



FEDERAL ELECTION COMMISSION
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SENSITIVE

MEMORANDUM

February 2, 2010

TO: The Commission

THROUGH: Alec Palmer *AP*
Acting Staff Director

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

SUBJECT: ADR 525 Vermont Democratic Party and Edward Clark, 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 process for monthly reconciliation of Committee bank accounts to FEC reports; send a representative to a FEC conference; and pay a civil penalty of \$2,500.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 525 (RAD 09L-43). The ADR Office received this referral on November 16, 2009.

SUMMARY: The Reports Analysis Division referred the Vermont Democratic Party and Edward Clark, Treasurer (Respondents or the Committee) for cumulative errors during the 2008 election cycle. Some of the errors involved mathematical discrepancies, missing schedules, and a failure to file or late filing of reports. The Committee, in response, explained that the discrepancies were due to new financial software and staff turnover.

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of the Vermont Democratic Party and Edward Clark, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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