



**Federal Election Commission
Washington, DC 20463**

December 13, 2016

Neil Reiff, Esq.
SANDLER REIFF
1025 Vermont Ave NW, Suite 300
Washington, DC 20005

**Re: ADR 805
VoteVets.org Action Fund**

Dear Mr. Reiff:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on November 12, 2015, by the Federal Election Commission ("FEC/Commission") involving the above-shown Respondents. The Negotiated Settlement was approved by the Commission on December 7, 2016 – 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 January 6, 2016.¹ 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 Negotiated Settlement 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 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.

¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

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,



Krista V. Roche
Assistant Director
Alternative Dispute Resolution Office

Enc: Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office



Federal Election Commission
Washington, DC 20463

Case Number: ADR 805

Source: RR 15L-43

Case Name: VoteVets.org Action Fund

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 Neil Reiff, Esq., representing VoteVets.org Action Fund (Respondent). 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 Respondent 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 Respondent. 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 52 U.S.C. § 30109.
2. Respondent voluntarily enters into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred Respondent for failing to timely file the 2014 July Quarterly and Year-End Reports to support independent expenditures totaling \$295,086.46 and \$786,219.19, respectively. The independent expenditures were disclosed on Respondent's 24-Hour Reports. On August 8, 2014, Respondent filed the 2014 July Quarterly Report to disclose the independent expenditures totaling \$295,086.46, which were previously reported on the 24-Hour Report filed on June 6, 2014. On September 23, 2015, Respondent filed the 2014 Year-End Report disclosing the independent expenditures totaling \$786,219.19, which were previously reported on the 24-Hour Report filed on October 8, 2014.
4. Entities that are not political committees that spend in excess of \$250 on independent expenditures within a calendar year with respect to a given election must also file a quarterly report (i.e., Form 5) for any quarterly period in which the independent expenditures exceed \$250 and any subsequent quarterly period during that calendar year when additional independent expenditures are made. 52 U.S.C. §30104(c), 11 C.F.R. §109.10(b).

5. Respondent contends it maintains a very small permanent staff that inadvertently failed to timely file the reports due to their general lack of familiarity with the filing requirement. Respondent further contends that because all of its 24-Hour Reports were filed on time, the public was at no time deprived of any relevant information since the quarterly reports did not contain any information that had not already been disclosed in a 24-Hour Report. Respondent states that in order to ensure errors of this nature do not occur in the future, it has retained outside counsel and a compliance firm to ensure that all future expenditures are handled and disclosed properly.
6. Respondent, in an effort to avoid similar errors in the future, agrees to: (a) certify that a representative of the Committee participated in an FEC conference, webinar, or other program developed in consultation with the FEC's Information Division within twelve (12) months of the effective date of this agreement; (b) develop and certify implementation of a compliance operations manual which includes internal controls consistent with those described in the Commission's Internal Controls and Political Committees advisory document (2007) and the Best Practices for Committee Management (published in the April 2009 Record, available at www.fec.gov/pages/brochures/bestpractices.shtml), as well as a process to track receipt of, and response to, communications with the Commission within ninety (90) days of the effective date of this agreement; and (c) pay a civil penalty of \$2,000 within thirty (30) days of the effective date of this agreement.
7. Respondent agrees 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 Respondent fails 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. Respondent shall comply with the terms of this agreement as set out in paragraph 6 above, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 805 (RR 15L-43), 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:

Krista J. Roche, Assistant Director
Alternative Dispute Resolution Office

KJR

12/8/16

Date Signed

FOR THE RESPONDENT:

NR
Neil Reiff, Esq.
Representing VoteVets.org Action Fund

6/31/16

Date Signed