



Federal Election Commission
Washington, DC 20463

June 29, 2009

Neil Reiff, Esq.
Sandler, Reiff & Young, PC
300 M Street, S.E., Suite 1102
Washington, DC 20003

Re: ADR 485 (RAD 09L-04)
Dallas County Democratic Party and Darlene Ewing, Treasurer

Dear Mr. Reiff:

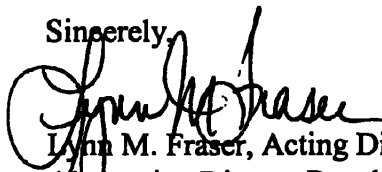
Enclosed is the signed copy of the agreement resolving referral initiated on January 13, 2009 by the Federal Election Commission ("FEC/Commission") involving Dallas County Democratic Party and Darlene Ewing, Treasurer ("Respondents"). The agreement ADR 485 (RAD 09L-04) was approved by the Commission on June 24, 2009 – 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 July 29, 2009. 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 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 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,



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

Enclosure: Agreement

cc: Ken Pezzella, Finance and Accounting Office
Room 819

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**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 485

Source: RAD 09L-04

Case Name: Dallas County Democratic Party

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 Neil Reiff, Esq., representing the Dallas County Democratic Party and Darlene Ewing, in her 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 (RAD) referred the Respondents for the cumulative nature of deficiencies on reports filed with the Commission in the 2006 election cycle which disclosed the Committee was not in substantial compliance with the FECA.
4. A political committee may be referred if, after an internal review of reports filed by the committee, the Commission determines the reports do not meet the threshold requirements for substantial compliance with the FECA. 2 U.S.C. § 437(g).
5. Respondents acknowledge some reporting challenges but contend they were due to inexperienced staff trying to deal with unanticipated increase in activity. Respondents assert that they implemented new financial procedures and hired experienced staff. In addition, the Committee determined that in the future it would limit its activities to state and local issues and candidates.

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6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) work with RAD to ensure that all necessary amendments are filed to correct the record within 60 days of the effective date of this agreement; (b) work with Commission staff to terminate Respondents' federal committee status within 60 days of the effective date of this agreement; and (c) pay a civil penalty of \$3,500 within 30 days of the effective date of this agreement subject to the conditions set out in paragraphs 7 and 8 below.
 7. The Commission determined that an appropriate civil penalty for these violations would be \$15,000. The Commission will suspend \$11,500 of the civil penalty, and the Committee will pay \$3,500, if it complies with the terms in paragraph 6 above and paragraph 8 below, and remains a state and local committee for a minimum of two (2) years from the effective date of this agreement.
 8. In the event the Committee decides, within two (2) years of the effective date of this agreement, to again register with the Commission as a federal committee they will send a representative to a FEC conference and contract with an independent compliance consultant experienced with the FECA, prior to registering the federal committee, and pay the balance of the suspended civil penalty.
 9. In the event the Committee decides, within five (5) years of the effective date of this agreement, but more than two (2) years of the effective date of this agreement, to again register with the Commission as a federal committee, they will send a representative to a FEC conference and contract with an independent compliance consultant experienced with the FECA, prior to registering the federal committee, or pay the balance of the suspended civil penalty.
 10. 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.
 11. 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.
 12. 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.
 13. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 485 (RAD 09L-04), 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:


Lynn M. Fraser, Acting Director
Alternative Dispute Resolution Office




_____ Date Signed

FOR THE RESPONDENTS:

Neil Reiff, Esq.
Representing the Dallas County Democratic Party
and Darlene Ewing, Treasurer




_____ Date Signed

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