



FEDERAL ELECTION COMMISSION
Washington, DC 20463

August 16, 2007

Tim Patterson
P.O. Box 6785
Providence, RI 02940

Re: ADR 408 (RAD 07L-24)
Matt Brown for U.S. Senate and Tim Patterson, Treasurer

Dear Mr. Patterson:

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 Matt Brown for U.S. Senate 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 August 13, 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 Matt Brown for U.S. Senate and Tim Patterson, Treasurer ("Respondents" or the "Committee"). The ADR Program provides Respondents with an opportunity to negotiate, and if appropriate, 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 appropriate, 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:

SUMMARY: Treasurers are required to disclose the amount and nature of outstanding debts and obligations owed by or to such political committee. 2 U.S.C. § 434(b)(8), 11 C.F.R. §104.3(d). In this case, the Respondents (or the "Committee") failed to report

271902711111

27190273314

\$94,835.32 in additional debt on its 2006 April Quarterly Report (a 55% increase) and \$54,669.69 on its 2006 July Quarterly Report (a 17% increase). The Committee amended both reports twice, and in response to the RFAs on both reports, the Committee stated that the invoices relating to the additional debt were received late. The Committee also contended that the Committee had undergone a series of financial and other setbacks, including staff layoffs. The Committee apologized for the inadvertent errors.

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 may increase.

If you decide to participate in the ADR Program, please provide any additional responses 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 408. 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, Director
Alternative Dispute Resolution Office
202-694-1661

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