



Federal Election Commission
Washington, DC 20463

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SENSITIVE

MEMORANDUM

November 18, 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 733 FaegreBD PAC and Frederick Garver, Treasurer,
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Develop and certify implementation of a compliance
operations manual; participate in an FEC seminar; and pay
a civil penalty of \$3,100.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 733 (RAD 14L-28). The ADR Office received this referral on August 19, 2014.

SUMMARY: The Reports Analysis Division referred FaegreBD PAC and Frederick Garver, Treasurer, (Respondents or the Committee) for failing to disclose all financial activity on the 2013 October Monthly Report, originally filed on October 18, 2013. On March 19, 2014, the Committee filed an Amended 2013 October Monthly Report disclosing additional receipts of \$125,000.

In a Miscellaneous Electronic Submission (Form 99) filed on May 27, 2014, the Respondents asserted that as a result of a recent merger of the Committee's supporting law firm, inexperienced staff handled the management of the accounting and FEC reporting. The Committee contended it discovered the

Recommendation to Approve
Settlement Agreement
ADR 733 (RAD 14L-28)
Page 1

omissions as a result of a routine year-end audit. The Committee contended that it has procedures requiring a monthly reconciliation of bank statements and accounting records, and is ensuring the training of redundant accounting and reporting personnel in these procedures. In addition, the Committee contended it will utilize new reporting software and will require all those involved with management and reporting responsibilities to attend FEC training.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of FaegreBD PAC and Frederick Garver, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.