



Federal Election Commission
Washington, DC 20463

December 14, 2009

Richard Thomas
General Counsel
League of Conservation Voters Action Fund
1920 L Street, NW Suite 800
Washington, DC 20036

Re: ADR 499 (AR 09-02) and ADR 510 (RAD 09L-031)
League of Conservation Voters Action Fund and Patrick Collins, Treasurer

Dear Mr. Thomas:

Enclosed is the signed copy of the agreement resolving the referrals initiated on June 23, 2009 and August 25, 2009 by the Federal Election Commission ("FEC/Commission") involving League of Conservation Voters Action Fund and Patrick Collins, Treasurer ("Respondents"). The agreement for ADR 499 (AR 09-02) and ADR 510 (RAD 09L-031) was approved by the Commission on December 3, 2009 – the effective date of the agreement.

Note the specific time frames for compliance in paragraph 7 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 7, 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 January 3, 2010. 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.

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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, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Chris Wedderburn, Finance and Accounting Office
Room 819

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**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 499
Source: AR 09-02
Case Number: ADR 510
Source: RAD 09L-31
Case Name: League of Conservation
Voters Action 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 this matter, the Commission entered into negotiations with Richard Thomas, General Counsel, representing the League of Conservation Voters Action Fund and Patrick Collins, 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 these referrals consolidated for resolution. 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. In ADR 499, the Audit Division (Audit) referred Respondents for misstatement of financial activity during calendar years 2005 and 2006. Specifically, Audit found that Respondents materially misstated receipts, disbursements and cash-on-hand balances for calendar years 2005-2006. During 2005, the Committee: understated the beginning cash-on-hand by \$10,585; overstated receipts by \$5,521; understated disbursements by \$2,590; and understated ending cash-on-hand by \$2,474. During 2006, the Committee: overstated receipts by \$9,109; understated disbursements by \$113,680, and overstated the ending cash-on-hand by \$120,315. Audit noted that in response to the interim audit recommendations, Respondents took steps to improve its accounting and reporting procedures, and identified reported contributions originally received by the League of Conservation Voters which had not been transferred to the Committee, and filed amended reports that materially corrected the misstatements.

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4. In ADR 510, the Reports Analysis Division (RAD) referred Respondents for failing to disclose all financial activity on their 2008 October Monthly Report and their 2008 12 Day Pre-General Report. Respondents filed an amended 2008 October Monthly Report on January 30, 2009 that disclosed additional receipts of \$71,076.40. In addition, Respondents filed an amended 2008 12 Day Pre-General Report, also on January 30, 2009, that disclosed additional receipts of \$52,353.24.
5. Treasurers of political committees are required to report all financial activity, including all receipts and disbursements, pursuant to the FECA. 2 U.S.C. §§ 434(a)(1), 434(b)(2), 434(b)(4), 11 C.F.R. §§ 104.1, 104.3(a), 104.3(b).
6. Respondents contend that the increase in receipts noted in ADR 510 was discovered as part of Respondents' voluntary internal review at 2008 year-end, which led Respondents to file amended reports. While Respondents acknowledge reporting deficiencies as outlined in the two referrals, the Committee undertook significant remedial measures to become and remain compliant with the FECA. Committee representatives sat down with Commission staff to clarify all reporting issues. In addition, the Committee developed weekly, monthly and annual reconciliation processes, and internal controls consistent with the Commission's policy. Respondents also contracted with an experienced campaign finance vendor and increased cross-training in financial transactions of Committee staff.
7. Respondents, in an effort to avoid similar errors in the future, agree to: (a) develop and maintain a compliance manual for staff reference within six (6) months of the effective date of this agreement; (b) send a Committee representative to a FEC conference and one FEC Roundtable within twelve (12) months of the effective date of this agreement; and (c) pay a civil penalty of \$5,000 within thirty (30) 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 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 of this agreement as set out in paragraph 7 above.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 499 (AR 09-02) and ADR 510 (RAD 09L-31), and resolves those issues identified in paragraphs 3 and 4 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, Director
Alternative Dispute Resolution Office



12/03/09
Date Signed

FOR THE RESPONDENTS:



Richard Thomas, General Counsel
Representing the League of Conservation Voters
Action Fund and Patrick Collins, Treasurer

11/16/09
Date Signed

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