



**Federal Election Commission
Washington, DC 20463**

March 6, 2009

Theresa Brown Kuhns
Aristotle International, Inc.
205 Pennsylvania Avenue SE
Washington, DC 20003

Re: ADR 462 (AR 08-10)
Texans for Henry Cuellar Congressional Campaign and Rosendo Carranco,
Treasurer

Dear Ms. Kuhns:

Enclosed is the signed copy of the agreement resolving the referral initiated on June 23, 2008 with the Federal Election Commission ("FEC/Commission") against Texans for Henry Cuellar Congressional Campaign and Rosendo Carranco, Treasurer ("Respondents"). The agreement for ADR 462 (AR 08-10) was approved by the Commission on March 6, 2009 – the effective date of the agreement.

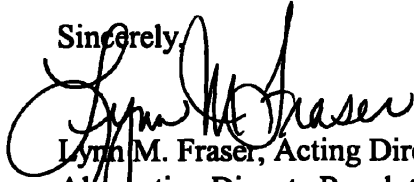
Note the specific time frames for compliance in paragraph 7 of the agreement. Please forward to this office, a statement confirming Respondent's compliance with the terms listed in paragraph 7 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 7 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 April 5, 2009. 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 settlement agreement 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 entry into settlement 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.

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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,



Lynn M. Fraser, Acting Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Ken Pezzella, Finance and Accounting Office
Room 819

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**Federal Election Commission
Washington, DC 20463**

**Case Number: ADR 462
Source: AR 08-10
Case Name: Texans for Henry Cuellar
Congressional Campaign**

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 Theresa Brown Kuhns representing the Texans for Henry Cuellar Congressional Campaign and Rosendo Carranco, 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 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Audit Division (Audit) referred Respondents for receiving excessive contributions in the amount of \$36,300 during the 2006 election cycle. In addition, Audit referred the Committee for receiving prohibited contributions in the amount of \$13,000.
4. No candidate or political committee shall knowingly accept any contributions prohibited by the FECA. 2 U.S.C. § 441a(f), 11 C.F.R. § 114.2(d).
5. Respondents asserted that they complied with Audit's recommendations to resolve the excessive contributions by sending presumptive redesignation or reattribution letters, albeit untimely, to the appropriate contributors, and made refunds in the amount of \$22,300 to the remaining contributors.

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6. Respondents further asserted that they complied with Audit's recommendations to resolve the contributions from what appeared to be corporate accounts by issuing refunds in the amount of \$13,000.
 7. Respondents contend that they hired an experienced compliance specialist to supervise the reporting process, made significant changes in their financial procedures, as well as changing the database vendor to assist in streamlining the financial procedures. Respondents, in an effort to avoid similar errors in the future, agree to: (a) send a representative to a FEC reporting seminar within 6 months of the effective date of this agreement; and (b) pay a civil penalty of \$2,500 within 30 days of the effective date of this agreement.
 8. 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.
 9. 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.
 10. 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.
 11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 462 (AR 08-10), and resolves only 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:

Lynn M. Fraser, Acting Director
Alternative Dispute Resolution Office



3/6/09
Date Signed

FOR THE RESPONDENTS:


Theresa Brown Kuhns

Representing Texans for Henry Cuellar
Congressional Committee and Rosendo Carranco

2/6/09
Date Signed