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NAME OF COMMITTEE (In Full)  
United Fresh Produce Association FRESH POLITICAL ACTION  
COMMITTEE (FRESH PAC)

FEC IDENTIFICATION NUMBER  
C00040725

Mailing Address 1901 Pennsylvania Ave NW

City State ZIP Code  
Washington DC 20006-

March 27, 2020

Sarah Vivian  
Sr. Campaign Finance & Reviewing Analyst  
Federal Election Commission  
Washington, D.C. 20463

Re:ID #C00040725

Ref:Year-End Report (7/1/2019 – 12/31/2019)

This letter is in response to your letter dated February 26, 2020, requesting additional information for the following:

- Schedule B supporting Line 29 of your report discloses a disbursement for "unauthorized disbursement" totaling \$4,965. This transaction appears to be related to an apparent unauthorized disbursement of Committee funds. Although the Commission may take further legal action regarding this apparent improper use of Committee funds, any further clarifying information that you can provide will be taken into consideration. (11 CFR § 102.9, 102.15, and 104.3)

The Committee's funds are held in a Bank of America (BoA) account. On October 11, 2019, Julian Gamez, Vice President, Finance and Operations for the United Fresh Produce Association (United Fresh), received an automatically generated e-mail alert from BoA that a vendor had been added to the "Pay To? account listing for automated clearing house (ACH) transactions from the Committee's account. This vendor was created by an external party not affiliated with the United FreshPAC. This vendor was unknown to and unauthorized by United Fresh to be so listed. Moreover, the Committee would not have authorized any vendor to be listed for ACH payment. Mr. Gamez immediately contacted BoA and advised that this vendor listing was unknown and unauthorized.

A second email alert from BoA that another unknown and unauthorized vendor had been added to the "Pay To? account listing was received on October 21, 2019. Again, Gamez immediately contacted BoA and advised that this vendor listing was unknown and unauthorized.

Despite the notifications to BoA, unauthorized ACH disbursements were made to the unauthorized vendors on October 12, 2019 totaling \$4,965.00. The unauthorized vendor had attempted to complete transactions totaling \$39,000 but BoA was able to stop \$34,035 of those transactions. BoA has advised that it will, upon completion of its own internal investigation, reimburse the Committee for the unauthorized disbursements. Such reimbursement will be placed back into the Committee's account and the receipt of that reimbursement will be reported to the Commission.

The Committee reported the unauthorized disbursements in its year-end report covering the period July 1, 2019 through the year end.

After receipt of the Commission's February 26, 2020 letter, Mr. Gamez contacted the Washington, D.C. Metropolitan Police Department to file an official police report. On the same day, we subsequently met with Officer William Alton, badge #4360, who took our information and issued case number CCN#20-038-205. Officer Alton also referred our case to Detective Oh of the identity-theft/fraud division, who we understand is conducting the official investigation.

Mr. Gamez last spoke with Detective Oh on Friday, March 13, 2020. Detective Oh stated that the initial police report was ready for us. He sent the report directly to Mr. Gamez via e-mail. The police report has been shared with Bank of America.

As a result of the fraudulent online activity, the following internal control procedures were implemented:

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a.The online account with BoA was deleted and is no longer operational

b.The online access currently goes through CashPro, cash management treasury platform. This platform requires a couple layers of security in order to access accounts. Additionally, security FOBs are required to initiate any ACH or wire transfers.

c."Positive Pay? security for all disbursements has been implemented. This requires Bank of America to match all disbursements to a file United Fresh Produce Association sends Bank of America when any disbursements are initiated.

If there are any developments, we will follow up with the Federal Election Committee as soon as possible. Should you have any questions or require anything further at this time, please contact the undersigned.

Respectfully submitted,

Robert Guenther  
Sr. Vice President, Public Policy