



FEDERAL ELECTION COMMISSION
Washington, DC 20463

November 16, 2004

Dawn Perkerson, Treasurer
Volunteer PAC
P.O. Box 158552
Nashville, TN 37215

Re: ADR 204 (AR 04-08)
Volunteer PAC and Dawn Perkerson, Treasurer (Respondents)

Dear Ms. Perkerson:

The Audit Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of the 2002 election cycle records of the Volunteer PAC warranted further examination for possible violation of the Federal Election Campaign Act of 1971, as amended. The Commission, thereafter, reviewed the file and voted on November 15, 2004 to assign this matter to the FEC's Alternative Dispute Resolution Office ("ADRO") for processing.

The FEC established the ADR Program to provide an informal means for resolving matters that come before the Commission and to facilitate negotiations directly with Respondents. The ADR Program provides Respondents with an opportunity to negotiate, and if necessary, mediate settlement of a matter that is mutually agreeable. The negotiations occur prior to any Commission consideration of whether there is reason to believe a violation has occurred. If negotiations and/or mediation are successful, the resulting settlement would conclude the matter.

The Commission, in referring the matter to the ADR office, determined that the case is eligible for processing in the ADR program. If Respondents decide to participate in the Program, i.e., negotiation and/or mediation, you must: 1) indicate in writing a willingness to have your case submitted to the ADR process; 2) agree to participate in the bilateral negotiations and if necessary, mediation; and 3) waive the statute of limitations while the matter is being processed under the FEC's ADR program.

The issues referred to the ADRO and the focus of our subsequent negotiations are summarized as follows:

ADR 204/AR 04-08: An audit of the 2002 election cycle financial records referred three findings for resolution: 1) that the Volunteer PAC and Dawn Perkerson, Treasurer

FEDERAL ELECTION COMMISSION, ALTERNATIVE DISPUTE RESOLUTION OFFICE
999 E STREET N.W., WASHINGTON, DC 20463
TELEPHONE: 202.694.1665 FAX: 202.219.0613
EMAIL: lfraser@fec.gov

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(“Respondents” or “Committee”) failed to report earmarked contributions; 2) Respondents over funded federal election activity from a non-federal account due to an incorrect allocation ratio; and 3) failed to adequately disclose contributions made to federal candidates. In response to the interim audit, the Committee filed amended reports disclosing the receipt of the earmarked contributions on Schedules A and the transfer of the earmarked contributions to the candidates on Schedules B. Respondents reimbursed the non-federal account \$166,047 to correct the over-funding and itemized its allocable activity in memo entries on Schedules H4 to correct the disclosure of expenditures. In addition, the Committee filed amended disclosure reports with additional information on the seventy-four contributions that lacked sufficient information.

If after reviewing this letter and the enclosed brochure, which describes the ADR program, Respondents would like this case selected for ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR Program form. **Failure to respond affirmatively within fifteen (15) business days of receipt of this letter will be taken as a notice of disinterest in the program and your case will be dropped from further consideration for ADR.** In that event, your case will be sent to the FEC’s Office of General Counsel and the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as **ADR 204**. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADRO at my direct dial as indicated below

Sincerely,

Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office
202-694-1665

Enclosures: Brochure
Commitment to Submit Matter to ADR
Designation of Representative/Counsel

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