



AGENDA DOCUMENT NO. 12-76
APPROVED NOVEMBER 8, 2012

**MINUTES OF AN OPEN MEETING
OF THE
FEDERAL ELECTION COMMISSION
THURSDAY, OCTOBER 18, 2012**

PRESENT:

Caroline C. Hunter, Chair, presiding

Ellen L. Weintraub, Vice Chair

Cynthia L. Bauerly, Commissioner

Donald F. McGahn II, Commissioner

Matthew S. Petersen, Commissioner

Steven T. Walther, Commissioner

Alec Palmer, Staff Director

Anthony Herman, General Counsel

Shawn Woodhead Werth, Secretary and Clerk

Chair Caroline C. Hunter called the Federal Election Commission to order in an open meeting at 10:11 A.M. on Thursday, October 18, 2012 with a quorum present.

I. CORRECTION AND APPROVAL OF MINUTES

**Minutes for October 4, 2012
Agenda Document No. 12-73**

Chair Hunter recognized Vice Chair Weintraub who

MOVED to approve the minutes for the open meeting of October 4, 2012 as set forth in Agenda Document No. 12-73.

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

Chair Hunter recognized Vice Chair Weintraub who

MOVED to waive the rules on the timely submission of agenda documents so that the Commission may consider Agenda Document Nos. 12-72-A and 12-74.

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

**II. AUDIT DIVISION RECOMMENDATION MEMORANDUM ON
THE MINNESOTA DEMOCRATIC-FARMER-LABOR PARTY
(MNDFL) (A09-08)**

**Memorandum from the Audit Division dated
August 2, 2012**

Agenda Document No. 12-64

(Held over from the meeting of October 4, 2012)

Chair Hunter recognized Mr. Gary Hache of the Audit Division who presented the two findings in the Draft Final Audit Report: 1) misstatement of financial activity; and 2) overfunding of federal accounts by non-federal accounts.

Chair Hunter recognized Commissioner Walther who

**MOVED to approve the Audit Division
Recommendation Memorandum on the Minnesota
Democratic-Farmer-Labor Party (MNDFL).**

The motion failed by a vote of 3-3 with Commissioners Bauerly, Walther, and Weintraub voting affirmatively for the motion. Commissioners Hunter, McGahn, and Petersen dissented.

Chair Hunter recognized Commissioner Walther who

MOVED to approve Finding 1.

The motion failed by a vote of 3-3 with Commissioners Bauerly, Walther, and Weintraub voting affirmatively for the motion. Commissioners Hunter, McGahn, and Petersen dissented.

Chair Hunter recognized Commissioner Walther who

MOVED to approve Finding 2.

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

Mr. Alex Boniewicz of the Audit Division participated in the discussion that followed.

III. AUDIT DIVISION RECOMMENDATION MEMORANDUM ON RIGHTMARCH.COM PAC, INC. (A09-25)

**Memorandum from the Audit Division dated
August 2, 2012**

Agenda Document No. 12-65

(Held over from the meeting of October 4, 2012)

Following discussion, Chair Hunter recognized Commissioner Walther who

**MOVED to approve Findings 1, 2, and 3 in the
Audit Division Recommendation Memorandum
on Rightmarch.com PAC, Inc.**

The motion failed by a vote of 3-3 with Commissioners Bauerly, Walther, and Weintraub voting affirmatively for the motion. Commissioners Hunter, McGahn, and Petersen dissented.

Chair Hunter recognized Commissioner Walther who

MOVED to approve Finding 1.

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

Chair Hunter recognized Commissioner Walther who

MOVED to approve Finding 2.

Mr. Boniewicz of the Audit Division participated in the discussion that followed.

The motion failed by a vote of 3-3 with Commissioners Bauerly, Walther, and Weintraub voting affirmatively for the motion. Commissioners Hunter, McGahn, and Petersen dissented.

Chair Hunter recognized Commissioner McGahn who

MOVED to approve the part of Finding 2 that concludes that Rightmarch.com PAC, Inc. demonstrated that the terms of the contract are in the normal course of the vendor's business and the appropriate supporting language in the report that supports that conclusion in Finding 2.

Mr. Boniewicz and Ms. Rhonda Gillingwater of the Audit Division, and Mr. Lawrence Calvert of the General Counsel's Office participated in the discussion that followed.

**The meeting recessed at 10:55 A.M. and reconvened at 11:01 A.M.
with a quorum present.**

**Mr. Calvert of the General Counsel's Office participated in the
discussion that resumed.**

**Chair Hunter noted that this matter will be held over to the next
meeting when the Commission will resume consideration of the motion that
is on the table.**

**IV. AUDIT DIVISION RECOMMENDATION MEMORANDUM ON
FRIENDS OF SHARRON ANGLE (FOSA) (A11-09)**

This matter was approved prior to the meeting.

**V. PROPOSED FINAL AUDIT REPORT ON THE LOS ANGELES
COUNTY DEMOCRATIC CENTRAL COMMITTEE (A09-07)**

**Memorandum from the Audit Division dated
September 24, 2012**

Agenda Document No. 12-72

**Memorandum from the Audit Division dated
October 17, 2012**

**Agenda Document No. 12-72-A
(Submitted Late)**

Chair Hunter recognized Mr. Bill Antosz of the Audit Division who presented the two findings in the Proposed Final Audit Report:

1) misstatement of financial activity; and 2) misstatement of Levin financial activity.

Mr. Boniewicz of the Audit Division and Mr. Calvert of the General Counsel's Office participated in the discussion that followed.

Chair Hunter recognized Vice Chair Weintraub who

MOVED to approve Agenda Document No. 12-72-A, the Proposed Final Audit Report on the Los Angeles County Democratic Central Committee (A09-07), except that:

- 1. Insert the word "former" prior to the word "counsel" where it appears on pages 8, 9, 12, and 13.**
- 2. Replace the paragraph on page 2, which appears immediately above the heading "Audit Hearing" and begins with "LACDCC," with the following paragraph:**

LACDCC provided what documents and information it could obtain to support its belief that all the transactions underlying the findings in the report resulted from Ms. Durkee's unauthorized activity. Moreover, the kind of activities described in her plea agreement as outlined above could account for many of the problems identified during the audit and cited in this report.

- 3. Authorize the Office of General Counsel to make public the email and letter, discussed at today's meeting, received from the Committee's counsel.**

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

VI. NOTICE OF AVAILABILITY – PETITION FOR RULEMAKING ON ELECTIONEERING COMMUNICATIONS REPORTING FILED BY THE CENTER FOR INDIVIDUAL FREEDOM

**Memorandum from the Office of General Counsel dated
October 17, 2012**

**Agenda Document No. 12-74
(Submitted Late)**

Chair Hunter recognized Mr. Theodore Lutz of the General Counsel's Office who summarized the Notice of Availability for the Petition for Rulemaking. The Notice states that the petition is available to the public, the Commission seeks comments on the petition, and the comment period will remain open for 60 days.

General Counsel Anthony Herman participated in the discussion that followed.

Chair Hunter recognized Vice Chair Weintraub who

**MOVED to approve Agenda Document No. 12-74,
and direct the Office of General Counsel to publish
the Notice in the Federal Register and make any
technical and conforming amendments.**

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

VII. MANAGEMENT AND ADMINISTRATIVE MATTERS

**There being no further business to come before the Commission,
the meeting adjourned at 11:37 A.M.**

Signed:



Caroline C. Hunter

Chair of the Commission

Attest:



Shawn Woodhead Werth

Secretary and Clerk of the Commission