

Resolution Failed by vote of 17 to 14 - April 29, 2010

Resolution Regarding D.C. Democratic State Committee Fundraising Activities

WHEREAS as a result of a complaint filed on April 7, 2009 and April 22, 2009, the D.C. Office of Campaign Finance initiated an audit of the D.C. Democratic State Committee to determine whether the D.C. Democratic State Committee complied with the District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974;

WHEREAS the D.C. Office of Campaign Finance issued a Preliminary Audit Report on August 3, 2009 alleging mismanagement of the D.C. Democratic State Committee's financial activity in the failure to report contributions, expenditures and other expenses;

WHEREAS, the D.C. Office of Campaign Finance issued an Interim Audit Report on November 9, 2009 finding that the D.C. Democratic State Committee

- (a) failed to report contributions,**
- (b) did not negotiate receipts through the Committee's bank accounts,**
- (c) did not report bank credits,**
- (d) failed to report expenditures,**
- (e) understated and incorrectly disclosed expenditures,**
- (f) did not negotiate expenditures through the Committee's bank accounts,**
- (g) misstated its receipts, disbursements and cash on hand, and**
- (h) (1) established a separate organization (D.C. Denver Convention 2008), whose purpose was to send the D.C. delegation to the Democratic National Convention in Denver, Colorado, (2) solicited contributions for activities relating to the D.C. Democratic State Committee, (3) failed to report those receipts and expenditures to the Office of Campaign Finance until the Office of Campaign Finance's investigation and (4) accepted contributions exceeding the legal limit;**

WHEREAS, on December 10, 2009, the D.C. Democratic State Committee agreed with Findings A-G in the Interim Audit Report and disagreed with Finding H;

WHEREAS, regarding Finding H, the Office of Campaign Finance recommended that the D.C. Democratic State Committee amend its Statement of Organization to include D.C. Denver Convention 2008, report any contributions and expenditures, and refund the "excessive portions of each contribution;"

WHEREAS, on December 18, 2009, the D.C. Democratic State Committee was found by the Office of Campaign Finance's Final Audit Report not to be in compliance with the District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974;

WHEREAS the D.C. Democratic State Committee's continued defiance to return contributions over the legal limit and resolve all other outstanding complaints have the force, effect and appearance of cronyism, corruption and a blatant disregard for the rule of law;

WHEREAS the allegations and findings of the Office of Campaign Finance have impugned the reputation and credibility of the D.C. Democratic State Committee, Democrats in the District of Columbia, the Democratic Party and our agenda;

WHEREAS the D.C. Democratic State Committee is engaged in and planning new fundraising activities, including, but not limited to, the 2010 Kennedys-King Awards Dinner on June 7, 2010;

Be it hereby resolved by the Ward Three Democratic Committee of the District of Columbia that:

- (1) the D.C. Democratic State Committee will, with all deliberate speed, take all necessary steps to come into compliance with the District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974 and bring a final resolution to this dispute between the D.C. Democratic State Committee and the D.C. Office of Campaign Finance; and**
- (2) the D.C. Democratic State Committee ceases all fundraising activities until the allegations and findings by the Office of Campaign Finance have been completely resolved.**

Introduced by Kahlill Palmer, Precinct 28 At Large Delegate; Dave Donaldson, Precinct 34; Howie Kreitzman, Precinct 28; Ann Loikow, Precinct 27; Jeffrey Norman, Precinct 32; Tom Smith, Precinct 9; and Shelley Tomkin, Precinct 50.

Click the following link for the Office of Campaign Finance Report in regard to the DC Democratic State Committee - [DCDSC - OCF Report.pdf](#)