



**Federal Election Commission
Washington, DC 20463**

October 3, 2005

Karl Sandstrom, Esq.
Perkins Coie LLP
607 17th Street N.W.
Washington, DC 20005-2011

Re: ADR 247 (RR 05L-03) and ADR 280 (RR 05L-31)
Women's Campaign Fund and Nancy Clack, Treasurer

Dear Mr. Sandstrom:

Enclosed is the signed copy of the agreement resolving the two referrals initiated on March 21, 2005 and June 30, 2005 respectively with the Federal Election Commission ("FEC/Commission") against the Women's Campaign Fund and Nancy Clack, Treasurer ("Respondents"). The consolidated agreement for ADR 247 (RR 05L-03) and ADR 280 (RR 05L-31) was approved by the Commission on September 30, 2005 – the effective date of the agreement.

Note that paragraph 10 of the agreement specifies that Respondents shall comply with the terms of this settlement within sixty (60) days of the effective date of the agreement. Please forward to this office, a statement confirming Respondents' 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.

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.

This agreement resolves the matters that were 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, Assistant Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

25190262919



Federal Election Commission
Washington, DC 20463

Case Number ADR 247
Source RR 05L-03
Case Number ADR 280
Source RR 05L-31
Case Name Women's Campaign Fund

NEGOTIATED SETTLEMENT

These matters were 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 matters, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, ("FECA") and resolve these matters, the Commission entered into negotiations with Karl Sandstrom, Esq. representing the Women's Campaign Fund and Nancy Clack, 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 these referrals. 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 Reports Analysis Division ("RAD") referred Respondents for failing to disclose all receipts as required under the FECA. RAD noted the failure when the Committee filed two amended reports disclosing additional receipts. Respondents filed an amended 2004 April Quarterly Report on July 27, 2004 that disclosed additional receipts totaling \$63,883.22. Respondents also filed an amended 2004 October Quarterly Report on March 10, 2005 that disclosed additional receipts totaling \$51,586.04.
4. The FECA and implementing regulations require that a political committee disclose the total amount of all receipts for the reporting period and calendar year. 2 U.S.C. § 434(b)(2)(A), 11 C.F.R. §§ 104.3(a).
5. Respondents acknowledge a violation of FECA occurred due to software interface issues and inexperienced staff. The software difficulties resulted in a large number of smaller, unitemized contributions being entered into the report by hand. Respondents assert that a financial reconciliation was done to verify the accuracy of the information, but that the

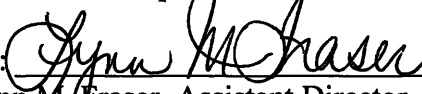
25190262920

reconciliation often was completed after the filing date for the report. Respondents explain that if errors were found they then filed an amended report.

6. Respondents contend that they took many proactive steps to ensure accurate and timely reporting going forward. They argue that those steps included hiring an experienced Executive Director, simplifying the organization's structure, relieving some staff of their responsibilities for reporting the Committee's financial activities, obtaining new software to allow for the electronic transfer of financial data from the fundraising vendors, and conducting monthly reconciliation of the accounts.
7. Respondents, in an effort to avoid similar errors in the future, agree to: (a) conduct a two year internal audit within sixty days, subject to verification and audit by the Commission; (b) work with RAD staff to ensure that all past reports are accurate; (c) develop a compliance manual for the use of Committee staff; and (d) pay a civil penalty of \$3,500.
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 within sixty (60) days from the effective date of this agreement.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 247 (RR 05L-03) and ADR 280 (RR 05L-31) and effectively resolves these matters. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

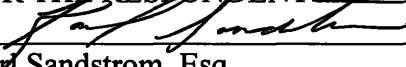
FOR THE COMMISSION:

Allan D. Silberman, Director
Alternative Dispute Resolution Office

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

9/30/05
Date Signed

FOR THE RESPONDENTS:


Karl Sandstrom, Esq.
Representing the Women's Campaign Fund
and Nancy Clack, Treasurer

9/21/05
Date Signed

25190262921