



FEDERAL ELECTION COMMISSION  
999 E Street, N.W.  
Washington, DC 20463

July 18, 2005

Jessica Moenning, Executive Director  
Nebraska Republican Party  
1610 N Street  
Lincoln, NE 68508

Dear Ms. Moenning:

Enclosed is the signed copy of the agreement between the Federal Election Commission (FEC) and the Nebraska Republican Party and Demarus Carlson, Treasurer, resolving ADR 254/RR 05L-04. This agreement, which was approved by the Federal Election Commission on July 14, 2005, -- the effective date of the agreement -- resolves the matter.

As you are aware, the settlement agreement will be made part of the record that is released to the public. In addition, as of January 1, 2004, the Commission also will place on the record copies of the referral from the Reports Analysis Division, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared by this office to assist the Commission 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 these matters will be forwarded shortly to the FEC's Public Information Office.

This agreement effectively resolves the issue raised in the referral, which was the subject of this case.

I appreciate your assistance in resolving this matter and helping to bring this case to a mutually satisfactory conclusion.

Sincerely,

A handwritten signature in black ink, appearing to read "Allan D. Silberman". The signature is stylized and includes a large, circular flourish at the end.

Allan D. Silberman,  
Director, ADR Office

Enclosure: a/s

25190261709



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

Case Number: ADR 254

Source: RR 05L-04

Case Name: NE Republican Federal  
Campaign Committee

### NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission ("the Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following a review of the record and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended ("the FECA" or "Act"), and to resolve this matter, the Commission entered into negotiations with Jessica Moenning on behalf of the Nebraska Republican Party and Demarus Carlson, Treasurer (the "Respondents" or the "Committee"). 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 have addressed all the issues raised in this matter. The parties have agreed to resolve the matter according to the following terms:

1. The Commission has entered into this agreement as part of its responsibility for administering the Federal Election Campaign Act and in an effort to promote compliance with the FECA on the part of Respondents. The Commission's use of ADR procedures 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. The Respondents have voluntarily entered into this agreement with the Commission.
3. The Reports Analysis Division (RAD) determined that Respondents failed to disclose all the Committee's financial activity on its 2003 Year-End Report. RAD concluded that Respondents disclosed additional disbursements of \$51,900.79 on an amended 2003 Year-End Report representing an increase of 30% over the total amount reported on the initial Report. The foregoing RAD analysis is similar to an earlier one, i.e., RR 04L-11, pertaining to Respondents' 2003 Mid-Year Report, which was resolved in a Negotiated Settlement Agreement – ADR 226.
4. Treasurers of political committees are required to file reports of receipts and disbursements in accordance with the provisions of the Act and regulations. Each report shall disclose for the reporting period and the calendar year the total amount of all disbursements, all expenditures made to meet a committee's operating expenses and any other disbursements. 2 U.S.C. §§ 434(a)(1), 434(b)(4)(A) and 434(b)(4)(H)(v) and 11 C.F.R. §§ 104.3(b)(1)(i)(A), (B) and (b)(1)(ix)(A), (B) and (C).
5. A State, district, or local committee of a political party that pays allocable expenses in accordance with 11 C.F.R. § 106.7 shall report each disbursement from its Federal account for allocable expenses, or each payment from an allocation account for such activity. In the report covering the period in which the disbursement occurred, the State, district or local

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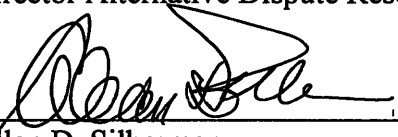
committee shall state ... the amounts allocated to Federal and non-Federal portions of the allocable activity. 11 C.F.R. § 104.17(b)(3)(i).

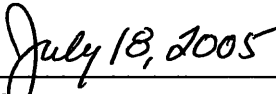
6. Respondents acknowledged that the failure to file accurate reports of the Committee's financial activity was due to internal staffing problems and difficulties with software, which caused several disbursements to be omitted from the 2003 Year End Report. Respondents' description of events that led to the subject omissions is identical to the issues listed in the earlier referral from RAD pertaining to the Committee's 2003 Mid-Year Report. In that instance, as with the current matter, Respondents confronted staff who failed to accurately record and report all the Committee's financial activity. Respondents disclosed that the Committee's staff has been replaced, new officers elected and new procedures instituted to track and record all financial activity. In addition, Respondents describe a resolve on the part of the Committees officers and staff to ensure full compliance with the requirements of the Act and the Commission's regulations to prevent a repetition of previous reporting errors.
7. Respondents have not had time to implement all the corrective procedures adopted as a means of resolving the earlier RAD referral. Those procedures are equally applicable to the current matter and convey Respondents' commitment to adopt internal measures that will ensure accurate reporting of the Committee's financial activity. Respondents reiterate their commitment to the earlier terms of settlement and agree, as stated in the earlier settlement agreement, to: 1) send, within twelve months of the effective date of this agreement, a minimum of four officers and/or staff of the Committee to a FEC seminar on Federal election campaign reporting requirements; 2) set-up and maintain in the Committee's offices a resource center to guide the Committee in complying with the requirements of the FECA; 3) amend internal procedures to provide for an additional review of reports of the Committee's financial activity prior to submittal to the Commission; and 4) pay a single civil penalty of \$10,000.
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 the Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance and/or forward any outstanding civil penalty to the US Treasury for collection.
10. This agreement will become effective on the date signed by the parties and approved by the Commission. Respondents shall have complied with the terms of the settlement reiterated in paragraph seven (7) above by June 12, 2005 (representing thirty days following the effective date of the earlier agreement) for items two and three in paragraph seven (7) above and within twelve (12) months of the effective date of the earlier agreement for item one and four of paragraph seven (7).
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 254/RR 05L-04 and effectively resolves this matter. No other statement, promise or Agreement, either written or oral, made by either party, not included in herein, shall be enforceable.

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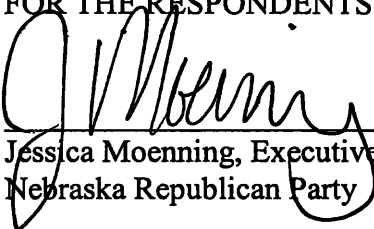
FOR THE COMMISSION:

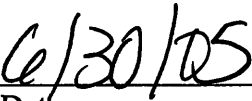
Allan D. Silberman,  
Director Alternative Dispute Resolution Office

  
\_\_\_\_\_  
Allan D. Silberman

  
\_\_\_\_\_  
Date

FOR THE RESPONDENTS:

  
\_\_\_\_\_  
Jessica Moenning, Executive Director  
Nebraska Republican Party

  
\_\_\_\_\_  
Date

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