



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 22, 2019

Neil Reiff
1090 Vermont Avenue, NW
Suite 750
Washington, DC 20005

Re: ADR 882
Democratic Party of Arkansas and Dawne Vandiver, Treasurer

Dear Neil Reiff:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matter. The Negotiated Settlement was approved by the Commission on February 11, 2019 – the effective date of the agreement.

Note the specific time frames for compliance detailed in the agreement. Please forward to this office, a statement confirming Respondent's compliance with each term. The letter should note the dates on which Respondents satisfied each of the terms and contain the ADR case number. For your convenience, a compliance chart is attached.

The Commission notes the payment of the civil penalty in the amount of \$7,900 paid under the terms of the agreement.

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 Records Office.

This agreement resolves this matter. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,

Krista J. Roche

Krista J. Roche

Director

Alternative Dispute Resolution Office

Enc: Compliance Chart
Negotiated Settlement

10-1000M1107-1

ADR 882 Compliance Chart

Type	Due Date
Complete training in accordance with the Training Plan	5/13/2019



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Case Number: ADR 882

Source: AR 2-753

Case Name: Democratic Party of Arkansas

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 Democratic Party of Arkansas and Dawne Vandiver, 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 audit finding violations transferred to the ADR Office from the Audit Division in accordance with the certified vote of the Commission on June 26, 2018. 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 52 U.S.C. § 30109.
2. Respondents voluntarily enter into this agreement with the Commission.
3. Audit fieldwork of the Committee's 2014 election cycle activity showed that Respondents received prohibited contributions totaling \$6,500, failed to disclose debts and obligations in the amount of \$336,445, and failed to itemize contributions from other political committees in the amount of \$35,000. The Committee also failed to disclose necessary information for disbursements related to federal election activity and coordinated party expenditures in the amount of \$881,631, as well as payroll expenses in the amount of \$104,501.
4. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, and it is unlawful for any candidate or political committee to accept such contributions. 52 U.S.C. §§ 30116 (f), 30118(a), 11 C.F.R. §§ 114.2(a), 114.2(d).

- 10-10-2011-1674
5. Treasurers of political committees are required to disclose all financial activity, including the amount and nature of outstanding debts and obligations owed by or to the political committee. 52 U.S.C. § 30104(b)(8), 11 C.F.R. § 104.3(d).
 6. Political committees must itemize every contribution from any political committee, regardless of amount. 52 U.S.C. § 30104(e)(3), 11 CFR §104.3(b)(3)(v).
 7. Each political committee shall itemize on their report payees that aggregate over \$200 in the calendar year and information should include the full name, mailing address, date, amount and purpose of such expenditure. The purpose means a brief statement or description as to the reason for the expenditure. 52 U.S.C. § 30104(b)(5), 11 CFR §§ 104.3(b)(3)(i)(A), 104.9. The national and state committees of a political party may assign their respective authority to make coordinated party expenditures to another political party committee so long as the assignment is in writing, states the amount of authority assigned, and is received by the assignee committee before any coordinated party expenditure is made under the assignment. 11 CFR §109.33.
 8. Respondents have amended 2014 election cycle reports and the Audit Division confirms that disclosure reports have been amended to materially correct fieldwork findings.
 9. Respondents, in an effort to avoid similar errors in the future, agree to: (a) complete training in accordance with the Training Plan (Exhibit A) within ninety (90) days of the effective date of this agreement; and (b) pay a civil penalty of \$7,900 within thirty (30) days of the effective date of this agreement.
 10. 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.
 11. 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.
 12. 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 9 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.
 13. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 882 (AR 2-753), 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.

**Krista J. Roche, Director
Alternative Dispute Resolution Office**

19/06/22

2 | 11 | 19
Date Signed

Neil Reiff, Esq.
Representing Democratic Party of Arkansas
and Dawne Vandiver, Treasurer

10/29/18
Date Signed



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Training Plan
Democratic Party of Arkansas (C00024372)
Exhibit A

Dawne Vandiver, Treasurer
1300 W Capitol Avenue
Little Rock, AR 72201

Neil Reiff, Counsel
1090 Vermont Avenue NW, Suite 750
Washington, DC 20005

Re: ADR 882: Democratic Party of Arkansas and Dawne Vandiver, Treasurer

Below is a general overview of the training that will be provided to the Democratic Party of Arkansas per the Negotiated Settlement.

- I. Fundraising for the federal account**
 - A. Permissible sources of contributions
 - B. Prohibited sources of contributions
 - C. Contribution exemptions
- II. Party Committee Disbursements**
 - A. Payroll Disclosure/Allocation
 - B. Debt Disclosure
- III. Supporting federal candidates**
 - A. Coordinated party expenditures
 - B. Independent Expenditures
- IV. Federal Election Activity (FEA)**
 - A. Types of FEA
- V. Common Reporting Errors**
- VI. Best Practices for FEC Compliance**

It is estimated that the required training will take approximately four to six hours. Please contact Rosa Marshall at (202) 694-1152 within ninety (90) days of the effective date of this agreement to schedule training and provide attendee information.