



FEDERAL ELECTION COMMISSION
Washington, DC 20463

November 8, 2013

Neil Reiff, Esq.
Sandler Reiff Young & Lamb
1025 Vermont Avenue NW
Washington, DC 20005

Re: ADR 666 (Audit A11-10)
Mississippi Democratic Party PAC and Ryan Brown, Treasurer

Dear Mr. Reiff:

The Federal Election Commission (FEC or Commission) referred a compliance issue to the FEC's Alternative Dispute Resolution Office (ADR Office) for processing. The referral by the Audit Division was based on a review of financial documentation of the Mississippi Democratic Party PAC, and which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended

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 the Mississippi Democratic Party PAC and Ryan Brown, Treasurer (Respondents or the Committee). The ADR Program provides Respondents with an opportunity to negotiate 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 are successful, the resulting settlement concludes 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 ADR Program, you must: 1) indicate in writing a willingness to have your case submitted for ADR processing; 2) agree to participate in the bilateral interest based negotiations; 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: Audit referred the Mississippi Democratic Party PAC and Ryan Brown, Treasurer (Respondents or the Committee) for a misstatement of financial activity during calendar years 2009 and 2010. After reviewing the Committee's financial records and reports filed with the Commission, the audit revealed in Finding 1A that a series of

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understatements and overstatements of receipts and disbursements resulted in an overstatement of the ending cash balance for 2009 of \$45,889. In addition, Finding 1B disclosed that the audit revealed a \$228,932 understatement of receipts from January 1, 2009 through December 31, 2010. This figure includes a \$7,286 understatement of receipts from 2009 in Finding 1A.

Respondents asserted that they amended their reports for 2009 in response to the Interim Audit Report to materially correct the misstatements. Respondents contend that they amended the understated receipts activity for 2010 prior to the notification of the audit. Respondents further contend they made improvements to their reporting and accounting systems to ensure more accurate reporting.

If after reviewing this letter and the enclosed ADR Frequently Asked Questions, which describe the ADR program, Respondents would like to participate in 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 666**. 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, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosures: ADR Frequently Asked Questions
Commitment to Submit Matter to ADR
Designation of Representative/Counsel