



**Federal Election Commission
Washington, DC 20463**

March 18, 2010

Neil Reiff, Esq.
Sandler, Reiff and Young, PC
300 M Street SE, Suite 1102
Washington, DC 20003

Re: ADR 522 (RR 09L-38) and ADR 527 (RAD 09L-45)
Huston Fire Fighters Political Action Fund, International Association of Fire
Fighters and Jeffrey Cavnion, Treasurer

Dear Mr. Reiff:

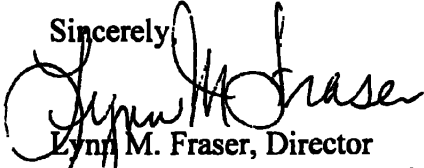
Enclosed is the signed copy of the agreement resolving the referral initiated on November 6, 2009 by the Federal Election Commission ("FEC/Commission") involving Huston Fire Fighters Political Action Fund, International Association of Fire Fighters and Jeffrey Cavnion, Treasurer ("Respondents"). The agreement for ADR 522 and ADR 527 was approved by the Commission on March 15, 2010- 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 April 15, 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.

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

10190290349



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 522

Source: RR 09L-38

Case Number: ADR 527

Source: RAD 09L-45

Case Name: Houston Fire Fighters Political Action Fund,
International Association of Fire Fighters

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 these matters, the Commission entered into negotiations with Neil Reiff, Esq., representing the Houston Fire Fighters Political Action Fund, International Association of Fire Fighters and Jeffery Caynon, 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. The parties agree to resolve the matters 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 522, the Reports Analysis Division (RAD) referred Respondents for circumventing the Administrative Fine Program during the 2005-2006 election cycle. Respondents filed two post-due reports, the 2006 October Quarterly and 2006 Year-End Reports, on March 9, 2009. These reports disclosed total receipts of \$56,068.50 and total disbursements of \$76,950.00, and covered the period of July 1 through December 31, 2006. This period included the 30 Day Post-General Report coverage period of October 1 through November 27, 2006. Prior to filing these reports, the Committee did not appear to have sufficient activity for inclusion in the Administrative Fines Program during the 2005-2006 election cycle.

Case Number: ADR 522

Source: RR 09L-38

Case Number: ADR 527

Source: RAD 09L-45

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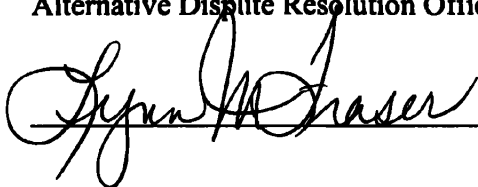
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4. In ADR 527, RAD referred the Respondents for the cumulative nature of deficiencies on reports filed with the Commission in the 2008 election cycle which disclosed the Committee was not in substantial compliance with the FECA.
 5. Treasurers of political committees are required to report, in the manner and time set forth, all financial activity pursuant to the FECA. 2 U.S.C. §§ 434(a)(1)-(2), 11 C.F.R. §§ 104.1, 104.5, 104.18, 111.31. 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).
 6. Respondents acknowledge some reporting challenges due to an abrupt change in staff that had no opportunity to gain reporting experience prior to being required to file a report. In addition to new staff, the principal officers of the Committee changed as well, and continuity of oversight for staff was disrupted. When errors or omissions were discovered, such as reporting cash-on-hand, the Committee did a voluntary reconciliation from January 2003 to the present, followed by filing necessary amendments.
 7. Respondents, in an effort to avoid similar errors in the future, agree to: (a) the Committee will have counsel conduct a comprehensive two day training based upon FEC curriculum within sixty (60) days of the effective date of this agreement; (b) put a process in place whereby outside counsel will review all reports, amendments and communications to and from the Commission within thirty (30) days of the effective date of this agreement; (c) develop and maintain a compliance procedural manual, including flow charts for reporting and reconciliation, and a tickler/notification system to ensure timely reporting and prompt responses to all FEC communications; (d) contract within thirty (30) days of the effective date of this agreement with an independent compliance/accounting specialist to do annual audits of the Committee's financial activity, and certify the results to the Commission within three months of the conclusion of each calendar year for the years 2010 through 2012; (e) send a representative and an officer to a FEC training within twelve months of the effective date of this agreement; (f) review and amend all reports from January 1, 2006 to the present time within sixty (60) days of the effective date of this agreement; and (g) pay a civil penalty of \$4,000 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 522 (RR 09L-38) and ADR 527 (RAD 09L-45), 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:

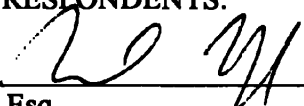
Lynn M. Fraser, Director
Alternative Dispute Resolution Office



3-15-10

Date Signed

FOR THE RESPONDENTS:



Neil Reiff, Esq.

Representing the Houston Fire Fighters Political
Action Fund, International Association of Fire
Fighters and Jeffery Caynon, Treasurer

1/29/10

Date Signed