

times during her tenure, February 2004 – September 2011. The Committee states it's 2011 Year End Report included a transaction to reflect that its bank funds had been seized pursuant to an interpleader court proceeding stemming from Durkee's actions and to deal with the related absence of bank records for part of the reporting period. Respondents contend that since discovery of the possible misappropriation, the Committee implemented many of the internal controls recommended in the Commission's Best Practices for Committee Management (2009 update).

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Democratic Foundation of Orange County and Xavier R. Martinez, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.