



FEDERAL ELECTION COMMISSION
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SENSITIVE

MEMORANDUM

May 1, 2009

TO: The Commission

THROUGH: Robert A. Hickey
Staff Director

FROM: John D. Gibson
Chief Compliance Officer

Lynn M. Fraser
Acting Director, ADR Office

SUBJECT: ADR 475 Minnesota Democratic-Farmer-Labor Party and William Davis,
Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Contract with a compliance specialist to supervise accounting functions and FEC reporting; develop and maintain a workflow chart detailing duties and responsibilities; implement a Request For Additional Information (RAI) receipt, tracking and response system; and pay a civil penalty of \$3,500.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 475 (RAD 08L-38). This case was received by the ADR Office on December 5, 2008 and was activated by the ADR Office on December 16, 2008.

SUMMARY: The Reports Analysis Division (RAD) referred the Respondents for the cumulative nature of deficiencies on reports filed with the Commission in the 2006 election cycle which disclosed the Committee was not in substantial compliance with the FECA.

Respondents contend that staff changes resulted in a significant learning curve and that one of the issues raised in this referral was dealt with separately in ADR 310, for which they paid a civil penalty of \$1,000 and began the process of revising their financial procedures.

Recommendation to Approve
Settlement Agreement
ADR 475 (RAD 08L-38)
Page 1

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Minnesota Democratic-Farmer-Labor Party and William Davis, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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