



Federal Election Commission
Washington, DC 20463

May 22, 2014

Brian Svoboda, Esq.
PERKINS COIE
700 Thirteenth Street, NW, Suite 600
Washington, DC 20005-3960

Re: ADR 675
Democratic Party of Illinois and Michael Kasper, Treasurer

Dear Mr. Svoboda:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on December 16, 2014 by the Federal Election Commission ("FEC/Commission") involving the above-shown Respondents. The Negotiated Settlement was approved by the Commission on May 22, 2014 – the effective date of the agreement.

Note the specific time frames for compliance in Paragraph 6 of the agreement. **Please forward to this office, a statement confirming Respondent's compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 6, 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 or before June 21, 2014.¹ 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 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 Information Office.

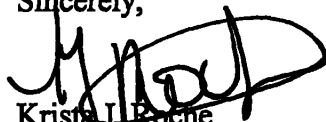
¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

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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,



Krista I. Roche

Assistant Director

Alternative Dispute Resolution Office

Enc: Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 675

Source: RAD 13L-54

Case Name: Democratic Party of Illinois

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 Brian Svoboda, Esq., representing the Democratic Party of Illinois and Michael Kasper, 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 Reports Analysis Division referred Respondents for failing to disclose all financial activity on their 2012 October Monthly Report. On October 19, 2012, the Committee filed the original 2012 October Monthly Report and did not disclose any apparent Levin receipts. On May 1, 2013, the Committee filed an Amended 2012 October Monthly Report disclosing \$182,175.29 in Levin receipts.
4. If a state, district or local party committee's combined annual receipts and disbursements for federal election activity (FEA) are \$5,000 or more during the calendar year, then it must disclose receipts and disbursements of federal funds and Levin funds used for FEA. 11 C.F.R. § 300.36(b)(2).
5. In a Miscellaneous Electronic Submission (Form 99) dated August 1, 2013, the Committee contends that it held these receipts in its nonfederal account and did not characterize them as Levin receipts with using them for the Levin share of Federal

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Election Activity disclosed on the 2012 12 Day Pre-General Report. In response to Commission inquiry regarding that disclosure, the Committee amended both the 12 Day Pre-General Report and the 2012 October Quarterly Report to show the receipt and itemization of these funds as well as the transfer of the funds.

6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) certify they retained an outside consultant to review and revise the Committee's compliance operations manual regarding Levin funds activity and provide training specific to Levin funds within ninety (90) days of the effective date of this agreement; and (b) pay a civil penalty of \$4,500 within thirty (30) days of the effective date of this agreement.
7. Michael Kasper is a Respondent solely in his representative capacity as Treasurer of the Democratic Party of Illinois.
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, 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.

11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 675 (RAD 13L-54), 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:

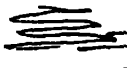
Krista J. Roche, Assistant Director
Alternative Dispute Resolution Office



5/22/14

Date Signed

FOR THE RESPONDENTS:



Brian Svoboda, Esq.
Representing Democratic Party of Illinois and
Michael Kasper, Treasurer

5-7-2014

Date Signed

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