



Federal Election Commission
Washington, DC 20463

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SENSITIVE

MEMORANDUM

April 3, 2014

TO: The Commission

THROUGH: Alec Palner *AP*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 696 The Tea Party Leadership Fund and Dan Backer,
Treasurer, Recommendation to Approve Settlement
Agreement

RESOLUTION TERMS: Develop and certify implementation of a compliance
operations manual which includes internal controls
consistent with the Commission's Best Practices for
Committee Management (2009 update) and a process to
track receipt of, and response to, communications with the
Commission; certify that a representative of the Committee
participated in an FEC conference; and pay a civil penalty
of \$3,500.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 696 (RAD 13L-58). The ADR Office received this referral on January 23, 2014.

SUMMARY: In this case, RAD referred The Tea Party Leadership Fund and Dan
Backer, Treasurer (Respondents or the Committee) for failing to disclose all financial
transactions on their 2012 12 Day Pre-General Report. Respondents filed the original
2012 12 Day Pre-General Report on October 24, 2012. The Committee filed an
Amended 2012 12 Day Pre-General Report on December 6, 2012 resulting in a
disclosure of additional receipts totaling \$124,571.52.

Recommendation to Approve
Settlement Agreement
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Respondents acknowledge that due to the wrong data set being uploaded into the original 2012 12 Day Pre-General Report, there were omitted receipts. Respondents contend that during a routine review of financial records and reports, the omission was discovered, and an amended report filed to correct the record.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of The Tea Party Leadership Fund and Dan Backer Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.