



Federal Election Commission
Washington, DC 20463

December 2, 2011

Lynne P. Fox
Philadelphia Joint Board UNITE HERE TIPS
22 South 22nd Street
Philadelphia, PA 19103

Re: ADR 576 (RAD 11L-15)
Philadelphia Joint Board UNITE HERE TIPS and Mildred Saldana, Treasurer

Dear Ms. Fox:

Enclosed is the signed copy of the agreement resolving the referral initiated on June 17, 2011 by the Federal Election Commission ("FEC/Commission") involving the Philadelphia Joint Board UNITE HERE TIPS and Mildred Saldana, Treasurer ("Respondents"). The agreement for ADR 576 was approved by the Commission on November 29, 2011 – the effective date of the agreement.

Note the specific time frames for compliance in paragraph 6 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 6, 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 December 29, 2011.** 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.

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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: Gwen Holmes, Finance and Accounting Office
Room 819

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Federal Election Commission
Washington, DC 20463

Case Number: ADR 576
Source: RAD 11L-15
Case Name: Philadelphia Joint Board
UNITE HERE TIPS

NEGOTIATED SETTLEMENT

This matter was 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 matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with Lynne Fox representing the Philadelphia Joint Board UNITE HERE TIPS and Mildred Saldana, in her 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 this referral. The parties agree to resolve the matter according to the following terms:

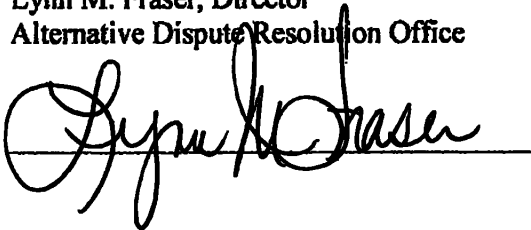
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 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. Summary of issues/facts RAD referred Respondents for receiving an apparent prohibited receipt totaling \$33,261 disclosed on its 2009 Mid-Year Report. The Committee transferred the funds to its connected organization on June 24, 2010, as disclosed on the 2010 July Quarterly Report, which was outside the permissible timeframe for refunding or transferring out prohibited receipts.
4. Treasurers of political committees are required to report all financial activity, including all receipts, and disbursements and all debt, pursuant to the FECA. 2 U.S.C. § 434, 11 C.F.R. § 104.
5. Respondents acknowledge an inadvertent deposit of funds into the federal account. When the Commission notified Respondents of the error, the funds were transferred and disclosed on the 2010 July Quarterly Report. Respondents contend the account always had adequate funds in it, and thus the prohibited funds were never used for contributions. In addition, to help ensure Respondents revised the Committee's financial procedures,

implemented training and hired compliance counsel to review reports and the adequacy of the financial procedures.

6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) develop and implement a compliance operations manual which includes internal controls consistent with the Commission's Internal Controls Policy (2007) and a process to track receipt of, and response to, communications with the Commission within sixty (60) days of the effective date of this agreement; and (b) pay a civil penalty of \$1,500 within thirty (30) days of the effective date of this agreement.
7. 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.
8. 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.
9. 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 6 above.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 576 (RAD 11L-15), and resolves those issues identified in paragraph 3 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



11-29-2011
Date Signed

FOR THE RESPONDENTS:


Lynne P. Fox
Representing the Philadelphia Joint Board
UNITE HERE TIPS and Mildred Saldana, Treasurer

9-6-11
Date Signed

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