



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 5, 2007

Ronald R. Gravino
P.O. Box 225
Colonia, NJ 07067

Re: ADR 385 (RR 07L-04)
It's My Party and Ronald R. Gravino, Treasurer

Dear Mr. Gravino:

The Reports Analysis Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of reports filed by the It's My 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 May 18, 2007 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 It's My Party and Ronald R. Gravino, Treasurer ("Respondents" or the "Committee"). 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.

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

Summary: Treasurers of political committees are required to report all financial activity, including all receipts pursuant to the FECA. In this case, the Respondents¹ filed an amended 2006 July Quarterly Report on October 10, 2006, disclosing additional receipts totaling \$150,511.54. This amount reflects a 195.6% increase from the receipts reported in the original report. The Respondents contend that this error was primarily because the Committee had converted to a new reporting software and the Committee's computers had also crashed, causing a loss of data during this reporting period. According to the Committee, it has instituted a number of corrective measures among other things, it has installed a new accounting system to track all financial activity and to reconcile all bank records; hired an accountant; hired an experienced compliance specialist to enter all data into the new software; and began a process of amending all reports for errors resulting from the Committee's prior problems.

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 for further processing, and the likelihood that the Committee will be audited during the next election cycle will increase.

If you decide to participate in the ADR Program, please provide any additional response Respondents would like to make, including proposed stipulations or terms to resolve the matter. **Please also provide some dates and times when you'd be available to discuss this matter in detail on a separate sheet of paper.** I will then review my calendar, so that a time can be scheduled.

This matter has been designated as ADR 385. Please refer to this number in future correspondence with the FEC. If you have any questions about the ADR Program, please contact me directly at the number given below.

Sincerely,



Deborah Ruth Kant
Alternative Dispute Resolution Office
202-694-1661

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

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