee was required, under the contract, to pay MFI from the matching funds generated or within 30 days, whichever was earlier.

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8. From August 1996 until April 1997, services were rendered; however, Respondents failed to pay MFI the full amount due. On its Second Quarter 1997 disclosure report, Respondents only reported an outstanding debt of \$10,826 although the correct indebtedness was \$193,835.

9. Respondents failed to obtain systematically missing contributor information, accounting for a total of \$2,422,604, for which contributors' occupations and names of employers were incomplete, resulting in an omission rate of 58%. Furthermore, the Committee did not file amended schedules when it did receive additional information.

V.1. Respondents failed to disclose the outstanding debt to Matching Funds, Inc. totaling \$183,009, in violation of 2 U.S.C. § 434(b)(8).

2. Respondents failed to collect and report contributors' occupations and names of employers, in violation of 2 U.S.C. § 434(b)(3)(A).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of \$35,000, 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.

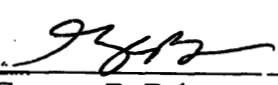
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IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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:

Lois G. Lerner
Acting General Counsel

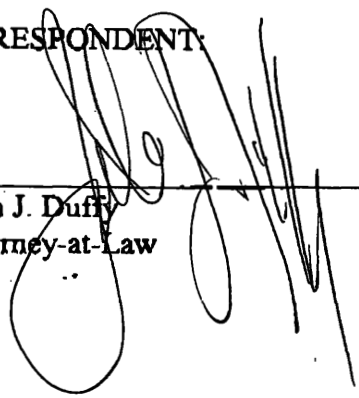
BY: 

Gregory R. Baker
Acting Associate General Counsel

3/30/01

Date

FOR THE RESPONDENT:



John J. Duffy
Attorney-at-Law

3/14/01

Date

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