



FEDERAL ELECTION
COMMISSION
SECRETARIAT

2014 MAY 22 PM 2: 34

SENSITIVE

Federal Election Commission
Washington, DC 20463

MEMORANDUM

May 22, 2014

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

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

Lynn M. Fraser *LMF*
Director, ADR Office

BY: Krista J. Roche *KJR*
Assistant Director, ADR Office

SUBJECT: ADR 697 Caesars Entertainment Corporation PAC and
Lindsay J. Garcia, Treasurer, Recommendation to Approve
Settlement Agreement

RESOLUTION TERMS: Attend an FEC seminar and pay a civil penalty of \$3,950.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 697 (AD 12-01). The ADR Office received this referral on January 30, 2014.

SUMMARY: The Audit Division referred Respondents for the misstatement of financial activity and increased activity during calendar years 2011 and 2012 as detailed in Finding 1 of the Final Audit Report approved by the Commission on January 9, 2014. Specifically, the Committee understated \$22,265 in disbursements in 2012 and \$135,253 in receipts for 2011 and 2012.

In response to the interim audit, the Committee filed amended reports that materially corrected the misstatements. The Committee states that prior to notification of the audit, it became aware that the person in charge of filing reports was following an improper procedure. The Committee states that with the assistance of counsel it began to file amendments in order to correct the public record. After becoming aware of the Committee's reporting issues, Respondents

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state they self-initiated remedial measures including hiring a new treasurer, retaining new counsel to provide an additional review of reports prior to filing, formalizing operating procedures in a compliance manual, performing internal training, utilizing new filing software, appointing a team to provide monthly reviews of reports and internal records, and appointing a team to conduct quarterly internal audits.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Caesars Entertainment Corporation PAC and Lindsay J. Garcia, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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