



FEDERAL ELECTION COMMISSION
Washington, DC 20463

August 15, 2005

Andrew Fales, Treasurer
Idaho Republican Party
P.O. Box 2267
Boise, ID 83701

Dear Mr. Fales:

The Audit Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of the records of the Idaho Republican Party 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 August 12, 2005 to assign this matter to the FEC's Alternative Dispute Resolution (ADR) office 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 issues referred to the ADR Office and the focus of our subsequent negotiations, if the Party decides to participate in the ADR option, are described as follows

Audit determined that the Idaho Republican Party and Andrew Fales, Treasurer ("the Respondents"), failed to disclose the occupation and/or name of the employer for approximately 31% of the contributions received from individuals listed on Respondents' disclosure reports received during the 2002 election cycle. In addition, Respondents failed to maintain "best efforts" notices and did not submit copies of such. Audit reviewed contributions itemized on Schedules A and concluded that the explanation "information requested" was filed for 90% of the aforementioned entries. Respondents maintained no samples of solicitation devices that would have enabled the Audit staff to verify what information initially had been requested.

The Commission, in referring the matter to the ADR office, determined that the case is eligible for processing in the ADR program. If you 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.


If after reviewing this letter and the enclosed brochure, which describes the ADR program, you would like your case selected for ADR processing, you need to affirmatively indicate that on the

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enclosed Commitment to Submit Matter to ADR Program form. **Failure to respond affirmatively within twenty (20) 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, either your case will be sent to the FEC's Office of General Counsel or the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as **ADR 284/AR 05-04**. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADR Office at 202-694-1670.

Sincerely,



Allan D. Silberman
Director, ADR Office

Enclosures: a/s

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