ILLINOIS BALLOT INTEGRITY PROJECT NEWS RELEASE

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FIDLAR FIRED? DUPAGE WATCHDOG GROUP SAYS "NO!"

GLEN ELLYN, Oct. 12, 2006 -- Recent public remarks by DuPage County Election Commission Chairman J.P. "Rick" Carney attempting to deflect criticism of cronyism in the selection of election vendors has led to yet another discovery of favoritism, according to the DuPage Chapter of the Illinois Ballot Integrity Project. IBIP recently revealed that Carney had received \$12,500 in campaign contributions from Fidlar Doubleday, the "premier dealer" for Diebold Election Systems, Inc., prior to voting for the highly controversial touch screen machines in December 2005. Fidlar had supplied voting machines, technical assistance and election materials to the Commission for years. The new revelations concern Carney's remarks published by *The Daily Herald*.

Carney's response to this finding were published in a front page article in *The Daily Herald* on Oct. 5, 2006. Robert Sanchez wrote, quoting Carney, "All I know is they (Fidlar) no longer represent Diebold at the election commission,' Carney said. 'That's a fact.'" Carney explained that the \$500,000 contract with Fidlar for the printing of ballots had been given to another company.

That company, however, turns out to be Liberty Systems LLC of Wheaton, IL, owned by William Barrett, former vice president of sales of Fidlar Doubleday -- the person in charge of the department which sold the Diebold TSx touch screen machines to DuPage County. According to County line-item expenditures, as of Sept. 1, 2006, \$200,000 had been paid to Barrett's company, headquartered in his Wheaton residence, by the Commission for printing services. More payments are expected in connection with the November 7th election. Barrett had personally contributed to Carney's campaigns between 2000 and 2002.

"Regardless of Mr. Carney's attempts to dilute and conceal his relationship with Fidlar, DuPage County is still stuck with his vote on December 2005. We're still stuck with Diebold touch screens on election day," says Jean Kaczmarek, co-chair of the Project's DuPage Chapter.

In the same news story, Carney was quoted as saying, "They no longer have any contracts with the election commission at all." Members of the Illinois Ballot Integrity Project are perplexed by Carney's statement, given that the 31-page contract he signed with Fidlar in Dec. 2005 has provisions for maintenance and licensing fees which will continue for 20 years. A phone call to Diebold Election Services' headquarters last week brought assurances that Fidlar was Diebold's only dealer for DuPage County. Futhermore, payments to Fidlar appear in the Commission's line-item expenditures as recently as May 2006, including a \$45,000.00

payment for the Diebold GEMS service agreement. Melisa Urda, co-chair, says, "How can we have trust in our election officials when they claim a contract is no longer current, though current contracts and line items say otherwise?"

"If Carney's statement is true, the Commission should furnish citizens of DuPage County with the agreement to terminate this contract and the new agreements with other vendors, at the customary \$1 per page of course," said Robert Wilson, chairman of the Project's Cook County Chapter, referencing the Commission's exorbitant fees for duplication of public records.

Campaign disclosures to the Illinois State Board of Elections revealed the Committee to Elect J.P. "Rick" Carney received a \$9000.00 in-kind contribution from Fidlar which paid for the bulk of his retirement party at Wilton Manor in Wheaton, Ill. on Nov. 18, 2004. Prior to that, on Sept. 16, 2004 and May 5, 2003, Fidlar contributed \$3000.00 and \$500.00 respectively to Carney.

Carney had served five terms as DuPage County Recorder until he retired in 2004. Briefly, Carney was a Republican candidate for the U.S. 6th District of Illinois to fill Rep. Henry Hyde's upcoming slot. On Nov. 15, 2005, Carney was appointed to serve on the DuPage County Election Commission by DuPage County Board Chairman Robert Schillerstrom. Carney was sworn in as Commission chairman on Jan. 12, 2006. Carney was among the Commissioners who voted unanimously for the Diebold TSx touch screen voting machines over the two other contenders -- Hart InterCivic eSlate and the ES&S iVotronic. The Dec. 29, 2005 vote barely beat the Jan. 1, 2006 deadline to receive over \$4 million in Help America Vote Act (HAVA) funding for the electronic voting machines.

The Daily Herald quoted Carney, "You've got to understand that old Fidlar were friends of mine," he said. "The new Fidlar are enemies of mine." Those old friends included Barrett, who resigned from his position earlier this year, and Jay Bennett, former CEO of Fidlar Doubleday, who resigned in Dec. 2005. Both Barrett and Bennett had strong DuPage ties.

Barrett was employed in the Clerk's office in 1971 when the County was moving from paper ballots to a punch card voting system. He left this position in 1980 to work in sales for Fidlar & Chambers, which provided punch card services to nearly half of the counties in Illinois until the middle 1990's, eventually leading to optical scan and touch screen voting systems. (Fidlar & Chambers merged with Doubleday Bros., Inc. in 1999.) In 2001, Barrett was promoted to vice president of sales for Fidlar Election, overseeing election sales operations in Michigan, Illinois, Wisconsin, Indiana and Minnesota. Barrett resigned from Fidlar earlier this year and formed Liberty Systems LLC in June.

Bennett served as Deputy Clerk in the Elections Department for DuPage County from 1966 to 1973 and as Assistant Executive Director of the DuPage County Election Commission from 1973 to 1981, began

working at Fidlar & Chambers in 1981. Bennett contributed \$4000.00 to the DuPage County Republican Central Committee in 2002 and 2003. In 2003, Fidlar Doubleday became the "premier dealer" for Diebold Election Systems, Inc.

Bennett ultimately became CEO of Fidlar Doubleday and in that capacity regularly attended the Election Commission's board meetings in 2005 until he resigned in December. Bennett now serves as Deputy County Clerk of Kane County. The week after Bennett left Fidlar Doubleday, Diebold CEO Walden O'Dell also resigned. The next day, multiple class-action lawsuits began being filed against Diebold, alleging insider trading, stock price manipulation and other malfeasance by eight current and former top Diebold executives. An investigation of Diebold, Inc. by the U.S. Securities & Exchange Commission is also underway.

"It appears that there is a revolving door with election vendors like Fidlar, their personnel, and the DuPage County Clerk's office," says Urda.

The Illinois Ballot Integrity Project is incorporated as a not-for-profit, non-partisan civic organization dedicated to the correction of election system deficiencies and ensuring fair, accurate, and completely transparent elections. IBIP believes that fundamental to election integrity is the inscribing of all votes (whether by hand or by machine) on durable paper ballots which are easily handled and verified by the individual voter. The voter's paper ballot should be the only official ballot for purposes of casting, tallying, counting, audit and recount.

The Mission of the Illinois Ballot Integrity Project is to inform and educate the public, media and government officials about important election integrity issues and to promote the adoption of legislation and policies designed to secure the democratic process.

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EDITOR'S NOTE: For questions, contact Jean Kaczmarek: 630-469-2166. Fidlar's campaign contributions to J.P. "Rick" Carney can be found at this link: http://www.elections.il.gov/CampaignDisclosure/CommitteeDetail.aspx?id=4478