



Federal Election Commission
Washington, DC 20463

May 12, 2014

Charles R. Spies, Esq., Clark Hill, PLC
601 Pennsylvania Avenue, NW
North Building Suite 1000
Washington, DC 20004

Re: ADR 659
Ann Wagner for Congress and Richard Magee, Treasurer

Dear Mr. Spies:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on August 30, 2013 by the Federal Election Commission ("FEC/Commission") involving the above-shown Respondents. The Negotiated Settlement was approved by the Commission on May 6, 2014— the effective date of the agreement.

Note the specific time frames for compliance in Paragraph 6 of the agreement. **Please forward to this office, a statement confirming Respondent's compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed in Paragraph 6, and contain the ADR caption and case number. **The civil penalty payment should be sent to the attention of the Accounting/Finance Office of the FEC. The civil penalty under the agreement is due on or before June 5, 2014.¹ Please put the ADR case number on the civil penalty check as well, to ensure crediting to the correct case.**

As you are aware, the Negotiated Settlement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our negotiations, and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Krista J. Roche

Assistant Director

Alternative Dispute Resolution Office

Enc: Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office



Federal Election Commission
Washington, DC 20463

Case Number: ADR 659
Source: RAD 13L-38
Case Name: Ann Wagner for Congress

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with Charles R. Spies, Esq., representing Ann Wagner for Congress and Richard Magee, in his official capacity as Treasurer (the Committee or Respondents). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

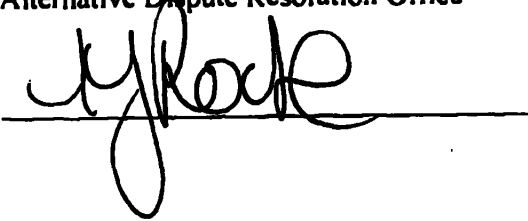
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division referred Respondents for failing to disclose all disbursements on their 2012 12 Day Pre-General Report originally filed on October 25, 2012. On February 18, 2013, the Committee filed an Amended 2012 12 Day Pre-General Report to disclose \$200,000 in additional disbursements, and on April 15, 2013 the Committee filed another Amended 2012 12 Day Pre-General Report to disclose \$1,000 in additional disbursements, a total increase of \$201,000 from the original report.
4. Treasurers of political committees are required to report all financial activity, including all disbursements, pursuant to the FECA, 2 U.S.C. § 434(b) (4), 11 C.F.R. § 104.3 (b).
5. The Committee asserted in a Form 99 Miscellaneous Text Submission dated May 10, 2013, that the Committee discovered the omission of this disbursement as a result of a voluntary, comprehensive internal audit "designed to ensure complete past and ongoing compliance with the requirements of the FEC and to self-report any

discrepancies." The Committee provides correspondence from the independent accounting group who performed the audit confirming that a complete audit for the 2012 election cycle was performed and necessary amendments to previously-filed reports have been made to ensure the Committee's reports are complete and accurate. The Committee contends that it took steps to immediately report the inadvertently omitted disbursement upon discovery. The Committee further contends that the transaction was reported by the recipient, the Missouri Republican Party, in a timely fashion.

6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) perform an annual internal audit and reconciliation, providing certification of that review on the first anniversary of the effective date of this agreement; (b) send a representative to an FEC seminar within twelve (12) months of the effective date of this agreement; and (c) pay a civil penalty of \$2,600 within thirty (30) days of the effective date of this agreement.
7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of this agreement as set out in paragraph 6 above, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 659 (RAD 13L-38), and resolves those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

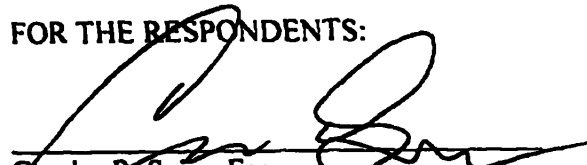
FOR THE COMMISSION:

Krista J. Roche, Assistant Director
Alternative Dispute Resolution Office



5/6/14
Date Signed

FOR THE RESPONDENTS:


Charles R. Spies, Esq.
Representing Ann Wagner for Congress and
Richard Magee, Treasurer

3/25/14
Date Signed