



FEDERAL ELECTION COMMISSION
STRATEGIC PLAN
FY 2008 – 2013

PURSUANT TO GPRA AND OMB A-11

A Message from the Chairman

Leading and managing change has never been more important than it is today at the Federal Election Commission (FEC). The record-breaking campaign spending, extensive legislative activity and significant judicial decisions of the last several years have made this among the most dynamic periods in the history of electoral politics in America. In order to meet the challenges arising in this environment, the FEC must have a clear vision of its goals and objectives and a solid plan for achieving them.

This strategic plan represents a year-long effort and provides the framework for the FEC's use of resources to administer and enforce the federal campaign finance laws. A significant departure from prior efforts, this plan includes initial performance measures and an enhanced emphasis on results. We continue to build on the foundation developed in previous years by setting a higher bar for performance and by recognizing the importance of initiatives that support our goals and objectives.

In developing this strategic plan, our primary focus has been on the FEC mission – to prevent corruption or the appearance of corruption in the federal campaign process by administering and enforcing federal campaign finance laws. As we implement this plan, accomplishing this important mission will be our guiding principle. We are grateful for the opportunity to serve the American people and for our role in building and maintaining public confidence in America's electoral process.

A handwritten signature in black ink that reads "David M. Mason". The signature is written in a cursive, flowing style.

David M. Mason
Chairman

A Message from the Staff Director and the General Counsel

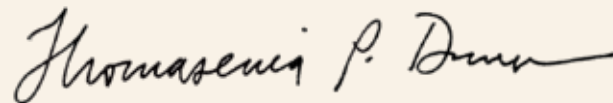
We are delighted to join the Chairman in presenting this Strategic Plan. The Plan is the result of a comprehensive analysis of the Commission's role in helping to prevent corruption in the federal campaign process. Congress has entrusted the agency with the responsibility to administer, enforce, and interpret the federal campaign finance statutes. The Strategic Plan explains how the agency will fulfill this important responsibility over the next several years, and how it will ensure that its efforts are effective and efficient.

The performance measures and outcomes contained in the Plan will serve as clear and meaningful benchmarks to assure Congress, the regulated community, the general public, and the agency's staff that the Commission is meeting its goals. We will undertake to foster a professional environment in which the agency's employees, at every level of the organization, are empowered to understand how their work helps achieve the Commission's mission. Through an emphasis on performance management, internal communication, constant improvement, and leading through example, we are certain that the Commission will fulfill its statutory role to preserve transparency and prevent corruption in federal elections.

This is a time when the Commission's work seems ever more crucial. The Strategic Plan will enable the agency to undertake that work in a way that maximizes resources and emphasizes results. We look forward to its successful implementation.



Patrina M. Clark
Staff Director



Thomasenia P. Duncan
General Counsel

Introduction

The Federal Election Commission's (FEC) Strategic Plan for Fiscal Years (FYs) 2008-2013 describes the FEC's plan for meeting its strategic goal and objectives. It also describes some of the challenges facing the FEC and discusses future trends that may affect the achievement of the agency goal.

The mission of the Federal Election Commission is to prevent corruption in the federal campaign process by administering, enforcing and formulating policy with respect to federal campaign finance statutes.

This mission is about nothing less than the health of American democracy. The *Federal Election Campaign Act* (FECA/the *Act*) reflects a belief that democracy works best when voters can make informed decisions in the political process, decisions based in part on knowing the sources of candidates' financial support – hence, the focus on transparency. Public confidence in the political process depends not only on laws and regulations to assure transparency and limits and prohibitions on the amounts and sources of contributions, but also on the knowledge that those who disregard campaign finance regulations will face

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real consequences for non-compliance – hence the focus on effective and fair enforcement to maintain the integrity of campaign financing.

Despite a vigorous enforcement program designed to ensure compliance with both the *Act's* contribution restrictions and disclosure provisions, voluntary compliance with the require-

ments of the *Act* remains a principal focus of the Commission's efforts. Because of the large and rising number of political committees and the ever-growing number and complexity of financial disclosure reports filed with the FEC, it would be cost-prohibitive to enforce the requirements of the *Act* without significant voluntary compliance. Accordingly, the Commission devotes significant resources to encouraging voluntary compliance through the widespread dissemination to the public, the press, political committees, and to State election officials of educational materials related to campaign finance laws.

Beyond contribution limits and prohibitions, the *Act* also requires accurate and comprehensive public disclosure by federal candidates and political committees of all contributions and expenditures. In any given election cycle, nearly 8,000 committees file between 85,000 and 90,000 statutorily required campaign finance reports, which contain between 2.5 and 3.0 million contributions. These contributions are, and have historically been, included in the Commission's disclosure database along with millions of other itemized disbursements, receipts and other payments that are now also entered into Commission databases. The Commission facilitates transparency in the federal campaign finance system through a state-of-the-art, web-based public disclosure system for all campaign finance activity, ensuring that this vast quantity of campaign finance data is available to the public quickly and in a manner that is easy for the general public, as well as the regulated community, to sort, search and comprehend.

Administering and enforcing the *FECA* includes facilitating public disclosure of campaign finance activity; providing information and policy guidance on the law and Commission regulations to the public, media, political committees and election officials; encouraging voluntary

compliance with all *FECA* requirements; and enforcing the statute through audits, investigations and civil litigation. The FEC also administers and enforces the *Presidential Election Campaign Fund Act* and the *Presidential Primary Matching Payment Account Act*, and thus implements the public funding programs for Presidential campaigns and conventions. In this capacity the FEC certifies and audits participating candidates and committees and enforces public funding legislation.

Development of this Strategic Plan

Representatives from throughout the agency reviewed the Commission's existing strategic plan and, drawing heavily from internal expertise, made several recommendations. The Office of Management and Budget's Circular A-11 and its supplements provided additional guidance.

Upon completion of the initial draft of this Strategic Plan, all agency staff had an opportunity to provide comment. Based on those comments a revised draft was prepared and circulated to the Staff Director, the General Counsel, the Chief Financial Officer and the Inspector General to ensure alignment throughout the agency. Following this procedure, this Strategic Plan was presented to the full Commission and was unanimously approved.

FEC's Strategic Framework

The FEC's strategic framework consists of a mission statement supported by a single, overarching strategic goal. The three Objectives and Strategic Activities reflect how the Commission will achieve its goal and provide an improved methodology for measuring the Commission's success in achieving this goal.

The following framework summarizes the Strategic Goal, Objectives and Strategic Activities that will guide the Commission in its performance:

FEC's FY 2008 – 2013 Strategic Framework

Strategic Goal: To protect the integrity of the Federal campaign process by providing transparency, enforcing contribution restrictions, and fairly administering the FECA and related statutes.

OBJECTIVE A: TRANSPARENCY – Receiving Accurate and Complete Campaign Finance Disclosure Reports and Making Them Available to the Public

Strategic Activity A1: Public Disclosure

- Creating and maintaining a state-of-the-art electronic filing system for collecting financial disclosure reports from federal candidates and political committees
- Making financial disclosure reports available to the public in a timely, efficient and useful manner

Strategic Activity A2: Assuring Accurate and Complete Reports

- Reviewing financial disclosure reports to ensure that the reports are accurate and complete
- Encouraging candidates and political committees to correct inaccurate or incomplete reports

OBJECTIVE B: COMPLIANCE – Education and Enforcement

Strategic Activity B1: Information and Outreach

- Expanding awareness of the campaign finance laws through creation and dissemination of educational materials, and instructional conferences and workshops

Strategic Activity B2: Communications and Media Relations

- Issuing press releases containing summaries of campaign finance data, along with highlights of data subsets as applicable
- Making findings in completed compliance matters available to the public in a timely and useful manner

Strategic Activity B3: Enforcement

- Responding to complaints alleging violations of the campaign finance laws
- Processing cases in a timely and efficient manner through each stage of the enforcement process
- Bringing federal court actions in appropriate cases to obtain civil penalties, injunctions, and other judicial relief
- Working with the Department of Justice regarding prosecution of criminal violations of the *Act*

Strategic Activity B4: Alternative Dispute Resolution

- Exploring methods for resolving cases that provide strategic settlement terms designed to increase future compliance

Strategic Activity B5: Administrative Fines

- Imposing civil penalties for late-filed and non-filed disclosure reports
- Continuing outreach efforts to respondents to ensure reports are filed timely

Strategic Activity B6: Audits

- Conducting audits in a timely and efficient manner

OBJECTIVE C: DEVELOPMENT OF THE LAW – Interpreting and Administering the Act

Strategic Activity C1: Rulemakings

- Initiating, conducting, and completing all rulemakings in accordance with all legal requirements

Strategic Activity C2: Advisory Opinions

- Issuing all advisory opinions in accordance with all legal requirements and established time limits

Strategic Activity C3: Litigation

- Defending challenges to the *Act*, Commission regulations or actions
- Meeting the time limits imposed by court rule or order, including the evolving court rules for electronic and paper filing, and maintaining appropriate systems to comply with those rules

Strategic Activity C4: Administering the Public Funding Program

- Processing all public funding payments in the correct amounts within established time frames

OBJECTIVE A: TRANSPARENCY— Receiving Accurate and Complete Campaign Finance Disclosure Reports and Making Them Available to the Public

Overview

One of the FEC's most important duties is to receive campaign finance reports and to make these reports available to the public quickly and in a format that is easy to access and understand. During the 2006 election cycle, the Commission received over 127,000 financial disclosure reports and statements, the equivalent of 3.9 million pages of financial data, disclosing approximately \$4.1 billion in spending related to Federal elections. This represents an increase in the number of report and statements of approximately five percent from the 2004 election cycle. The Commission anticipates that the 2008 election cycle will produce an even a greater increase, especially since there is no incumbent running for the Presidency. Along with this increase in the number of filings, the Commission has seen a dramatic increase in the complexity of these filings and the number of transactions reported, as each election cycle since 1990 has set a new record for total election fundraising and spending. In addition to receiving reports and making them available to the public, the Commission reviews all reports to ensure they comply with the law and to verify that the information is accurate and complete. This review ensures that the public is provided a full representation of all candidates' and committees' campaign finance activity. The Commission is committed to continuing to review reports in a timely manner even as the volume and complexity of reports filed continue to increase.

Strategic Activity A1: Public Disclosure

Providing a transparent system that timely and accurately discloses the sources and amounts of funds used to finance federal elections is one of the FEC's most significant responsibilities. The Commission relies heavily upon its information technology systems to make financial reports

filed by federal political committees easily and readily accessible to the general public, the media, academics and students.

Key Outcome

By successfully engaging in this Strategic Activity, the Commission enables the public to make educated, informed decisions in the political process based on federal candidates' sources and amounts of financial support.

Means and Strategies

- Creating and maintaining a state-of-the-art electronic filing system for collecting financial disclosure reports from federal candidates and political committees; and
- Making financial disclosure reports available to the public in a timely, efficient and useful manner

Strategic Activity A2: Assuring Accurate and Complete Reports

The Commission reviews reports for compliance with the campaign finance laws and to ensure that the information reported is both accurate and complete. The review process supports the Commission's efforts to provide the public with a complete picture of all federal campaign finance activity.

Key Outcome

By successfully engaging in this Strategic Activity, the Commission ensures that the public record of campaign disclosure reports accurately reflects the campaign finance activity of all candidates, committees and other persons engaging in activities covered by the campaign finance laws.

Means and Strategies

- Reviewing financial disclosure reports to ensure that the reports are accurate and complete
- Encouraging candidates and political committees to correct inaccurate or incomplete reports

PERFORMANCE MEASURES FOR OBJECTIVE A

- Process 95% of reports within 30 days of receipt as measured quarterly
- Meet the statutory requirement to make reports and statements filed on paper with the FEC available to the public within 48 hours of receipt 100% of the time

OBJECTIVE B: COMPLIANCE – EDUCATION AND ENFORCEMENT

Overview

The FEC has developed and implemented a number of programs intended to foster and maintain a high level of voluntary compliance within the regulated community. The agency strives to reduce the number of inadvertent violations by issuing clear guidance to the public and regulated community through information and outreach activities, such as the weekly update, “Tips for Treasurers,” and the Commission’s monthly newsletter, the *Record*. Communication and media relations activities allow for the publication of agency rules and other guidance, as well as enforcement actions, in the interest of deterring future violations.

In addition to its programs designed to encourage voluntary compliance, the FEC maintains a robust program to ensure that the campaign finance laws are rigorously, swiftly and fairly enforced. FEC’s Enforcement Program consists of three components: traditional enforcement. Administrative Fines, and Alternative Dispute Resolution. Each addresses a different segment of the agency’s enforcement actions and uses different mechanisms to resolve matters.

Strategic Activity B1: Information and Outreach

The Commission conducts educational conferences throughout the United States and offers seminars on the campaign finance laws at its headquarters in Washington, DC. The FEC proactively provides educational opportunities for interested individuals, political committees, state and local governments and foreign dignitaries and officials. The Commission also publishes a monthly newsletter, the *Record*, which is mailed to over 8,000 registered political committees and is available on the Commission’s website. The *Record* provides monthly updates to the regulated community and to the public.

Key Outcome

Effective outreach and information programs increase voluntary compliance by limiting violations caused by a lack of understanding of the law.

Means and Strategies

Expanding awareness of campaign finance laws through creation and dissemination of educational materials, and instructional conferences and workshops

Strategic Activity B2: Communication and Media Relations

Timely and informative communication and professional media relations support the FEC’s goal. By providing information on significant activities undertaken by the Commission, the agency assures the public that the *FECA* is fairly and swiftly enforced and provides guidance to the regulated community. As a repository for other FEC and campaign finance topics, the Press Office web pages serve as a convenient source for members of the media to obtain information on campaign finance matters.

Key Outcome

The news media can use FEC data to disclose campaign finance information more widely, thereby providing the electorate with additional information in their consideration of candidates for federal office. Media coverage of completed compliance matters also promotes public confidence in the FEC in its oversight function.

Means and Strategies

- Issuing press releases summarizing completed compliance matters;
- Issuing press releases containing summaries of campaign finance data, along with highlights of data subsets as applicable; and
- Making findings in completed compliance matters available to the public in a timely and useful manner.

Strategic Activity B3: Enforcement

Other than those matters addressed through the Alternative Dispute Resolution and Administrative Fine programs, all enforcement matters are handled by the Office of General Counsel pursuant to the procedures set forth in 2 U.S.C. §437g. Enforcement matters, referred to as Matters Under Review (“MUR”), are initiated through sworn complaints filed by individuals and entities; referrals from other agencies, both federal and state; self-reports from individuals and entities seeking to cooperate with the Commission; and internal referrals from other offices within the agency. The majority of cases (65 percent since 1995) are the result of complaints filed by persons outside of the agency. The Commission brings enforcement suits in U.S. District Courts when matters are not satisfactorily resolved through the administrative enforcement process; it also initiates legal actions to enforce administrative subpoenas during the investigative process.

A number of management and organizational changes have increased the quality and efficiency of the Commission’s enforcement work, and several policy initiatives have been implemented to facilitate the processing of MURs. The result is an expedited process, with meaningful fines proportionate to the violation, as well as other remedies.

Key Outcome

Effective and fair enforcement of campaign finance laws ensures the public’s trust in the nation’s political process.

Means and Strategies

- Responding to complaints alleging violations of the campaign finance laws;
- Processing cases in a timely and efficient manner through each stage of the enforcement process;
- Bringing federal court actions in appropriate cases to obtain civil penalties, injunctions, and other judicial relief; and
- Working with the Department of Justice regarding prosecution of criminal violations of the *Act*.

Strategic Activity B4: Alternative Dispute Resolution

The FEC implemented an Alternative Dispute Resolution (ADR) program in FY 2001 to facilitate settlements outside of the traditional enforcement or litigation processes. The ADR program’s primary objective is to enhance the agency’s overall effectiveness by:

- Expeditiously resolving enforcement matters without engaging the Commission’s full enforcement mechanism;
- Resolving complaints and internal referrals that reduce Commission costs and processing time compared to traditional enforcement cases;
- Reaching settlements that enhance future compliance through remedial measures rather than emphasizing the imposition of civil penalties;

- Increasing complainants' and respondents' satisfaction with the Commission's handling of complaints and referrals with participant evaluations and suggestions requested upon conclusion of the process;
- Increasing the number of complaints and referrals processed by the Commission with substantive action;
- Engaging in direct negotiations at the earliest stage of the process; and
- Promoting a respondent-centered approach which fosters jointly developed, tailored remedial measures between the Commission and respondents.

Key Outcome

This streamlined approach to handling less egregious enforcement matters focuses on encouraging remedial activities to ensure future compliance.

Means and Strategies

- Exploring methods for resolving cases that provide strategic settlement terms designed to increase future compliance.

Strategic Activity B5: Administrative Fines

The Administrative Fine program was established in July 2000 after statutory amendments permitted the Commission to impose civil monetary penalties for filing reports late or not at all, rather than negotiating conciliation agreements under the traditional enforcement process. The program facilitates expeditious resolution of relatively straightforward violations, which allows the agency to devote more resources to more complex cases. The Reports Analysis Division (RAD), the Office of Administrative Review (OAR) and the General Law and Advice (GLA) Division and Litigation Division of the Office of General Counsel are responsible for the program's operations. RAD handles all reason-to-believe findings and all final determination

findings for non-challenges. OAR handles all challenges (appeals) and is the liaison with the U.S. Department of the Treasury on debt collection for the program's unpaid fines and on the program's lockbox operation. GLA advises RAD and OAR on these matters as needed, and the Litigation division defends these cases if they proceed to federal court.

Key Outcome

Streamlined processing, the inclusion in Commission regulations of acceptable defenses and a published schedule of fines, allow for efficient and transparent processing of straightforward violations.

Means and Strategies

- Imposing civil penalties for late-filed and non-filed disclosure reports; and
- Continuing outreach efforts to respondents to ensure reports are filed timely.

Strategic Activity B6: Audits

The campaign finance laws require that all publicly funded Presidential campaigns, and all publicly funded Presidential nominating conventions, be audited to ensure that the use of all public funds are properly expended during the campaign and properly disclosed. Mandatory audits have historically required a large portion of the Audit Division's resources. Over the past several years, the Audit Division has also worked to develop a forcause audit program for non-Presidential committees each election cycle to increase the audit presence in the regulated community. The Commission believes that an increased audit presence not only contributes to the Commission's enforcement efforts, but also encourages voluntary compliance among the regulated community. Furthermore, the broader scope of the audit presence provides the Commission with information that can be used to refine internal procedures and regulation.

Key Outcome

Timely audits of publicly funded campaigns increase confidence in the Public Funding program by assuring the public that these funds are fairly distributed and permissibly spent. The efficient use of Audit Division resources allows for an increased number of non-Presidential audits, encouraging compliance with the *Act*.

Means and Strategies

- Conducting audits in a timely and efficient manner.

PERFORMANCE MEASURES FOR OBJECTIVE B

- Conduct educational conferences and host roundtable workshops on the campaign finance law each election cycle, achieving a mean satisfaction rating of 4.0 on a 5.0 scale 100% of the time
- Issue press releases summarizing completed compliance matters within two weeks of a matter being made public by the Commission
- Issue quarterly press releases containing summaries of campaign finance data
- Process 100% of enforcement cases within an average of 15 months of receipt
- Process 75% of the cases assigned to Alternative Dispute Resolution within 155 days of a case being assigned
- Process 75% of reason-to-believe recommendations for the Administrative Fines Program within 60 days of the original due date of the subject untimely or unfiled report
- Process 75% of the challenges in the Administrative Fines Program within 60 days of a challenge being filed
- Conclude non-Presidential audits with findings in an average of 10 months, excluding time delays beyond the Commission's control, such as subpoenas and extension requests
- Conclude non-Presidential audits with no findings in an average of 90 days from beginning of fieldwork
- Conclude Presidential audits in an average of 24 months of the election, excluding time delays beyond the Commission's control, such as subpoenas and extension requests

OBJECTIVE C: DEVELOPMENT OF THE LAW – Interpreting and Administering the Act

Overview

As part of its mission to administer and interpret the campaign finance statutes, the Commission promulgates regulations and issues advisory opinions. The regulations, advisory opinions and other Commission statements and guidance form the basis for the Commission's enforcement of the statutes and for the information and guidance provided to the public.

Through litigation, the Commission defends Congressional amendments to the campaign finance statutes, Commission regulations, Commission decisions to dismiss administrative complaints and other final agency action subject to judicial review. In recent years, the Commission successfully defended the key *Bipartisan Campaign Reform Act of 2002* (BCRA) amendments in the landmark case of *McConnell v. FEC*. In the Spring of 2007, the Commission defended and as applied challenge to BCRA's Electioneering Communications provisions in the case *Wisconsin Right to Life v. FEC*.

Strategic Activity C1: Rulemakings

Key Outcome

Provide complete, clear and timely guidance to all segments of the regulated community as to what the campaign finance laws require, prohibit, and permit.

Means and Strategies

- Initiating, conducting, and completing all rulemakings in accordance with all legal requirements.

Strategic Activity C2: Advisory Opinions

Key Outcome

Provide specific, clear and timely guidance to those requesting advisory opinions as to the

application of the campaign finance laws to particular transactions and activities.

Means and Strategies

- Issuing all advisory opinions in accordance with all legal requirements and established time limits.

Strategic Activity C3: Litigation

Key Outcome

Litigate in federal court to defend the constitutionality of the campaign finance laws and the Commission's implementation of those acts.

Means and Strategies

- Defending challenges to the *Act*, Commission regulations or actions;
- Making the best available factual and legal arguments in court filings; and
- Meeting the time limits imposed by court rule or order, including the evolving court rules for electronic and paper filing, and maintaining appropriate systems to comply with those rules.

Strategic Activity C4: Administering the Public Funding Program

Public funding of Presidential elections has three components:

- Matching funds for qualified Presidential primary candidates;
- Public grants for the Presidential nominees of political parties in the general election; and
- Public grants to political parties to run their national Presidential nominating conventions.

Congress created the Presidential Public Funding Program to achieve three key goals:

- Deterring corruption and the appearance of corruption by reducing the amount of private funds used for Presidential campaigns and replacing them with public funds;
- Facilitating communication by Presidential candidates to the electorate; and
- Freeing Presidential candidates from the financial and time burden of fundraising.

The Commission’s administration of the public funding system seeks to support these goals in ways that are consistent with the First Amendment and with its statutory obligation to protect the public trust by ensuring that, throughout the process, each candidate receives the amount to which he or she is entitled and guaranteeing

that candidates use public funds for campaign purposes.

Administering the public funding program requires critical activities before, during and after Presidential election cycles. Responsibilities include reviewing matching fund submissions, certifying eligibility and auditing reports.

Key Outcome

Federal funds disbursed to eligible candidates for Presidential elections are properly accounted for and certified by the Commission.

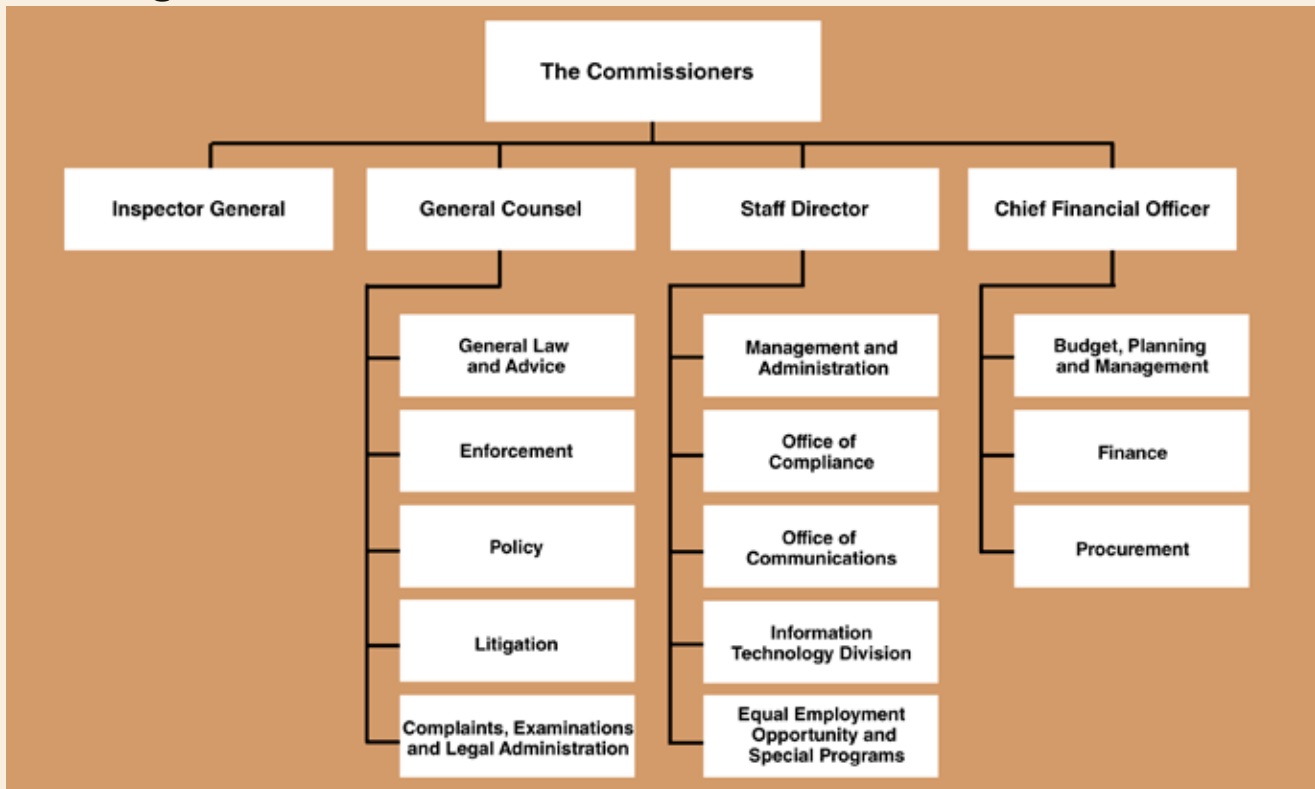
Means and Strategies

- Certifying all public funding eligibility and payments in the correct amounts within statutory time frames.

PERFORMANCE MEASURES FOR OBJECTIVE C

- Complete rulemakings within specific time frames that reflect the importance of the topics addressed, proximity to upcoming elections, and externally established deadlines 100% of the time
- Issue all advisory opinions within 60-day and 20-day statutory deadlines 100% of the time
- Issue expedited advisory opinions for time-sensitive highly significant requests within 30 days of receiving a complete request, or a shorter time when warranted, 100% of the time
- Ensure that court filings meet all deadlines and rules imposed by the Courts 100% of the time
- Process public funding payments in the correct amounts and within established time frames 100% of the time

FEC Organizational Chart



About the FEC

The Federal Election Commission (FEC) is an independent regulatory agency established in 1975 to administer and enforce the *Federal Election Campaign Act*. That statute limits the sources and amounts of the contributions used to finance federal elections, requires public disclosure of campaign finance information and—in tandem with the *Primary Matching Payment Act* and the *Presidential Election Campaign Fund Act*—provides for the public funding of Presidential elections.

History

Between 1907 and 1966 a variety of campaign finance laws were enacted which, taken together, sought to:

- Limit the disproportionate influence of wealthy individuals and special interest groups on the outcome of federal elections;
- Regulate spending in campaigns for federal office; and
- Deter abuses by mandating public disclosure of campaign finances.

In 1971, Congress consolidated its earlier reform efforts in the *Federal Election Campaign Act*, instituting more stringent disclosure requirements for federal candidates, political parties and political action committees. Still, without a central administrative authority, the campaign finance laws were difficult to enforce. Recognizing that fact, Congress established the FEC to enforce the law, facilitate disclosure and administer the public funding program. The agency opened its doors in April 1975.

INITIATIVES SUPPORTING THE FEC'S GOALS AND OBJECTIVES

Overview

The Commission has initiatives underway and processes in place to support its strategic goal and objectives. These initiatives encompass the myriad resources required to support the FEC's mission in the areas of (1) Human Capital Management, (2) Financial Management, (3) Information Technology and (4) Administrative Services.

These activities will help the Commission work more effectively both within and across its offices and divisions. The Commission also relies on various methods to communicate its policies and actions to the public. Open lines of communication with affected parties are critical for effective functioning of the Commission's operations.

Human Capital Management

No agency can be a success without engaging a skilled and dedicated workforce. The FEC's principal resource is its staff. The agency possesses a diverse workforce that values respect, ethics and accountability. The staff is results-oriented and performance standards are aligned with the agency's strategic goal and objectives.

Developing a human capital plan that consists of strategic alignment and workforce planning, leadership development, knowledge transfer and results-oriented performance is critical to successfully accomplishing the FEC's goal and objectives. The Commission's human capital plan will outline workforce initiatives that will assist in achieving organizational excellence. The FEC is actively developing a human capital strategic plan and we anticipate completion of this plan in 2008. With high numbers of retirements

anticipated over the next several years, the Commission will employ an aggressive outreach and recruitment program. Training sessions will also be available to ensure that employees maintain the necessary skills to accomplish the Commission's strategic goal. The Commission recognizes the value of maintaining experienced, hard-working employees that contribute significantly to its mission. The Commission will employ performance systems that link performance and accomplishments with the agency's strategic goal and objectives so employees who make significant contributions towards achieving those goals are rewarded.

The FEC will retain its status as one of "Best Places to Work in the Federal Government" and also be recognized as one of the "most improved" agencies in the next Federal Human Capital Survey. The staff will be positioned to efficiently and effectively carry out the President's Management Agenda (PMA) and the mission of the agency.

Financial Management

The Commission will enhance its internal processes, improve financial performance, and further budget and performance integration. The Commission will focus on effective internal controls, aligning Commission activities and costs to strategic goal and objectives in support of the PMA. In support of the eGovernment initiative, the Commission will convert its financial accounting transactions to a Line of Business provider, which includes implementing a new web-based time and attendance system and a new web-based travel system. This effort streamlines and consolidates operations by integrating application electronic workflow with the Commission's financial management system. This will seamlessly integrate time and attendance and travel planning, authorization, and vouchering with the Commission's core financial accounting and reporting processes.

Information Technology

The FEC could not fulfill its mission without strong Information Technology (IT) resources. Every objective discussed in this Strategic Plan relies upon state of the art, secure, accessible and cost effective systems. Because IT is integral to the agency's mission, a Strategic Activity is devoted to ensuring a focus on this important resource.

The Commission continues to align its IT to support the agency's operations more effectively and efficiently. The FEC also recognizes the critical nature of responding quickly to the ever-changing regulatory and computer environment by providing innovative solutions to meet the needs of internal and external customers. To meet this challenge, the Commission is constantly improving the stability, reliability, and security of its IT infrastructure and data repositories. The Commission is in the early stages of developing a complete, integrated enterprise architecture consisting of infrastructure and applications that serve the agency's business needs. To further build and implement this architecture, resources will be focused on enhancements, modifications, and deployments of FEC systems. These include, but are not limited to: eReview (electronic review of campaign finance filings); electronic document management; enhancing detection and analysis capabilities of compliance data (e.g., data mining); and enabling the public to search, view, download, and comment on Federal agency rulemaking documents in one central online system.

The IT investments further support the PMA by reducing time and costs for federal candidates and committees with preparation and filing of their campaign finance disclosure reports and for the Commission to receive and process those filings. To deal with the possibility of disruptions to agency operations, the Commission continues to improve its Continuity of Operations Planning and disaster recovery procedures. The Commission will continue to upgrade its opera-

tions and maintenance capabilities, configuration management procedures, and computer security program.

Administrative Services

The FEC's mission and workforce are supported through the effective management and delivery of administrative services, further improving employee satisfaction. The Commission will implement and evaluate response systems for internal customer requests. By evaluating and making appropriate changes, the FEC will be able to improve its continuity of operations and employee health and safety.

Summary

Addressing the broad array of challenges facing the FEC in achieving its strategic goal and objectives rests on the recruiting, hiring, training, motivating, and retaining qualified staff. In addition, resources must be available to provide technological support to enforcement and education initiatives, as well as performance-enhancing technologies that facilitate the transparent and accountable management of all resources. This requires the FEC to put in place processes for timely introduction, upgrade, and replacement of technologies. Audit and litigation activities also require that funds be available for travel, experts, witnesses, and administrative support services. A qualified staff and an organizational culture that values communication and accountability will lead to the achievement of the FEC's strategic goal and objectives.

Key External Factors Influencing Success

This Strategic Plan includes an assessment of significant external factors that may influence the success we will have in achieving our goal, objectives and key outcomes. Despite such political, economic, technological and legal factors, we are committed to successfully administering and enforcing the FECA.

In our examination of these external factors we considered a broad range of possible outcomes and alternative futures, for example: the possibility for significant and/or substantive amendments to the *FECA* may result in a change in the nature of the FEC's work. A review of past changes to the *FECA* and the resulting increase in workload for FEC staff, provide historical context for planning purposes.

FEC operations are influenced by a variety of external factors. Some of the most critical of these are:

- The number of candidates who run for federal office and the amount of money involved in the political process
- Significant and substantive amendments to the *FECA* and significant judicial opinions construing the *FECA*, the Commission's regulations, or other final agency action taken by the Commission
- The number of taxpayers who designate \$3 of their tax payment to the Presidential Election Campaign fund by checking a box on their Federal tax return and the number of Presidential candidates who participate in the public funding programs determine the solvency of the Presidential Election Campaign Fund
- Significant changes in the level of competition in federal election campaigns, the volume and intensity of fundraising and the general political

attitude, interest and awareness of the public, which can greatly influence the tone and competitiveness of elections

- Unfunded mandates, insufficient resources, or restricted resources affecting core mission activities, financial reporting standards and/or information technology requirements
- Conversion of the Administrative Fine program from a temporary program to a permanent program. This program could also be expanded to include other standard violations beyond late or non-filing of reports.

The FEC has been without a quorum of four Commissioners beginning December 31, 2007, and this circumstance may prevent the agency from meeting certain performance goals. The Commission continues to perform all of the work it is statutorily authorized to conduct, but particular matters requiring the approval of a minimum of four Commissioners cannot go forward until the agency again retains a quorum.

These and other unanticipated events can influence the amount of money and specific types of activity to be regulated by the FEC each election cycle. FEC workloads are driven by such factors as the number of reports filed and transactions to be processed, the volume of requests for information, data and assistance, the number of advisory opinions requested and the number of complaints filed with the Commission. Of all these factors, the status of the Presidential Public Funding Program and the funding level for the FEC are perhaps currently the most salient.

Annual Performance and Compliance Report

Consistent with the requirements of Executive Order 13450 (entitled *Improving Government Program Performance*, issued November 13, 2007), the Commission shall, on or before December 31, 2008, and on or before December 31 of each year thereafter, produce and place on its website an *Annual Performance Report* which shall report on the performance of the Commission under this Strategic Plan as of the end of the fiscal year in which the Report is issued.

Commencing promptly upon the conclusion of each fiscal year, the Commission, through its staff, will undertake to review and evaluate the Performance Measures contained in this Plan, and will issue a draft *Annual Performance Report* to the Commissioners on or before the end of the calendar year. The *Annual Performance Report* will include an analysis of the performance for each division having responsibilities under the Plan, including successes, shortfalls and challenges related to each Performance Measure and a plan for ensuring compliance with those Measures before the end of the following fiscal year. Upon approval of the *Annual Performance Report*, as may be modified by the Commission, the *Report* will be made available on the website of the Commission and available to the public upon request, and will also be delivered to OMB.

Key Statutes

FEDERAL ELECTION CAMPAIGN ACT OF 1971

The *FECA* initiated fundamental changes in federal campaign finance laws. Effective April 7, 1972, *FECA* not only required full reporting of campaign contributions, but also limited spending on media advertisements, which were later repealed. The *FECA* did not provide a single, independent body to monitor and enforce the law. Instead the Clerk of the House, the Secretary of the Senate and the Comptroller General of the United States General Accounting Office (GAO) monitored compliance with the *FECA* and the Justice Department was responsible for prosecuting violations.

The *FECA* also provided the basic legislative framework for separate segregated funds, popularly referred to as PACs (political action committees). Although the *Tillman Act* and the *Taft-Hartley Act of 1947* banned direct contributions by corporations and labor unions to influence federal elections, the *FECA* provided an exception whereby corporations and unions could use treasury funds to establish, operate and solicit voluntary contributions for the organization's PAC. These voluntary donations could then be used to contribute to federal elections.

1974 Amendments

Following reports of serious financial abuses in the 1972 Presidential campaign, Congress amended the *FECA* in 1974 to set limits on contributions by individuals, political parties and PACs. The 1974 amendments also established an independent agency, the Federal Election Commission, to enforce the law, facilitate disclosure and administer the public funding program.

1976 & 1979 Amendments

Congress enacted further amendments to the *FECA* in 1976 following a constitutional challenge in the Supreme Court case *Buckley v. Valeo*; major amendments were also enacted in

1979 to streamline the disclosure process and expand the role of political parties.

PRESIDENTIAL ELECTION CAMPAIGN FUND ACT & PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT ACT

These laws implemented federal financing of Presidential elections by providing a check-off box on tax forms authorizing the federal government to use tax dollars to finance Presidential campaigns in the general election and matching funds in the primaries.

BIPARTISAN CAMPAIGN FINANCE REFORM ACT OF 2002 (BCRA)

BCRA was designed to end the use of nonfederal funds, or “soft money” (money raised outside the limits and prohibitions of federal campaign finance laws), for activity influencing federal elections. New restrictions imposed by *BCRA* included a general prohibition on national party committees receiving or spending “soft money.” The *BCRA*, and FEC rules, also contain provisions related to television and radio ads that refer to a clearly identified federal candidate and are distributed (targeted) to the relevant electorate within a particular time period before an election. Other provisions define when a communication is considered coordinated between a candidate or political committee and a person making a communication.

The *BCRA* increased limits on contributions made by individuals and some political committees, indexed certain contribution limits for inflation and further delineated and expanded the ban on contributions, donations, expenditures, independent expenditures and disbursements by foreign nationals. The new law also specified additional requirements accompanying radio, television, print and other campaign communications. The personal use regulations retained the existing prohibitions regarding personal use of campaign funds, but amended them in

a few areas. Finally, the new law may raise the individual contribution limits for Senate and House candidates who are facing self-financed opponents if those opponents spend more than a specified amount of their own funds on the campaign.

HONEST LEADERSHIP AND OPEN GOVERNMENT ACT OF 2007 (HLOGA)

HLOGA amended the *FECA* by requiring political committees to disclose information about each lobbyist, and each political committee established or controlled by a lobbyist, that forwards, or is credited with raising, two or more bundled contributions aggregating in excess of \$15,000 during a specific reporting period. *HLOGA* also amended *FECA* by restricting, and in some cases prohibiting, the expenditure of campaign funds by candidates for federal office for noncommercial travel aboard aircraft.