



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jack Graham for U.S. Senate
Cheryl S. Klein, Treasurer
1873 S. Bellaire Street, Suite 908
Denver, CO 80222-4356

DEC 07 2018

RE: MUR 7398
Jack Graham for U.S. Senate

Dear Ms. Klein:

On November 26, 2018, the Federal Election Commission accepted the signed conciliation agreement and civil penalty you submitted in settlement of a violation of 52 U.S.C. § 30104(b), a provision of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 104.3(b). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See Disclosure of Certain Documents in Enforcement and Other Matters*, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1577.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicholas O. Mueller".

Nicholas O. Mueller
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Jack Graham for U.S.)
Senate and Cheryl S. Klein in her)
official capacity as treasurer)
) MUR 7398
)
)

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 Jack Graham for U.S. Senate and Cheryl S. Klein in her official capacity as treasurer ("Respondent" or "Committee") violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3(b).

NOW, THEREFORE, the Commission and the Respondent, 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 Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondent enters voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:

1. Jack Graham for U.S. Senate is the principal campaign committee for John Collins Graham, who was a candidate in the Republican Primary for the U.S. Senate seat from Colorado in the 2016 election.

2. Cheryl S. Klein is the treasurer of the Committee.

3. The Federal Election Campaign Act of 1971, as amended, requires committee treasurers to file reports of receipts and disbursements in accordance with the provisions of 52 U.S.C. § 30104. 52 U.S.C. § 30104(b); 11 C.F.R. § 104.3(b).

4. These reports must include, *inter alia*, the total amount of disbursements. See 52 U.S.C. § 30104(a)(1); 11 C.F.R. § 104.1(a).

5. On June 13, 2016, the Committee filed its original 2016 12-Day Pre-Primary Report covering the period from April 1, 2016, through June 8, 2016, which disclosed \$683,817 in disbursements.

6. On July 16, 2016, the Committee filed an Amended 2016 12-Day Pre-Primary Report that disclosed \$936,388 in disbursements, an increase of \$252,571 over the original amount reported.

7. Respondent contends the errors in the original report were caused by inadvertent mistakes in data entry and software issues in the accounting application used by the Committee, causing three entries not to be displayed in the original FEC Pre-Primary Report.

V. Respondent violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3(b) by failing to disclose a total of \$252,571 in disbursements on its original 2016 12-Day Pre-Primary Report.

VI. 1. Respondent will pay a civil penalty to the Commission in the amount of Six Thousand Dollars (\$6,000) pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from violating 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3(b).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(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. Respondent 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.

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

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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:

Lisa J. Stevenson
Acting General Counsel

BY: Kathleen M. Guith
Kathleen M. Guith
Associate General Counsel
for Enforcement

12-6-18
Date

FOR THE RESPONDENT:

Cheryl S. Klein
Cheryl S. Klein
Treasurer

November 1, 2018
Date

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