



AGENDA DOCUMENT No. 10-39
APPROVED JULY 15, 2010

**MINUTES OF AN OPEN MEETING
OF THE
FEDERAL ELECTION COMMISSION
THURSDAY, JULY 1, 2010**

PRESENT:

Matthew S. Petersen, Chairman, presiding

Cynthia L. Bauerly, Vice Chair

Caroline C. Hunter, Commissioner

Donald F. McGahn II, Commissioner

Steven T. Walther, Commissioner

Ellen L. Weintraub, Commissioner

**Patricia Carmona, Deputy Staff Director/Chief
Compliance Officer, representing Alec Palmer,
Acting Staff Director**

Thomasenia P. Duncan, General Counsel

Darlene Harris, Deputy Secretary

Chairman Matthew S. Petersen called the Federal Election Commission to order in an open meeting at 3:16 P.M. on Thursday, July 1, 2010, with a quorum present.

I. CORRECTION AND APPROVAL OF MINUTES

**Minutes for June 10, 2010
Agenda Document No. 10-36**

Chairman Petersen recognized Vice Chair Bauerly, who

MOVED to approve the Minutes for the open meeting of Thursday, June 10, 2010, as set forth in Agenda Document No. 10-36.

The motion carried on a vote of 6-0 with Commissioners Bauerly, Hunter, McGahn, Petersen, Walther and Weintraub voting affirmatively.

II. DISCUSSION OF AUDIT POLICIES AND PROCEDURES

**(Held over from the meeting of May 27, 2010)
(Agenda Document No. 10-30 was superseded by
Agenda Documents No. 10-30-A and No. 10-30-B)**

**FEC Directive on Processing Audit Reports
Agenda Document No. 10-30-A (Submitted late)**

**FEC Directive on Legal Guidance to the
Office of Compliance
Agenda Document No. 10-30-B (Submitted late)**

**Policy Statement Establishing a Pilot Program for
Requesting Consideration of Legal Questions by
the Commission
Agenda Document No. 10-30-C (Submitted late)**

Chairman Petersen recognized Vice Chair Bauerly, who

MOVED to suspend the rules on the timely submission of agenda documents in order to consider Agenda Documents No. 10-30-A, No. 10-30-B, and No. 10-30-C.

The motion carried on a vote of 6-0.

II. DISCUSSION OF AUDIT POLICIES AND PROCEDURES

(continued)

Chairman Petersen recognized Commissioner McGahn, who

MOVED to take the following actions, including a friendly amendment to the motion from Vice Chair Bauerly:

- 1. Adopt the FEC Directive on Processing Audit Reports, the FEC Directive on Legal Guidance to the Office of Compliance and the Policy Statement Establishing a Pilot Program for Requesting Consideration of Legal Questions by the Commission, as set forth in Agenda Documents No. 10-30-A, No. 10-30-B and No. 10-30-C, respectively.**
- 2. Authorize the Office of General Counsel to make any necessary technical and conforming amendments.**
- 3. Direct the Staff Director's Office to make any necessary technical and conforming amendments with respect to Commission Directives, including appropriate numbering, in accordance with existing directives.**

A discussion followed. The Chairman called for the vote and the motion carried on a vote of 6-0.

III. REPORT OF THE AUDIT DIVISION ON THE AFL-CIO COPE PCC

(Held over from the meeting of May 27, 2010)

Agenda Document No. 10-31

Chairman Petersen recognized Mr. Thomas Hintermister of the Audit Division who presented the subject document. A discussion followed.

Chairman Petersen recognized Commissioner Walther, who

MOVED to take the following actions:

**III. REPORT OF THE AUDIT DIVISION ON THE AFL-CIO COPE PCC
(continued)**

- 1. Include a finding in the Final Audit Report that AFL-CIO COPE PCC followed appropriate reporting practices with respect to transfers received from CWA COPE Political Contributions Committee (CWA-COPE) and American Federation of Teachers AFL-CIO Committee on Political Education (AFT AFL-CIO).**
- 2. Move the discussion of Finding 1. Misstatement of Financial Activity to an “Additional Issues” section in accordance with the FEC Directive on Processing Audit Reports adopted by the Commission on July 1, 2010.**

The motion carried on a vote of 6-0.

**IV. REPORT OF THE AUDIT DIVISION ON CWA-COPE
(Held over from the meeting of May 27, 2010)
Agenda Document No. 10-32**

Chairman Petersen recognized Mr. Thomas Hintermister of the Audit Division who presented the subject document. A discussion followed.

Chairman Petersen recognized Commissioner McGahn, who

MOVED to include a finding in the Final Audit Report that CWA-COPE PCC followed appropriate reporting practices with respect to transfers made to AFL-CIO COPE PCC.

The motion carried on a vote of 6-0.

**V. REPORT OF THE AUDIT DIVISION ON THE TENNESSEE
REPUBLICAN PARTY FEDERAL ELECTION ACCOUNT**

Agenda Document No. 10-37

Chairman Petersen recognized Mr. Joseph Stoltz of the Audit
Division who presented the subject document. A discussion followed.

Chairman Petersen recognized Commissioner McGahn, who

MOVED to take the following actions:

**1. Adopt Finding 1. Misstatement of Financial Activity,
Finding 2. Contributions from Unregistered Political
Organizations and Finding 4. Disclosure of Expenditures
for Salary and Wages, as set forth in Agenda Document
No. 10-37.**

**2. Direct the Audit Division to redraft Finding 3. Apparent
Coordinated Party Expenditures, pursuant to the meeting
discussion, and move the discussion of that finding to an
“Additional Issues” section in accordance with the FEC
Directive on Processing Audit Reports adopted by the
Commission on July 1, 2010.**

**The motion carried on a vote of 5-0 with Commissioners Bauerly,
Hunter, McGahn II, Petersen and Weintraub voting affirmatively.**

**VI. REPORT OF THE AUDIT DIVISION ON THE WASHINGTON STATE
DEMOCRATIC CENTRAL COMMITTEE**

Agenda Document No. 10-38

Chairman Petersen recognized Mr. Thomas Hintermister of the Audit
Division who presented the subject document. A discussion followed.

Chairman Petersen recognized Commissioner Weintraub, who

MOVED to take the following actions:

**VI. REPORT OF THE AUDIT DIVISION ON THE WASHINGTON STATE
DEMOCRATIC CENTRAL COMMITTEE (continued)**

- 1. Approve Finding 1. Disclosure of Disbursements and Finding 3. Misstatement of Levin Financial Activity, as set forth in Agenda Document No. 10-38.**
- 2. Move the discussion of Finding 2. Excessive Contributions Made to Federal Candidates and Finding 4. Reporting of Apparent Independent Expenditures to an "Additional Issues" section in accordance with the FEC Directive on Processing Audit Reports adopted by the Commission on July 1, 2010.**

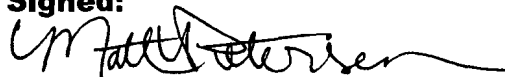
The motion carried on a vote of 5-0 with Commissioners Bauerly, Hunter, McGahn II, Petersen and Weintraub voting affirmatively.

VII. MANAGEMENT AND ADMINISTRATIVE MATTERS

Vice Chair Bauerly announced the departure of Ms. Dara Lindenbaum and thanked her for serving as an intern during the past six months.

There being no further business to come before the Commission, the meeting adjourned at 4:32 P.M.

Signed:



**Matthew S. Petersen
Chairman of the Commission**

Attest:



Shawn Woodhead Werth

Secretary and Clerk of the Commission



Darlene Harris

Deputy Secretary of the Commission
