



**Federal Election Commission  
Washington, DC 20463**

**MEMORANDUM**

April 27, 2010

TO: The Commission

THROUGH: Alec Palmer  
Acting Staff Director

FROM: Patricia Carmona  
Chief Compliance Officer

Lynn M. Fraser  
Director, ADR Office

SUBJECT: ADR 530 South Dakota Democratic Party and Bill Nibbelink, Treasurer, Recommendation to Approve Settlement Agreement

**RESOLUTION TERMS:** Review and respond to all Commission communications, including clarifying any issues and amending relevant reports, from January 1, 2008 through to April 1, 2010; appoint an independent compliance specialist; develop and maintain a process to track receipt of and response to all communications from the Commission; develop and implement a quarterly staff conference call with outside counsel on reporting and compliance; file an annual certification of Respondents' reconciliation of financial activity for calendar year 2010 by April 1, 2011 and for calendar year 2011 by April 1, 2012; and pay a civil penalty of \$1,000.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 530 (RAD 09L-48)**. The ADR Office received this referral on December 7, 2009.

**SUMMARY:** The Reports Analysis Division referred the South Dakota Democratic Party and Bill Nibbelink, 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. 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).

Respondents contend that their reporting deficiencies resulted from financial challenges and having a very small staff. The Committee took steps to change financial procedures, make operations more efficient and train staff.

**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of South Dakota Democratic Party and Bill Nibelink, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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