



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 14, 2014

Matthew T. Sanderson, Esq.
Caplin & Drysdale, Chartered
One Thomas Circle NW, Suite 1100
Washington, DC 20005

Re: ADR 726 (RR 14L-03)
Joe Kyrillos for US Senate, Inc. and Ronald Gravino, Treasurer

Dear Mr. Sanderson:

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 Reports Analysis Division (RAD) was based on a review of reports filed by Joe Kyrillos for US Senate, Inc. 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 Joe Kyrillos for US Senate, Inc. and Ronald Gravino, 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: The Reports Analysis Division (RAD) referred Joe Kyrillos for US Senate Inc. and Ronald Gravino, Treasurer (Respondents or the Committee) for accepting excessive contributions totaling \$138,950 from two (2) individuals, eight (8) partnerships, and one (1) federal political action committee (PAC) not qualified for

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multicandidate status during the 2012 election cycle. Of these excessive contributions, Respondents failed to remedy contributions totaling \$93,116.68 within the permissible timeframe. In addition, the Committee failed to remedy contributions totaling \$45,833.32

The Committee contends that the excessive contributions were accepted due to a misunderstanding of the FECA. Respondents refunded much of the excessive contributions, albeit untimely.

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 Participate in 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 726**. 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 Participate in ADR
Designation of Representative/Counsel