



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION
COMMISSION
SECRETARIAT

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SENSITIVE

MEMORANDUM

February 2, 2010

TO: The Commission

THROUGH: Alec Palmer
Acting Staff Director *AP*

FROM: Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 517 Democratic State Committee (Delaware) and Helene Keeley,
Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Contract with an external compliance specialist to review reports before filing with the Commission; develop and maintain an operations and compliance manual for staff reference; formalize a process to track the receipt and response of all FEC communications; formalize a process for monthly reconciliation of Committee bank accounts to FEC reports; send a representative to a FEC conference; and pay a civil penalty of \$2,000.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 517 (RAD 09L-36). The ADR Office received this referral on October 14, 2009.

SUMMARY: The Reports Analysis Division referred the Democratic State Committee (Delaware) and Helene Keeley, Treasurer (Respondents or the Committee) for cumulative errors during the 2008 election cycle. Some of the errors involved excessive, prohibited or otherwise impermissible contributions or transfers, mathematical discrepancies, Federal Election Activity/Levin funds, and allocated federal and non-federal activity. The Committee, in response, explained that there was inadequate communication between the staff conducting compliance and reporting processes.

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of the Democratic State Committee (Delaware) and Helene Keeley, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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