



Federal Election Commission  
Washington, DC 20463

July 21, 2016

Scott B. MacKenzie, Treasurer  
Conservative Majority Fund  
2776 S. Arlington Mill Dr. #806  
Arlington, VA 22206

Re: ADR 787 (RAD 15L-44)  
Conservative Majority Fund and Scott B. MacKenzie, Treasurer

Dear Mr. MacKenzie:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on December 3, 2015, by the Federal Election Commission ("FEC/Commission") involving above-shown Respondents. The Negotiated Settlement was approved by the Commission on July 12, 2016 – the effective date of the agreement.

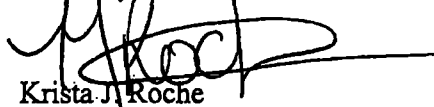
Note the specific time frames for compliance in Paragraph 6 of the agreement. **Please forward to this office, a statement confirming Respondent's compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed 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 August 11, 2016.<sup>1</sup> 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.

<sup>1</sup> 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 787  
Source: RAD 15L-44  
Case Name: Conservative Majority Fund

### 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 Scott Mackenzie representing the Conservative Majority Fund and Scott Mackenzie, 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 52 U.S.C. § 30109.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred the Respondents for the cumulative nature of deficiencies on reports filed with the Commission in the 2013-2014 election cycle which disclosed the Committee was not in substantial compliance with the FECA.
4. A political committee may be referred if, after an internal review of reports filed by the committee, the Commission determines the reports do not meet the threshold requirements for substantial compliance with the FECA. 52 U.S.C. § 30109.
5. Respondents contend there were reporting challenges during the 2014 election cycle. Respondents further contend that the Committee made significant procedural changes to ensure future compliance, including retaining additional personnel to assist in filing reports and responding to RFAI's.

6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) certify that a representative of the Committee participated in an FEC conference, webinar, or other program developed in consultation with the FEC's Information Division within twelve (12) months of the effective date of this agreement; (b) amend relevant 2013-2014 reports to address any inadequate responses to requests for additional information from RAD within thirty (30) days of the effective date of this agreement; and (c) pay a civil penalty of \$3,500 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 787 (RAD 15L-44), 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

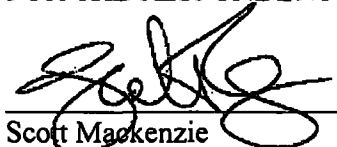


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7/12/16  
Date Signed

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FOR THE RESPONDENTS:



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Scott Mackenzie  
Representing Conservative Majority Fund and  
Scott Mackenzie, Treasurer

April 20, 2016  
Date Signed

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