



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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**SENSITIVE**

**MEMORANDUM**

April 21, 2010

TO: The Commission

THROUGH: Alec Palmer *AP*  
Acting Staff Director

FROM: Patricia Carmona *PC*  
Chief Compliance Officer

Lynn M. Fraser *LMF*  
Director, ADR Office

SUBJECT: ADR 528 DNC Services Corporation/Democratic National Committee and Andrew Tobias, Treasurer, Recommendation to Approve Settlement Agreement

**RESOLUTION TERMS:** appoint a compliance specialist; implement cross-training of administrative staff; develop and implement a compliance operations manual; 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 528 (RAD 09L-46). The ADR Office received this referral on December 4, 2009.

**SUMMARY:** The Reports Analysis Division referred the DNC Services Corporation/Democratic National Committee and Andrew Tobias, Treasurer (Respondents or the Committee) for cumulative errors during the 2008 election cycle which disclosed the Committee was not in substantial compliance with the FECA.

Respondents acknowledge receiving requests for clarification, specifically as they relate to offsets to operating expenditures, itemization of travel reimbursements and public communications as possible candidate fundraising expenses. Respondents contend that they worked with Commission staff to decrease the need for RAD to seek clarification of reporting issues.

Recommendation to Approve  
Settlement Agreement  
ADR 528 (RAD 09L-46)  
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**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of Washington State Republican Party and Colleen Morse, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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