



FEDERAL ELECTION COMMISSION
Washington, DC 20463

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December 16, 2005

MEMORANDUM

TO: The Commission

THROUGH: Robert J. Costa *AK*
Acting Staff Director

FROM: Allan D. Silbermann *ADS*
Director ADR Office

SUBJECT: ADR 304 – Latino Alliance and Linda Chavez, Treasurer
Recommendation to Assign Case

SENSITIVE

On November 17, 2005, the ADR Office received from RAD 05L-61 to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case, **ADR 304**, is appropriate for ADR and recommend that it be assigned to the ADR Office.

Summary: RAD determined that the Latino Alliance and Linda Chavez, Treasurer, i.e., the "Respondents", amended their 2004 30-Day Post General Report to disclose additional disbursements of \$76,798.87 over the amount disclosed on the original 30-Day Post General Report. The original Report disclosed Other Federal Operating Expenditures of \$31,983.15 while the Amended Report disclosed Other Federal Operating Expenditures of \$108,782.02. Respondents explained, in response to a RFAI, that the disbursements that were not initially disclosed were due to the fact the outsourcing vendor did not receive copies of all disbursements made during the period.

Attached for the Commission's review is the *ADR Case Analysis Report* on **ADR 304** along with a copy of the EPS and ADR Rating Sheets. The *Case Analysis Report* includes an analysis of the case and a description of the issues that the ADR Office (ADRO) anticipates addressing if the case is assigned to ADR. In addition, the Report has been reviewed by OGC, which concurs in the description of the case. If the Commission concurs in the recommendation to assign the matter to ADRO, the above case description will be provided to Respondents as part of ADRO's notification package sent to Respondents.

Recommendation:

1. Assign **ADR 304/RAD 05L-61** to the ADR Office.

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ADR CASE ANALYSIS REPORT

ADR Case: 304

Respondents: Latino Alliance
Linda Chavez, Treasurer

RAD: 05L-61

Respondents Rep: Linda Chavez

Case Opened: 10-26-05

Committee Type: Unauthorized

Date Forwarded to ADRO: 11-17-05

Committee Name: Latino Alliance

Date Reviewed by ADRO: 12-6-05

Election Cycle: 2004

District #/or State: N/A

Election: N/A

Complainants: RAD Referral

Summary of Referral: RAD determined that Respondents amended their 2004 30-Day Post General Report to disclose additional disbursements of \$76,798.87 over the amount disclosed on the original 30-Day Post General Report. The original Report, filed on December 2, 2004 for the period from October 14, 2004 through November 22, 2004, disclosed Other Federal Operating Expenditures (on Line 21b) of \$31, 983.15. The Amended Report 30-Day Post General Report for the same period, filed on June 1, 2005, disclosed Other Federal Operating Expenditures of \$108,782.02.

Respondents' Reply: A RFAI sent Respondents on June 10, 2005 requested clarification regarding the \$76,798.87 -- or 240% -- increase in disbursements. In reply, Respondents explained that the disbursements that were not initially disclosed were due to the fact "our outsourcing vendor did not receive copies of all disbursements made during the period prior to filing the Report." Respondents subsequently advised that they have "instituted a more thorough review to ensure that these mistakes do not happen in the future". RAD later suggested that the Committee provide more information concerning the increased activity. To date no further communication on this matter has been received from the Committee.

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Recommendation: Assign to ADR

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