



**Federal Election Commission
Washington, DC 20463**

October 20, 2004

Robert J. Bishop, Esq.
Pryor Cashman Sherman & Flynn
410 Park Avenue
New York, NY 10022

**Re: ADR 172
Citizens for Tracy L. Boyland and Sabrina Postles, Treasurer**

Dear Mr. Bishop:

Enclosed is the signed copy of the agreement resolving the complaint filed on March 17, 2004 with the Federal Election Commission ("FEC/Commission") against Citizens for Tracy L. Boyland and Sabrina Postles, Treasurer ("Respondents"). The agreement for ADR 172 (MUR 5431) was approved by the Commission on October 18, 2004 – the effective date of the agreement.

Note that paragraph 11 of the agreement specifies that Respondents shall comply with the terms of this settlement within thirty (30) days of the effective date of the agreement, with the exception of the condition to send two people to an FEC sponsored seminar on campaign finance for authorized committees. Respondents have twelve (12) months to comply with that condition. Please forward to this office, a statement confirming Respondents' compliance with the terms listed in paragraph 8 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 8.

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, 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.

This agreement resolves the matter that was brought to the attention of the FEC by Major R. Owens regarding an alleged violation of the 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, Assistant Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 172

Source: MUR 5431

Case Name: Citizens for Tracy L. Boyland

NEGOTIATED SETTLEMENT

This matter was initiated by a signed, sworn and notarized complaint filed by Major R. Owens. 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 Federal Election Commission ("Commission") entered into negotiations with Robert J. Bishop, Esq., representing Citizens for Tracy L. Boyland and Sabrina Postles, 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 complaint. 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 authorized in "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 complaint alleges that Respondents accepted approximately forty-one (41) prohibited contributions. Complainant alleges that the Year End 2003 Report filed by Respondents discloses contributions in excess of \$66,000 from corporations and/or not-for-profit organizations. In addition, Complainant alleges that this report was filed late and was not filed electronically as required.
4. It is unlawful for any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office,

or for any corporation whatever, to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person knowingly to accept or receive any contribution prohibited by this section, or any officer or any director of any corporation to consent to any contribution or expenditure by the corporation. 2 U.S.C. § 441b(a), 11 C.F.R. § 114.2.

5. Another section of the FECA reiterates the prohibition on any candidate or political committee from knowingly accepting any contribution or making any expenditure in violation of the statute. In addition, no officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate in violation of any limitation imposed on contributions and expenditures under the FECA. 2 U.S.C. § 441a(f), 11 C.F.R. § 103.3(b).
6. The statute and regulations also require each treasurer of a political committee to timely file reports of receipts and disbursements in accordance of the FECA. 2 U.S.C. § 434(a), 11 C.F.R. § 104.5. Authorized committees for a candidate for nomination or election to the office of Representative to Congress must file all reports electronically if the committee has received contributions or expenditures, or has reason to expect to receive contributions or make expenditures aggregating in excess of \$50,000 in any calendar year. 2 U.S.C. § 434(a)(11), 11 C.F.R. § 104.18(a)(1).
7. Respondents acknowledge that inadvertent violations of the FECA occurred due to their inexperience. Of the forty-one (41) contributors listed in the complaint, eight (8) were not corporations or from other prohibited sources. Respondents, however, on learning of the prohibited contributions, made refunds of all contributions enumerated in the complaint. Respondents then filed an amended report. In addition, prior to receiving a copy of the complaint, Respondents contracted with a firm experienced in campaign finance requirements to assist the committee with compliance.
8. Respondents, in an effort to avoid similar errors in the future, agree to: (a) send two individuals to an FEC sponsored seminar on campaign finance for authorized committees within twelve months of the effective date of this agreement; (b) develop a compliance manual for the education of the committee staff; and (c) pay a civil penalty of \$5,000.

9. 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.
10. 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.
11. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of the settlement within thirty (30) days from the effective date of this agreement, with the exception of term (a) in paragraph 8, which has a deadline of twelve months as noted.
12. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 172 (MUR 5431), and effectively resolves this matter. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:

Allan D. Silberman, Director
Alternative Dispute Resolution Office

By: Lynn M. Fraser
Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office

October 18, 2004
Date Signed

FOR THE RESPONDENTS:

Robert J. Bishop
Robert J. Bishop, Esq.
Counsel for Citizens for Tracy L. Boyland

October 4, 2004
Date Signed