



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 11, 2007

Ed Roberson
2424 21st Avenue, Suite 200
Nashville, TN 37212

Re: ADR 390 (RR 07L-14)
Tennessee Republican Party Federal Election Account and Ed Roberson, Treasurer

Dear Mr. Roberson:

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 Tennessee Republican Party Federal Election Account 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 June 7, 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 Tennessee Republican Party Federal Election Account and Ed Roberson, 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.

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

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Summary: Treasurers of political committees are required to report all financial activity, including all disbursements, pursuant to the FECA. RAD referred the Tennessee Republican Party Federal Election Account ("Respondents" or the "Committee") for failing to file a complete disclosure of financial activity on their 2004 May Monthly Report. Respondents filed their original 2004 May Monthly Report on May 24, 2004. Respondents filed an amended 2004 May Monthly Report on July 20, 2004 that disclosed \$148,074.16 in additional disbursements. Although the Committee filed amended 2004 May Monthly Reports on November 26, 2004, December 31, 2004 and July 8, 2005, these subsequent amendments disclosed no change in the amount of disbursements.

In response to the RFAI sent to the Committee on October 27, 2004, Respondents contend that the disclosure of the additional disbursements related to transfers from the federal account to the non-federal account. Respondents further contend that these transfers were necessary due to the amended 2003 Mid-Year Report and the amended 2003 December Monthly Report for shared federal and non-federal administrative costs, as well as an excessive contribution. While the transfers were made during the 2004 May Monthly reporting period (4/1/04-4/30/04), and entered into the software utilized by the Committee, Respondents assert the transfer code was misinterpreted and not added to the total disbursements for the reporting period. As soon as Respondents found the omissions, the amended 2004 May Monthly Report was filed.

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.

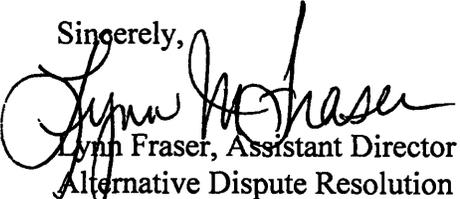
If you decide to participate in the ADR Program, please provide any additional response Respondents would like to make, including proposed stipulations or terms to resolve the matter. **Please also provide some dates and times when you'd be available to discuss this matter in detail on a separate sheet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

This matter has been designated as ADR 390. Please refer to this number in future

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correspondence with the FEC. If you have any questions about the ADR Program, please contact me directly at the number given below.

Sincerely,



Lynn 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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