



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 19, 2006

Thomas Rogers
337 Milledge Avenue, Suite 204
Athens, GA 30605

Re: ADR 327 (RR 06-11)
Clay for Congress.com and Thomas Rogers, Treasurer

Dear Mr. Rogers:

The Reports Analysis Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of the Clay for Congress.com reports 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 June 29, 2006 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 Respondents. 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:

RAD determined that Clay for Congress.com and Thomas Rogers (the "Respondents" or the "Committee") amended their 2004 October Quarterly Report to disclose additional disbursements totaling \$247,519.72. Respondents' original 2004 October Quarterly

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Report, filed on October 15, 2004, disclosed disbursements of \$450,468.26 for Operating Expenses (on Line 17), and \$454,468.26 for Total Disbursements (on Line 22) on the Detailed Summary Page. Respondents' Amended 2004 October Quarterly Report, filed on May 20, 2005, disclosed disbursements of \$697,987.98 for Operating Expenditures (on Line 17) and \$701, 987.98 for Total Disbursements (on Line 22) on the Detailed Summary Page.

Respondents, in reply to a RFAI requesting clarification of the increase in the Committee's disbursements, filed a Miscellaneous Electronic Submission which explained that the failure in its reporting was due to poor record keeping and the disbanding of the campaign staff following the candidate's loss. Respondents advised that they have "attempted to correct the public record and completely disclose all activity."

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 and the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as **ADR 327**. 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
Alternative Dispute Resolution Office
202-694-1665

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

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