



THE FEDERAL ELECTION COMMISSION  
Washington, DC 20463

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**SENSITIVE**

**MEMORANDUM**

August 23, 2007

TO: The Commission

THROUGH: Patrina M. Clark *Jh*  
Staff Director *PC*

FROM: John D. Gibson *JG*  
Chief Compliance Officer

Deborah Ruth Kant *DRK*  
Director, ADR Office

BY: Lynn M. Fraser *LMF*  
Assistant Director, ADR Office

SUBJECT: ADR 390 Tennessee Republican Party Federal Election Account and Ed Roberson, Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Appoint a compliance specialist, update and expand the Compliance Manual, pay a civil penalty of \$10,000 (amount in dispute \$148,074)

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 390 (RR 07L-14). This case was received on May 8, 2007, and was assigned to the ADR Office on June 7, 2007.

**SUMMARY:** RAD referred Respondents 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.

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

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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

**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of Tennessee Republican Party Federal Election Account and Ed Roberson, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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