



**Federal Election Commission
Washington, DC 20463**

November 25, 2008

Ken Carter
1215 Prytania St, Ste. 364A
New Orleans, LA 70130

Re: ADR 463 (AR 08-13)
Karen Carter for Congress Committee and Ken Carter, Treasurer

Dear Mr. Carter:

Enclosed is the signed copy of the agreement resolving the referral initiated on June 23, 2008 with the Federal Election Commission ("FEC/Commission") against Karen Carter for Congress Committee and Ken Carter, Treasurer ("Respondents"). The agreement for ADR 463 (AR 08-13) was approved by the Commission on November 19, 2008 – the effective date of the agreement.

Note the specific time frames for compliance in paragraph 10 of the agreement. Please forward to this office, a statement confirming Respondent's 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 and contain the ADR caption and case number.

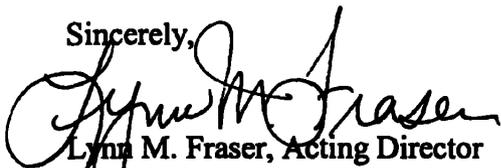
As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared 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 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

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assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Lynn M. Fraser, Acting Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Angela Dillard, Finance and Accounting Office
Ken Pezzella, Finance and Accounting Office
Room 819

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**Federal Election Commission
Washington, DC 20463**

**Case Number: ADR 463
Source: AR 08-13
Case Name: Karen Carter for Congress**

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 Ken Carter, representing Karen Carter for Congress and Ken Carter, 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 Audit Division referred Respondents for excessive contributions in the amount of \$65,227, and a failure to file 48-Hour Notices for 33 contributions totaling \$57,000 received prior to the general and run-off elections. The Audit Division stated the Committee provided copies of letters sent to contributors that were eligible for presumptive redesignation and/or reattribution of otherwise excessive contributions totaling \$56,027, and demonstrated that one contribution in the amount of \$4,200 was returned by the bank due to insufficient funds. In addition, the Committee demonstrated that contributions in the amount of \$14,500 were not received within the 48-Hour Notice period.
4. No person shall make contributions to any candidate and the authorized political committee with respect to any election for Federal office which, in the aggregate,

exceed \$2,100. (2006) These contribution limits are indexed for inflation in odd-numbered years. 2 U.S.C. §§ 441a(a) and (f), 11 C.F.R. §§ 110.1(b), 110.9.

5. If any contribution of \$1,000 or more is received by any authorized committee of a candidate after the 20th day, but more than 48 Hours, before 12:01 am of the day of the election, the principal campaign committee of that candidate shall notify the Commission, the Secretary of the Senate and the Secretary of State, as appropriate, within 48 hours of receipt of the contribution. The notification shall be in writing and shall include the name of the candidate and office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution. The notification shall be filed in accordance with 11 C.F.R. § 100.19. The notification shall be in addition to the reporting of these contributions on the post election report. 2 U.S.C. § 434(a)(6), 11 C.F.R. § 104.5(f).
6. Respondents acknowledge some inadvertent errors and omissions. Respondents contend they attempted to balance their inexperience by retaining individuals who advertised as being experienced in Commission compliance. The claims of experience of these individuals, unfortunately, turned out to be inaccurate.
7. Respondents assert that after losing the run-off election, the former candidate has no plans to run for federal office again. Therefore, in an effort to resolve this matter, Respondents agree to work with Commission staff to terminate the Committee's reporting obligations within 90 days of the effective date of this agreement.
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 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 within ninety (90) days of the effective date of the agreement.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 463 (AR 08-13), and resolves only 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:

Lynn M. Fraser, Acting Director
Alternative Dispute Resolution Office



11-19-08
Date Signed

FOR THE RESPONDENTS:



Ken Carter
Representing Karen Carter for Congress and
Ken Carter, Treasurer

9-11-08
Date Signed

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