

2011 October Quarterly Report to disclose unauthorized disbursements of \$125,000. Subsequently, the Committee filed its 2012 Year End Report on January 31, 2013 to disclose an additional adjustment of \$276,409.

Respondents acknowledge filing an Amended 2011 October Quarterly Report to disclose a \$125,000 cash-on-hand adjustment due to the unauthorized transactions of former treasurer, Kinde Durkee. In addition, Respondents contend they conducted a comprehensive analysis of the Committee's financial activity, contracted with a new compliance vendor, and implemented additional financial procedures and internal controls. As a result of this review, the Committee filed its 2012 Year End Report to disclose additional unauthorized disbursements in the amount of \$276,409, or an aggregate of \$401,409.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of the Committee to Re-Elect Loretta Sanchez and Katharine Meyer Borst, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.