THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

June 27, 2007

TO: The Commission

THROUGH: Patrina M. Clark
           Staff Director

FROM: John D. Gibson
           Acting Chief Compliance Officer

           Deborah Ruth Kant
           Director, ADR Office

SUBJECT: ADR 379 Lewis for Senate, Inc., Matthew Miller, Treasurer,
           Recommendation to Approve Settlement Agreement

           RESOLUTION TERMS: Working with Commission to terminate
                                 Committee, and payment of civil penalty of
                                 $3500 (amount in dispute -- $114,246.39).

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to **ADR 379 (RR 071-01)**. This case was transferred to the ADR Office on February 14, 2007, and was assigned to the ADR Office on April 2, 2007.

SUMMARY: Treasurers of political committees are required to report all financial activity, including disbursements pursuant to the FECA. In this case, the Respondents ("the Committee") filed an amended 2006 April Quarterly Report to disclose increased disbursements totaling $114,246.39 on July 14, 2006, a 67% increase in disbursements from the financial activity reported in the original 2006 April Quarterly Report. In filing the amended report, the Committee explained that it had been conducting internal audits and reconciling its records when this error was found. On October 10, 2006, the Reports Analysis Division ("RAD") sent a RFAI to the Respondents. The Respondents stated that the candidate had been deployed and that his treasurer could not get to the information that was needed. The Respondents expressed an interest in terminating the committee. The Respondents also explained that the Committee's January 2006 bank statement was not

available to the treasurer at the time the Committee filed its report. The Committee filed the amended report once the January disbursements were discovered.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Lewis for Senate, Inc., Matthew Miller, Treasurer.

2. Approve the appropriate letters.

3. Close the file on this matter.