April 2, 2018

Dan Backer
107 S. West Street, Suite 555
Alexandria, VA 22314

Re: ADR 849 & ADR 856
The Committee to Defend the President and Dan Backer, Treasurer

Dear Dan Backer:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matters. The Negotiated Settlement was approved by the Commission on 3/22/2018 – the effective date of the agreement.

Note the specific time frames for compliance detailed in the agreement. Please forward to this office, a statement confirming Respondent's compliance with each term. The letter should note the dates on which Respondents satisfied each of the terms and contain the ADR case number. For your convenience, a compliance chart is attached.

Under the terms of the agreement, a civil penalty in the amount of $3,700.00 is due on 4/20/2018. Kindly review the attached payment instructions for details on payment methods and the collection of unpaid debts.

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 Records Office.

This agreement resolves this matter. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.
Sincerely,

Krista J. Roche
Director
Alternative Dispute Resolution Office

Enc: Payment Instructions
Compliance Chart
Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office
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 Dan Backer, Esq., representing The Committee to Defend the President and
himself, 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

2. Respondents voluntarily enter into this agreement with the Commission.

3. The Reports Analysis Division (RAD) referred and the Audit Division transferred
Respondents for a series of reporting errors and other FECA violations during the 2015-
2016 election cycle. The Committee’s reporting errors included, among other items:
mathematical discrepancies, failure to provide supporting schedules, failure to properly
itemize disbursements, and independent expenditure reporting problems. In addition, RAD
referred Respondents for failing to disclose all financial activity on the 2015 Year-End
Report, originally filed on February 1, 2016. On February 21, 2016, the Committee filed
an Amended 2015 Year-End Report disclosing additional disbursements of $163,732.16.

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. Treasurers of political
committees are required to report all financial activity, including all disbursements,
pursuant to the FECA. 52 U.S.C. §§ 30104(a)(1), 30104(b)(4), 11 C.F.R. §§ 104.1,
104.3(b)
5. Respondents contend that there were reporting challenges during the 2016 election cycle. Specifically, Respondents indicate that since these reporting errors occurred, the Committee disciplined personnel responsible for the errors and omissions, retained a new compliance firm, and implemented new procedures including performing more frequent reconciliations. With regard to the additional disbursements reported on the Amended 2015 Year-End Report, Respondents contend that the discrepancy on the 2015 Year-End Report was the result of underestimating amounts owed to vendors by $84,187.64, and other errors which it corrected.

6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) amend relevant 2015-2016 reports to address any inadequate responses and nonresponses to Requests for Additional Information from RAD within one hundred twenty (120) days of the effective date of this agreement; and (b) pay a civil penalty of $3,700 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 849 & 856 (RR 16L-17 & AD 17-25), 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, Director
Alternative Dispute Resolution Office

FOR THE RESPONDENTS:

Dan Backer, Esq.
Representing The Committee to Defend the President and Dan Backer, Treasurer

3/12/2018
Date Signed