



**AGENDA DOCUMENT No. 10-39**

**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(Agenda Document No. 10-30 was superseded by  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**