



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

July 22, 2009

Luis R. Vera  
Ciro Rodriguez for Congress  
P.O. Box 14528  
San Antonio, TX 78214

Re: ADR 502 (AD 07-28)  
Ciro Rodriguez for Congress and Luis R. Vera, Treasurer

Dear Mr. Vera:

The Audit Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of the 2006 records of **Ciro Rodriguez for Congress** warranted further examination for possible violation of the Federal Election Campaign Act of 1971, as amended. The Commission referred this matter to the FEC's Alternative Dispute Resolution Office (ADR Office) 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 **Ciro Rodriguez for Congress and Luis R. Vera, 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:

Audit referred **Ciro Rodriguez for Congress and Luis R. Vera, Treasurer (Respondents or the Committee)** following an audit of the 2006 election cycle. Audit referred the Committee for a misstatement of financial activity, a failure to file 48-Hour Notices, and

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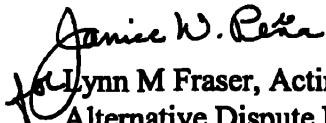
impermissible contributions. Specifically, Respondents understated disbursements in 2006 in the amount of \$382,827. Respondents also failed to file 48-Hour Notices for forty-nine (49) contributions totaling \$75,200. In addition, audit identified contributions totaling \$89,150, received in 2004, and impermissibly redesignated to the 2006 Primary election.

In response to interim audit recommendations, the Committee filed amended reports to materially correct the record for the misstatement of financial activity. Respondents contend that the failure to file 48-Hour Notices resulted from an ill bookkeeper and an unusually high volume of contributions prior to the run-off election. As Respondents could not demonstrate that the redesignated contributions at issue were, in fact, permissible, the Committee issued refunds to the contributors, albeit untimely.

If after reviewing this letter and the enclosed brochure, which describes the ADR program, Respondent(s) would like this case selected for ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR 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.

This matter has been designated as ADR 502. Note that this matter is distinct from the referral from the Reports Analysis Division, ADR 495, about which you were notified on June 12, 2009. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADRO at my direct dial as indicated below

Sincerely,

  
Lynn M Fraser, Acting Director  
Alternative Dispute Resolution Office  
202-694-1665

Enclosures:

Brochure

Commitment to Submit Matter to ADR and Designation of Representative/Counsel