

2013 YEAR-END PAC/PARTY REPORTING ROUNDTABLE

January 15, 2014

1:00 – 2:30 p.m.

[http://www.fec.gov/info/
roundtable_materials/workshopmaterials.shtml](http://www.fec.gov/info/roundtable_materials/workshopmaterials.shtml)

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Objectives

- ▣ Review filing deadlines and application of “best efforts” for timely filing
- ▣ Learn about the Reports Analysis Division (RAD) review process and how best to respond to a Request for Additional Information (RFAI)
- ▣ Discuss common reporting errors

Reporting - Timely Filing Schedule and Reporting Dates

2013 Filing Requirements

- ▣ PACs & parties file FEC Form 3X
 - Quarterly (Semi-annually in 2013)
OR
 - Monthly Schedule

I. Filing Schedule (11 CFR 104.5(c))

A. During Non-election Year (odd-numbered year)

1. PACs and Party Committees File Semi-Annually or Monthly

- a) Semi-annual filers must file reports due July 31 and January 31.
- b) Monthly filers must file report on 20th of each month.
- c) Reporting period always begins the day after close of books of last report filed.
- d) Monthly is mandatory for national party committees or party committees with reportable FEA. 11 CFR 300.36(c). If a party committee that files quarterly engages in reportable FEA, it must switch to monthly.
- e) See *Reports Due in 2014* in the January 2014 *Record* online.
http://www.fec.gov/pages/fecrecord/fecrecord_reporting.shtml

~~Quarterly~~ Filing 2013

Report Type	Coverage Dates	Due Date
Mid-Year	01/01/13 - 06/30/13	07/31/13
Year-End	07/01/13 - 12/31/13	01/31/14

Semi-annual Reports

Monthly Filers 2013

Reporting Period	Due Date
January 1-31	February 20
February 1-28	March 20
March 1-31	April 20
April 1-30	May 20
May 1-31	June 20
June 1-30	July 20
July 1-31	August 20
August 1-31	September 20
September 1-30	October 20
October 1-31	November 20
November 1-30	December 20
December 1-31 (Year-End)	January 31, 2014

B. During Election Year (even-numbered year)

1. PACs and Party Committees File Quarterly or Monthly

- a) Quarterly reports due April 15, July 15 and October 15 and January 31; Pre-Primary, Pre-General, Post-General.
- b) Monthly filers must file report on 20th of each month, except Pre-General and Post-General in lieu of November and December monthly reports. Monthly filers must file a Year-End Report on January 31 of each year.

Quarterly Filers - 2014

Report Type	Coverage and Due Dates
April Quarterly	Covers 1/1 - 3/31; Due 4/15/14
July Quarterly	Covers 4/1 - 6/30; Due 7/15/14
October Quarterly	Covers 7/1 - 9/30; Due 10/15/14
Pre-Election	Covers 1st day of current period to 20 days before election; Due 12 days before election (12G covers October 1-15, 2014; Due 10/23/14)
Post-General	Covers from 1 st day of period to 11/24; Due 12/4/14
Year-End	Covers 11/25 to 12/31; Due 1/31/15

Quarterly Filers - 2014

Pre-Primary Reports

- ❑ Due 12 days before any primary in which the committee makes previously undisclosed contributions or expenditures
- ❑ Required for campaign committees in connection with candidate's primary

Monthly Filers - 2014

Reporting Period	Due Date
January 1-31	February 20
February 1-28	March 20
March 1-31	April 20
April 1-30	May 20
May 1-31	June 20
June 1-31	July 20
July 1-31	August 20
August 1-31	September 20
September 1-30	October 20
October 1-15 (Pre-General)	October 23
October 16-November 24 (Post-General)	December 4
November 25-December 31 (Year-End)	January 31, 2015

NO PRE-PRIMARY REPORTS

Choosing a Filing Schedule

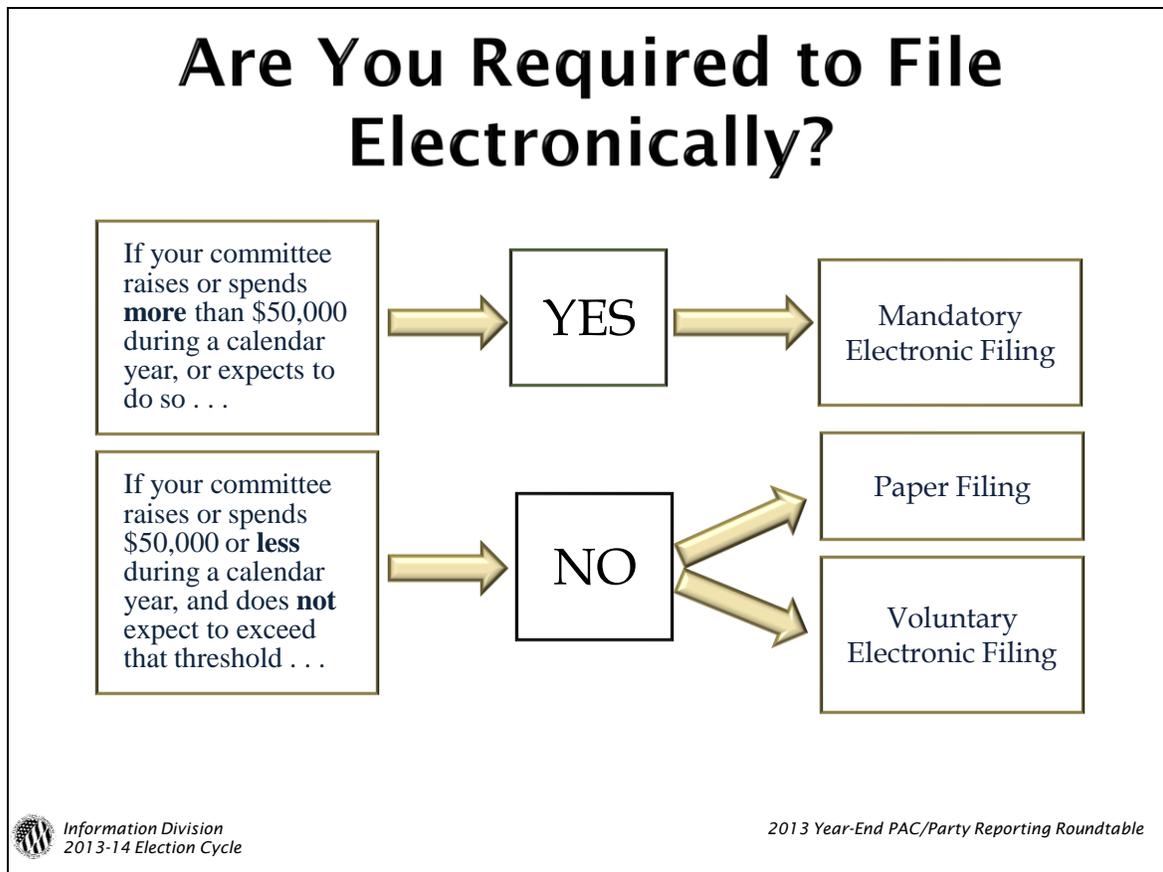
Committees active in a number of different states may benefit from filing monthly.

Changing Filing Frequency

- ▶ Request on or before next report
 - Electronic filers must submit request electronically
- ▶ No more than once per year

C. Changing Filing Schedule

1. PACs and Party Committees may change their filing schedule from quarterly to monthly or from monthly to quarterly only after notifying the Commission in writing (or electronically, if an e-filer) of their intention. The committee can provide this notification along with a required report filed under the committee's current filing schedule or in a separate Miscellaneous Text Submission (Form 99).
2. The committee should wait to receive a letter from the FEC acknowledging its filing frequency change. The committee will then be required to file the next required report under the new filing schedule. However, party committees that engage in reportable federal election activity (FEA) must automatically switch to monthly filing.
3. May only change filing schedule once per calendar year.



Electronic Filing



 Information Division
2013-14 Election Cycle

2013 Year-End PAC/Party Reporting Roundtable

Electronic Filing Passwords

Like the signature on a paper report, the password indicates that the electronic filing originated with the committee in whose name it is filed.

Who can get a password?

For a registered committee, only the official treasurer can obtain an electronic filing password.

An entity or person(s) other than a political committee may also obtain an electronic filing password for online filing.

Registered Committees: How do I get a password?

If you are the committee treasurer, you can create a password using the Electronic Filing Password Request (see links below).

Using the Electronic Filing Password Request a treasurer can:

- [Create a new electronic filing password](#) (only for committees filing electronically for the first time),
- [retrieve a forgotten password](#), and
- [change a password](#).

Get Started

Notes: For security reasons, all activity while en... the host committee is promptly notified of any account changes.

When a committee appoints a new treasurer, it must amend its Statement of Organization within 10 days of the appointment to disclose the change. In order to do so electronically, the new treasurer must request a password. Once a password is received, the new treasurer can file the amended Form 1 to indicate the change of position.

Link to Password Request

Electronic Filing Passwords

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D. Electronic Filing (11 CFR 104.18)

1. Mandatory for: PACs, House Campaigns and Party Committees that raise or spend more than \$50,000 in calendar year or have reason to expect to do so.

2. Voluntary for: All Other Filers

3. Password Required

Before you can electronically file your report, you will have to obtain a password. You cannot file without one.

a) Who Can Get a Password?

Only the treasurer and assistant treasurer(s) listed on the committee's Form 1 can get a password. Assistant treasurer's password request must be signed by both assistant and treasurer.

b) How Do You Get a Password?

(1) Most committees may obtain or change their password on-line at

<http://www.fec.gov/electfil/passwords.shtml>

(2) Existing committees that have not previously used the online system should contact the Electronic Filing Office for assistance at 202-694-1307.

4. Paper Filing by E-Filer

Committees that submit a report on paper that should have been filing electronically will be treated as non-filers and may be subject to enforcement actions (including Administrative Fines).

5. For more information: <http://www.fec.gov/electfil/electron.shtml>.

Other Filing Considerations

- ▣ No Extensions
 - Filing dates not extended for weekends or holidays.
 - Must be received on business day preceding filing date.
- ▣ Registered/Certified vs. Overnight Mail
 - If filing using USPS registered/certified mail, keep receipt.
 - “Overnight Mail” means next-day express or priority mail with delivery confirmation or overnight service with online tracking system. Same terms as registered/certified mail. (Keep receipt/tracking number.)

E. Other Filing Considerations

1. **Statute Prohibits Extensions** (Applicable to Paper and Electronic Filers).
2. **Weekends and Holidays**
Filing dates not extended for weekends or holidays. Must be filed on business day preceding filing date.
3. **Registered vs. Overnight Mail**
 - a) If filing using USPS registered mail, keep receipt.
 - b) “Overnight Mail” means next-day express or priority mail with a delivery confirmation or an overnight service with an online tracking system. File using same terms as certified/registered mail. (Keep receipt/tracking number.)

Administrative Fine Program

- ▣ Civil money penalties for filing late, or not filing at all.
- ▣ Size of fine depends on various factors.

F. Administrative Fine Program (AFP)

1. Background

Program for assessing civil money penalties for violations for failure to file reports on time and/or at all.

2. Applies to:

- a) Late filers
- b) Non-filers
- c) Regulations found at 11 CFR 111.30-111.45

3. Civil Money Penalties -- Factors in determining:

The interaction of several factors will determine the size of the penalty (also see calculator on website at http://www.fec.gov/af/af_calc.shtml).

Administrative Fine Program

- Election-sensitive reports:
 - **Late filer** – filed after due date, but prior to four days before the applicable election
 - **Non-filer** – filed later than that or not at all.
- Non-sensitive reports:
 - **Late filer** – filed \leq 30 days after the due date
 - **Non-filer** – filed $>$ 30 days late or not at all.

a) Election Sensitivity

Election sensitive reports include:

- October Quarterly of election year,
- October Monthly of election year, and
- Pre-election reports for primary, general and special elections.

All other reports are considered nonsensitive.

b) Whether Committee is a Late filer or a Non-filer

(1) For Sensitive Reports

- (a) Late filer – when report is filed after the due date but more than four (4) days prior to the election.
- (b) Non-filer - report filed after due date and four (4) days or less before the election, or not at all.

(2) For Nonsensitive Reports

- (a) Late filer – when report is filed within 30 days after the due date.
- (b) Non-filer – when report is filed 31 or more days after due date, or not at all.
- (c) Can still be considered a “nonfiler” even if report is eventually filed.

Administrative Fine Program

- ▣ Prior civil money penalties for reporting violations
- ▣ Financial activity in report
- ▣ Smaller penalties for activity < \$50,000
- ▣ Penalty calculator on FEC website at http://www.fec.gov/af/af_calc.shtml

- c) **Prior civil money penalties for reporting violations under the AFP.**
- d) **Financial Activity**
 - (1) Amount of financial activity in the report – total amount of receipts and disbursements.
 - (2) Committees with less than \$50,000 in financial activity during the reporting period in question are subject to reduced penalties under the AFP pursuant to April 2003 revisions to the regulations.
 - (3) July 2013 revisions to the AFP regulations adjusted penalties for inflation.
 - (4) Campaign Finance Analysts will not be able to tell you if you will be fined or how much. You can use the Administrative Fine calculator (http://www.fec.gov/af/af_calc.shtml) to estimate your fine. Your committee will be notified in writing if the FEC assesses a civil penalty against your committee under the AFP.

Best Efforts to File on Time

Best efforts may be used as a defense for late filing if:

- Committee was prevented from filing report on time by reasonably unforeseen circumstances beyond committee's control
- Filed the report no later than 24 hours after the end of those circumstances

- G. Timely Filing/Using Best Efforts (not the same as “best efforts” for obtaining contributor information)**
- 1. Reports required on time;** no extensions.
 - 2. If report not filed on time,** committees may use “best efforts” defense if committee took normal precautions and trained staff, but failure to report was due to circumstances beyond committee's control and the late report was filed within 24 hours after those circumstances ended (pursuant to April 2007 revisions to AFP regulations).

Best Efforts to File on Time

Committee may use best efforts defense if late filing is due to:

- ☐ Failure of FEC computers/Commission-provided software, despite committee seeking technical assistance from FEC personnel and resources
- ☐ Widespread disruption of information transmissions over internet
- ☐ Severe weather or other disaster-related event

3. **When can best efforts defense be used:**
 - a) Committee may use best efforts defense if failure to report is due to failure of Commission computers or software, despite receiving Commission technical assistance, widespread disruption of information transmissions over the internet, or severe weather or other disaster-related event.

Best Efforts to File on Time

Committee may **not** use best efforts defense if late filing is due to:

- ❑ Negligence;
- ❑ Illness, inexperience or unavailability of treasurer or committee staff;
- ❑ Committee computer, software or ISP failures;
- ❑ Delays caused by committee vendors/contractors;
- ❑ Failure to know; or
- ❑ Failure to use filing software properly.

- b) Committee may **not** use best efforts defense if failure to report is due to unavailability, inexperience or negligence of staff, counsel or organization, failure of committee's computer system, delays caused by vendors, failure to understand or know the law or failure to use filing software properly.

4. For more information, review:

http://www.fec.gov/law/cfr/ej_compilation/2007/notice_2007-7.pdf
(rules) and

http://www.fec.gov/law/cfr/ej_compilation/2007/notice_2007-13.pdf
(policy statement) and the May and July 2007 *Record* issues.

Best Practices: Filing

- ✓ Ensure your staff and vendors understand filing rules and deadlines
- ✓ Update your software regularly
- ✓ Have a current email address on Form 1 to receive courtesy email reminders

Best Practices:

- Ensure your staff, vendors and counsel understand reporting and filing rules and deadlines.
- Update your software regularly.
- To keep up with filing deadlines, make sure your committee has a current email address on its Form 1 (for receiving courtesy reminders). (To do this, submit a complete electronic Form 1 with a new email address.) Deadlines are also posted online at http://www.fec.gov/info/report_dates.shtml and in the January *Record* each year.

II. RAD Review Process

Three Branches of RAD

- ▣ Authorized Branch – 12 analysts
 - Review all federal candidate committee reports
 - 2 month training program and mentored for 6-12 months
- ▣ **Party Non-Party Branch – 14 analysts**
 - **Review all Party and PAC reports**
 - **4-5 month training program and mentored for 6-12 months**
- ▣ Compliance Branch – 4 analysts
 - Implement the Non-Filer and Administrative Fines programs

A. Organization of RAD

1. Three Branches

- a) Party/Non-Party Branch – reviews all party committee and PAC reports – 14 analysts. New analysts undergo a 4-5 month training process and are then mentored by a more senior analyst for 6 to 12 months.
- b) Authorized Branch – reviews federal candidate committee reports – 12 analysts. New analysts undergo a 2 month training process and are then mentored by a more senior analyst for 6 to 12 months.
- c) Compliance Branch – serves a quality control function for the review branches and implements the Non-filer and Administrative Fine Programs – 4 analysts.
- d) Recently began cross training analysts to review reports filed by all committee/entity types.

PAC/Party Analysts

- ▣ Each analyst is assigned 300-500 committees
- ▣ PACs are assigned randomly
- ▣ Larger PACs assigned to more senior analysts
- ▣ National committees assigned to more senior analysts, State party committees assigned by state, Local parties assigned randomly

2. **Committee Assignments – Party/Non-Party Branch**
 - a) Party/Non-Party Branch analysts are assigned anywhere from 300 to 500 committees (parties and PACs).
 - b) PACs are assigned randomly with the larger ones being assigned to more senior analysts.
 - c) National party committees are assigned to the more senior analysts. State party committees are assigned by state, so that the assigned analyst reviews both the Democratic and Republican state parties. Local party committees are assigned randomly.

Analyst Responsibilities

- ▣ Review assigned committees' reports by established deadlines
- ▣ Assist committees by phone and log calls
- ▣ Meet with committees by request
- ▣ Participate in FEC conferences and roundtables
- ▣ Special projects

3. Analyst Responsibilities

- a) Review all reports filed by assigned committees by established deadlines.
- b) Customer service role – assist committees on the phone on a daily basis and log phone calls. Meet with committees by request.
- c) Participate in FEC Conferences and Roundtables.
- d) Special Projects.

RAD Review and Referral Policy

- ▣ Categories of review include:
 - Mathematical discrepancies
 - Failure to provide supporting schedules
 - Failure to properly itemize contributions from individuals
 - Prohibited, excessive and impermissible contributions
 - Improper itemization of disbursements
- ▣ RFAI threshold
- ▣ Thresholds are confidential and policy is approved by the Commission

B. RAD Review of Reports

1. RAD Review and Referral Policy

- a) Internal policy contains categories of review the analyst checks, such as: prohibited, excessive and impermissible contributions, mathematical discrepancies, failure to provide supporting schedules and failure to properly itemize contributions from individuals and disbursements, to name a few.
- b) Policy has established thresholds for making determinations on whether to send a Request for Additional Information (RFAI).
- c) Thresholds are confidential and policy is approved by the Commission. A redacted version of the RAD Review and Referral Policy can be found on the RAD web page.

Review of Reports

- ▣ Thresholds are applied on a per report basis.
 - If reoccurring reporting issues exist on multiple reports, a committee may receive multiple RFAIs identifying the same issue.
 - RAD does not consider previous responses to RFAIs.
 - Exception: Responses relating to best efforts procedures apply for the two-year election cycle; responses relating to foreign address inquiries that indicate safe harbor guidelines are followed for all contributions apply for the two-year election cycle
- ▣ It's possible to see an issue questioned on one report, but not on another.

- d) Review is conducted on a per report basis, meaning the thresholds are applied to each report reviewed.
 - (1) This means a committee may receive a RFAI which includes the same issue already addressed in response to a RFAI referencing a different report.
 - Exceptions include outlining Best Efforts procedures which would apply to the two-year cycle and responses relating to foreign address inquiries that indicate safe harbor guidelines are followed for all contributions apply for the two-year election cycle.
 - (2) There may be several issues that are aggregated together to meet a single threshold, so it's possible to see an issue questioned on one report that isn't included in an RFAI on for another report.
- e) Policy is reassessed every election cycle and revisions/changes made based on input from RAD and other offices (such as OGC), and Commissioners.

Request for Additional Info

- ☐ If internal thresholds are met:
 - Analyst sends RFAI with response due date in upper right corner
- ☐ No extensions
- ☐ Responses assessed by analysts, team leaders
- ☐ Analysts do not reply to committee responses

C. Request for Additional Information (RFAI)

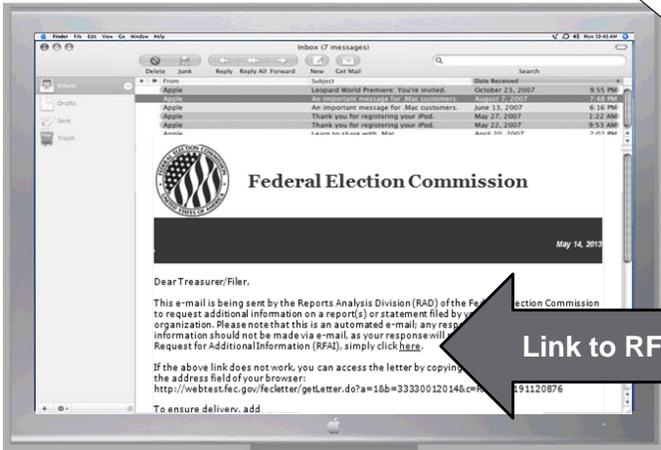
1. **If internal thresholds are met, an RFAI is sent**, with a Response Due Date in the upper right hand corner of the letter, extensions are not granted. The committee analyst's name and contact telephone number are also provided in the letter.

Tip: You can find out who your analyst is by visiting:
<http://www.fec.gov/rad/index.shtml>.

RFAIs via Email

- ▣ RAD is now emailing RFAIs to email address on Form 1 (Statement of Organization).
 - Opt-Out Option: File a Form 99 to request that RFAIs be mailed via USPS.
- ▣ Committees can now disclose up to two email addresses on Form 1.
- ▣ Ensure current contact information (mailing address, email address, and phone number) appear on FEC Form 1.

2. Committees should ensure that they have provided the most current mailing address, email address and phone numbers on their Statement of Organization (FEC Form 1). Often RFAIs are returned by the Post Office due to an incorrect mailing address.
3. RAD's process for sending RFAIs has changed. Most RFAIs are now sent via email to the Committee's official email address, as disclosed on the Statement of Organization (FEC Form 1). Up to two email addresses can now be provided (both will be used for emailing RFAIs). Committees will have the option to continue to receive RFAIs on paper through the mail.



Request for Additional Info

Federal Election Commission

May 14, 2012

Dear Treasurer/Files,

This e-mail is being sent by the Reports Analysis Division (RAD) of the Federal Election Commission to request additional information on a report(s) or statement filed by your organization. Please note that this is an automated e-mail; any response or information should not be made via e-mail, as your response will be processed through the Request for Additional Information (RFAI), simply click [here](#).

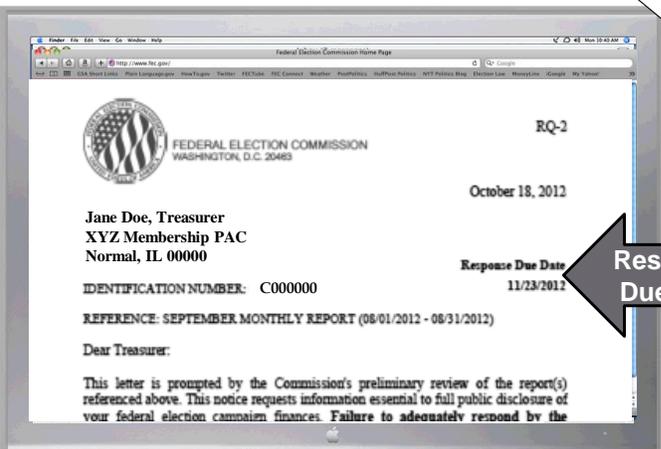
If the above link does not work, you can access the letter by copying the address field of your browser:
<http://webtest.fec.gov/fecletter/getLetter.do?c=1&b=33330012014&cm=1&id=11120876>

To ensure deliver, add

Link to RFAI

Information Division
2013-14 Election Cycle

2013 Year-End PAC/Party Reporting Roundtable



Request for Additional Info

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

October 18, 2012

Jane Doe, Treasurer
XYZ Membership PAC
Normal, IL 00000

Response Due Date
11/23/2012

IDENTIFICATION NUMBER: C000000

REFERENCE: SEPTEMBER MONTHLY REPORT (08/01/2012 - 08/31/2012)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the

Response Due Date

Information Division
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not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended.

If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1166.

Sincerely,

Bradley Matheson
Bradley Matheson
Senior Campaign Finance Analyst
Reports Analysis Division

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Request for Additional Info

Analyst's Phone Number

Analyst's Name

Information Division
2013-14 Election Cycle

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RAD FAQs Web Page

Federal Election Commission - Reports Analysis Division

FEDERAL ELECTION COMMISSION

ABOUT THE FEC PRESS OFFICE QUICK ANSWERS SITE MAP Search

HOME / RAD

Reports Analysis Division
Click Here to Find Your Campaign Finance Analyst

REPORTS ANALYSIS DIVISION MISSION STATEMENT

The ultimate mission of the Reports Analysis Division (RAD) is to ensure that campaigns and political committees file timely and accurate reports that fully disclose their financial activities. RAD is responsible for reviewing statements and financial reports filed by political committees participating in Federal elections, providing assistance and guidance to the committees to properly file their reports, and for taking appropriate action to ensure compliance with the FECA. By enforcing the rules in a fair and objective manner, RAD fosters the electorate's faith in the ultimate integrity of the nation's political process.

Click here

<http://www.fec.gov/rad/index.shtml>

Responding to RFAs

- ▣ Analysts do not contact committees in every case when a response is not sufficient
- ▣ Committee should contact its analyst before and/or after filing a response
- ▣ Analysts do not make legal conclusions
- ▣ Analysts cannot categorize your activity
- ▣ In some cases, RAD consults OGC before sending an RFAI and when assessing a committee's response

4. **Responses are assessed by the analysts and in some cases, team leaders.**
 - a) Analysts do not reply to responses.
 - b) Contact is not made with committees in every case when a response is not sufficient. Further explanation below.
 - c) Committees are encouraged to contact their assigned analyst prior to responding if unsure about how to respond or after a response is filed to ensure an adequate response is received.
 - d) Keep in mind that analysts can't make legal conclusions or give guidance on a legal conclusion being made by a committee. In addition, they cannot determine what category your activity falls under (i.e., independent expenditures or coordinated party expenditures).
 - e) In some cases, RAD consults with OGC before sending a RFAI and when making a response assessment.

Responding to RFAs

- ▣ File amendment to:

Add, Change or Delete actual entries on FEC report

- ▣ Use miscellaneous text submission (Form 99) for:

Narrative responses that do not affect actual entries within a report

(e.g., demonstrating best efforts)

- 5. Must amend report when changing information that affects entries on a report.** This would include additions, changes or deletions.
- 6. Miscellaneous Text Submission (Form 99)**
Used for narrative responses that do not affect actual entries within a report. (For example, when outlining procedures for “Best Efforts” in obtaining contributor information.)

Audit Consideration Factors

- ▣ Level of financial activity
- ▣ Responses to RFAs
 - ✓ Late or no response
 - ✓ Inadequate response
- ▣ Number of amendments filed is NOT a factor
- ▣ Number of RFAs received is NOT a factor if responses were adequate and timely

D. Referrals to the Audit Division

1. Factors for making referrals to the Audit Division

- a) Level of financial activity;
- b) Responses to RFAs:
 - (1) Late or no response,
 - (2) Inadequate response.

2. The number of amendments filed is not a factor

3. The number of RFAs is not a factor if responded to adequately and on time.

OGC & ADRO Referrals

- ▣ Policy includes referral thresholds
- ▣ RAD calls committee before referring to OGC or ADRO to explain RFAI and request response
- ▣ Adequate and timely response may prevent referral

E. Referrals to OGC (Office of General Counsel) and ADRO (Alternative Dispute Resolution Office)

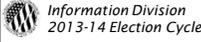
1. Internal policy includes thresholds for determining whether a matter should be referred to OGC or ADRO.
2. Committee will receive a phone call from RAD prior to a referral to ADRO or OGC to explain RFAI and request a response.
3. An adequate response is required by the timeframe given to prevent the matter from being referred.

III. Common Reporting Errors

Common Math Errors

- ❑ Cash on hand
- ❑ Detailed Summary Page
 - Line totals
 - Column B figures (YTD or ECTD)
- ❑ Amendments

SUMMARY PAGE OF RECEIPTS AND DISBURSEMENTS		
FEC Form 3X (Rev. 02/2003)	Page 2	
Write or Type Committee Name		
Report Covering the Period: From: 07 01 2013 To: 12 31 2013		
	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. (a) Cash on Hand January 1,	[]	[]
(b) Cash on Hand at Beginning of Reporting Period	86,753.09	[]
(c) Total Receipts (from Line 19)	[]	[]
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	[]	[]
7. Total Disbursements (from Line 31)	[]	[]
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	[]	[]
9. Debts and Obligations Owed TO the Committee (itemize all on Schedule C and/or Schedule D)	[]	[]
10. Debts and Obligations Owed BY the Committee (itemize all on Schedule C and/or Schedule D)	[]	[]



A. Common Math Errors

1. Cash on Hand

The ending balance of the last report should match the opening balance of the current report.

2. Use the Detailed Summary Page to conduct a quality check for Columns A and B.

- Ensure that each of the “total” lines equals the sum of the lines supporting that total line.
- Do the math to ensure that the Column B figure (Year-To-Date) is correct. Column B from last report + Column A from this report = Column B for this report.

3. Amendments:

Math errors like those mentioned above occur frequently when a committee amends a past report and does not file all subsequent reports. For changes made to an old report, the committee may need to file all subsequent amendments in many cases, including if any contributions or disbursements moved lines, if activity moved to a different report, or if activity is added or removed from that reporting period. A small adjustment on a past report can affect each of the following reports.

Common Schedule Errors

- Make sure all of the schedules needed are included with the filing.

23. Contributions to Federal Candidates/Committees and Other Political Committees.....

\$2,600

Disbursement on Detailed Summary Page

Supporting Schedule B

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE	OF
			<input type="checkbox"/> 21b <input type="checkbox"/> 22 <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 24 <input type="checkbox"/> 25a <input type="checkbox"/> 25b <input type="checkbox"/> 26	24	26
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (or Full)					
XYZ PAC					
Full Name (Last, First, Middle (Initial))					
A. Jane Doe for Congress			Date of Disbursement		
Mail Address			07 / 11 / 2013		
PO Box 1234					
City					
Big City					
State					
US					
Zip Code					
00000					
Purpose of Disbursement					
Contribution					
Candidate Name					
Jane Doe					
Office sought:					
<input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President					
Disbursement For:					
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General Other (specify)					
State					
US					
District					
1					
Amount of Each Disbursement this Period					Category/Type
					2,600.00

B. Common Schedule Errors

1. Include correct schedules.

The Detailed Summary Page gives cues as to which schedules will need to be included with the filing. For example, if the committee has an amount on Line 23, a Schedule B will need to be included in your filing to support the amount on Line 23 of the Detailed Summary Page.

2. Fill out the schedule completely.

If the committee files electronically, it is helpful to look at the report as it appears filled in on the FEC Forms. Add any missing information, including purposes of disbursement or employer and occupation information.

Common Schedule Errors

- ▣ Include all information required by each schedule:
 - Full name of contributor
 - Employer/occupation information
 - Purposes of disbursement
 - Purposes for debts

C. Best Efforts Statements

Best Efforts Statements

- ▣ Can be filed “preemptively” at the beginning of a year or election cycle
- ▣ Be sure your statement:
 - Outlines your committee’s set procedure
 - Includes each of the required steps outlined in the campaign or committee guide
- ▣ Retain detailed records of your follow-up requests (copies of letters, emails, phone logs)

Purpose of Disbursement

Entry must be sufficiently specific, when considered with the identity of the recipient, to provide a clear reason for the payment.

Full Name (Last, First, Middle Initial) A. We Help U Consulting		Date of Disbursement 08 / 17 / 2013	
123 Moneyed Lane		Amount of Each Disbursement this Period 2,500.00	
City, ST 00000 State Zip Code		<input type="checkbox"/> Refund or Disposal of Excess Contributions Required Under 11 C.F.R. 400.50	
Purpose of Disbursement PAC Fundraising Consulting			
Candidate Name		Category/Type	
Office Sought:	<input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For:	
Date:	District:	<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼	

D. Purpose of Disbursement

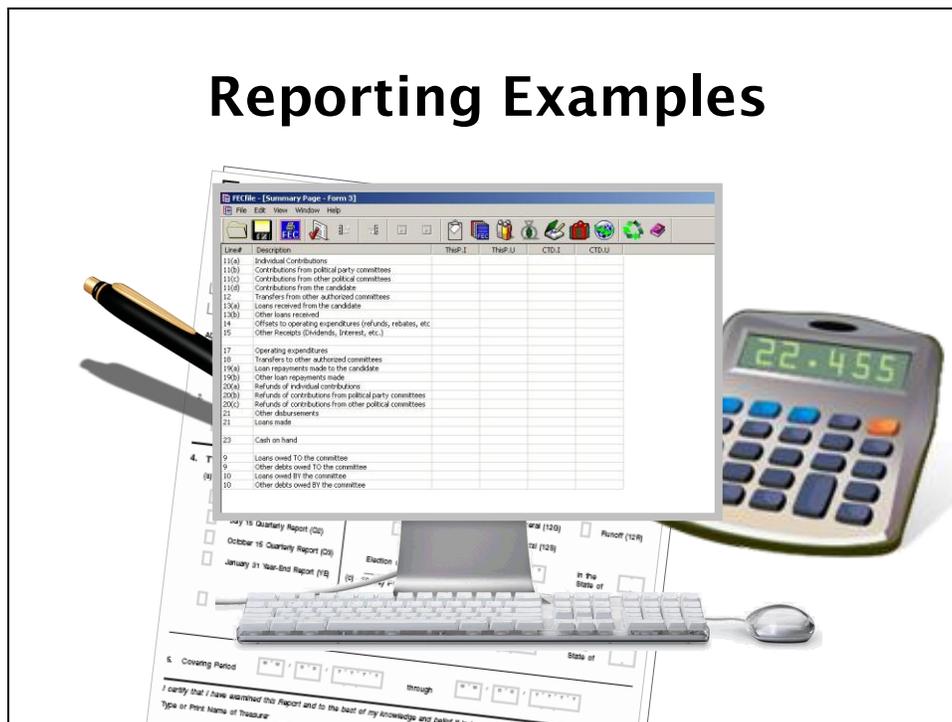
1. FEC regulations require that the “purpose of disbursement” entry for each disbursement be sufficiently specific, when considered with the identity of the recipient, to provide a clear reason for the payment. 11 CFR 104.3(b)(3) and (4).

Purpose of Disbursement

- ❑ Rule of thumb: Could reader discern why a payment was made simply by reading the description provided?
- ❑ Non-exhaustive lists for inadequate and adequate examples available online at <http://www.fec.gov/law/policy.shtml#purpose>

2. Policy statement includes non-exhaustive lists of acceptable and unacceptable “purpose of disbursement” descriptions intended to provide additional guidance to the regulated community and to foster consistency among filers.
3. As a rule of thumb, the statement suggests that filers consider whether a person unaffiliated with the campaign/committee could discern why a payment was made by reading the description they have provided.
4. Lists are updated periodically and made available online
 - Inadequate examples at <http://www.fec.gov/rad/pacs/documents/ExamplesofAdequatePurposes.pdf>
 - Adequate examples at <http://www.fec.gov/rad/pacs/documents/ExamplesofAdequatePurposes.pdf>

IV. Reporting Examples



A. Reporting Receipts (Reporting Scenario #1)

Reporting Scenario #1

Itemizing Contributions Received

- ❑ What type of transaction is this?
- ❑ How must the committee disclose the transaction?
- ❑ What information from the scenario do we need to disclose this correctly?
- ❑ Tricky Issues?

Reporting Receipts

Mike and Ike
1001 Candy Cane Lane
Confection, CA 00000

1936

December 12, 2013
DATE

PAY TO THE ORDER OF Citizens Who Love Candy PAC \$ 10,000.00

Ten thousand and ----- 00/100 DOLLARS

FOR \$5,000 -Mike; \$5,000 - Ike Mike Ike

⑆000000186⑆ 000000529⑈ 1000

 Information Division
2013-14 Election Cycle

2013 Year-End PAC/Party Reporting Roundtable

Candy Bar manufacturers and partners Mike and Ike have made a \$10,000 contribution on December 12, 2013, to the Citizens Who Love Candy PAC, a federal nonconnected PAC that makes contributions to federal candidates. The PAC received their check on December 14. They used their personal joint account for this contribution, but were careful to both sign the check and note how much to attribute to each partner.

How should this contribution be reported by the PAC? (Assume that the PAC files on a monthly basis and that neither Mike nor Ike have contributed to the PAC this year.)

1. What type of transaction is this?
2. How must the committee disclose the transaction(s)?
3. What information from the scenario do we need to disclose this correctly?

Answers: Reporting Scenario #1: Itemizing Individual Contributions Received

1. What type of transaction is this?

Answer: Mike and Ike have each made a \$5,000 contribution to the PAC.

2. How must the committee disclose the transaction(s)?

Answer: Since the PAC has now received aggregate contributions from Mike and Ike that exceed \$200 in the calendar year, it must disclose each contribution by itemizing it on their Year-End report on Schedule A, Line 11a(i), along with each contributor’s aggregate year-to-date total (\$5,000) and contributor information.

Reporting Receipts

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one) <input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17	PAGE OF
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.				
NAME OF COMMITTEE (In Full) Citizens Who Love Candy PAC				
A. Mike Full Name (Last, First, Middle Initial)			Date of Receipt 12 / 14 / 2013	
Mailing Address 1001 Candy Cane Lane			Amount of Each Receipt this Period 5,000.00	
City Confection	State CA	Zip Code 00000		
FEC ID number of contributing federal political committee. C				
Name of Employer Mike & Ike, Inc.		Occupation Candy Maker	Aggregate Year-to-Date 5,000.00	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼				
B. Ike Full Name (Last, First, Middle Initial)			Date of Receipt 12 / 14 / 2013	
Mailing Address 1001 Candy Cane Lane			Amount of Each Receipt this Period 5,000.00	
City Confection	State CA	Zip Code 00000		
FEC ID number of contributing federal political committee. C				
Name of Employer Mike & Ike, Inc.		Occupation Candy Maker	Aggregate Year-to-Date 5,000.00	
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼				

3. What information from the scenario do we need to disclose this correctly?

Answer: Remember, for contributions greater than \$50, a committee must obtain the identity of the contributor and the date the contribution was received. The committee must also use “best efforts” to obtain, maintain and report the name of employer and occupation since their aggregate year-to-date contributions total to the PAC is greater than \$200 each in the calendar year.

Points to Remember:

- Itemize contributions from an individual or other person/entity on Schedule A, Line 11(a)(i), once aggregate calendar year to date received exceeds \$200.
- **Required Information in Itemizing Receipts:**
 - Full name and address of contributor or source
 - Occupation/employer – if contributor is an individual
 - Date of receipt
 - Amount
 - Aggregate year-to-date total of all receipts from the same source.
 - Optional, but encouraged: Committee ID# where applicable
- Date reported is the date of receipt, not the date of deposit, or the date on the check.
- Don't fill in election information on Schedule A for individual contributions.

B. Reporting Ultimate Payees (Reporting Scenario #2)

Reporting Scenario #2

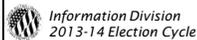
Reporting Ultimate Payees

What type of transaction is this?

How must the committee disclose the transaction?

What information from the scenario do we need to disclose this correctly?

Tricky Issues?



2013 Year-End PAC/Party Reporting Roundtable

On November 20, Citizens who Love Candy PAC's treasurer, Joy Almond, realizes that the office is low on supplies. She uses her personal funds to purchase \$750.00 worth of office supplies from the nearby Staples.

She is reimbursed by the PAC in full on November 30.

- 1. What type of transaction is this?**
- 2. How must the committee disclose the transaction(s)?**
- 3. What information from the scenario do we need to disclose this correctly?**

Answers – Reporting Scenario #2: Reporting Ultimate Payees

1. What type of transaction is this?

Answer: Joy’s initial purchase is an advance of personal funds. When an individual who is not acting as a vendor advances personal funds to obtain goods or services that are used by a political committee, the committee must treat the individual’s payment as a contribution and as an outstanding debt until reimbursed. 11 CFR 116.5.

2. How must the committee disclose the transaction(s)?

Answer: In this case, Joy made her advance and was reimbursed in the same reporting period. Therefore, the reimbursement made to her is itemized on Schedule B for Line 21b (Other Federal Operating Expenses). Joy is listed as the payee, along with her mailing address, and the date, amount and purpose of the reimbursement.

Because her payments to the vendor aggregated more than \$200 in a calendar year, the PAC must also include a memo entry that includes the name and address of the vendor, as well as the date, amount and purpose of the repayment.

Identifying Ultimate Payee

Made and Reimbursed in Same Period

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE	OF
<input checked="" type="checkbox"/>	21b	<input type="checkbox"/>	22	<input type="checkbox"/>	23
<input type="checkbox"/>	27	<input type="checkbox"/>	28a	<input type="checkbox"/>	28b
<input type="checkbox"/>		<input type="checkbox"/>	29	<input type="checkbox"/>	30b
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (In Full) Citizens Who Love Candy PAC					
Full Name (Last, First, Middle Initial)					
A. Almond, Joy			Date of Disbursement		
Mailing Address 460 E. 32nd Street			11 / 30 / 2013		
City State Zip Code New York NY 10024			Amount of Each Disbursement this Period		
Purpose of Disbursement Reimbursement for office supplies			750.00		
Candidate Name			Category/Type		
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President			Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		
State: District:					
Full Name (Last, First, Middle Initial)					
B. Staples			Date of Disbursement		
Mailing Address 900 W. 79th Street			11 / 20 / 2013		
City State Zip Code New York NY 10024			Amount of Each Disbursement this Period		
Purpose of Disbursement Office supplies			750.00		
Candidate Name			Category/Type		
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President			Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼		
State: District:			MEMO		

3. What information from the scenario do we need to disclose this correctly?

Answer: To itemize ultimate payees, the PAC needs not only Joy’s name and address, but also the date she made the initial payment to the vendor, as well as the vendor’s name and address. The specific purpose of the disbursement must be listed and must meet the qualifications to be considered an “adequate” purpose.

Points to Remember:

- Disbursements are itemized when payments made to a specific payee aggregate more than \$200 in a calendar year.
- In these two situations, the political committee must provide additional information about a vendor who was the ultimate payee:
 - The committee reimburses an individual who used personal funds to pay committee expenses aggregating more than \$200 to a single vendor;
 - The committee’s payment of its credit card bill includes charges of more than \$200 to a single vendor;
- See the Notice of Interpretive Rule at 78 FR 40625 (July 8, 2013) (online at http://www.fec.gov/law/cfr/ej_compilation/2013/notice2013-09.pdf) and <http://www.fec.gov/pages/fecrecord/2013/august/ultimatepayeeinterpretiverule.shtml> for more information on reporting ultimate payees.

Contributions Made (PACs & Parties)

- ☐ To Federal Candidates
 - Disclosed on Schedule B supporting Line 23 of Detailed Summary Page
 - Include office sought, state & district (if applicable)
 - Include election designation
- ☐ To Nonfederal Candidates
 - Disclosed on Schedule B supporting Line 29 of Detailed Summary Page

Federal Candidate

Schedule B, Line 23

SCHEDULE B (FEC Form 3X)		Use separate schedule(s) for each category of the Detailed Summary Page		FOR LINE NUMBER: (check only one)		PAGE OF	
ITEMIZED DISBURSEMENTS		<input type="checkbox"/> 21b	<input type="checkbox"/> 22	<input checked="" type="checkbox"/> 23	<input type="checkbox"/> 24	<input type="checkbox"/> 25	<input type="checkbox"/> 26
		<input type="checkbox"/> 27	<input type="checkbox"/> 28a	<input type="checkbox"/> 28b	<input type="checkbox"/> 28c	<input type="checkbox"/> 29	<input type="checkbox"/> 30b
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.							
NAME OF COMMITTEE (In Full) Citizens Who Love Candy PAC							
Full Name (Last, First, Middle Initial) A. Committee to Elect Baby Ruth				Date of Disbursement 07 / 19 / 2013			
Mailing Address 1776 Washington St.							
City Alexandria, VA 22314		State		Zip Code			
Purpose of Disbursement Contribution				Category/Type 011		Amount of Each Disbursement this Period 5,000.00	
Candidate Name Baby Ruth		Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)			
State VA		District 08		Year 2014			

C. Contributions Made (Federal vs. Nonfederal) – PACs and Parties

1. Federal Candidates

- Disclosed on Schedule B supporting Line 23 of the Detailed Summary Page.
- Include office sought, state & district (if applicable).
- Include election designation.

Nonfederal Candidate

Schedule B, Line 29

SCHEDULE B (FEC Form 3X)		Use separate schedule(s) for each category of the Detailed Summary Page		FOR LINE NUMBER: (check only one)		PAGE OF	
ITEMIZED DISBURSEMENTS		<input type="checkbox"/> 21b	<input type="checkbox"/> 22	<input type="checkbox"/> 23	<input type="checkbox"/> 24	<input checked="" type="checkbox"/> 25	<input type="checkbox"/> 26
		<input type="checkbox"/> 27	<input type="checkbox"/> 28a	<input type="checkbox"/> 28b	<input type="checkbox"/> 28c	<input type="checkbox"/> 29	<input type="checkbox"/> 30b
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.							
NAME OF COMMITTEE (In Full) Citizens Who Love Candy PAC							
Full Name (Last, First, Middle Initial) A. Re-Elect Bazooka Bubble for Governor				Date of Disbursement 09 / 30 / 2013			
Mailing Address 873 Long Drive							
City Aberdeen, MD 21001				State Zip Code			
Purpose of Disbursement Nonfederal contribution				011		Amount of Each Disbursement this Period	
Candidate Name				Category/Type		1,000.00	
Office Sought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)					
State: District:							

2. Nonfederal Candidates

- Disclosed on Schedule B supporting Line 29 of the Detailed Summary Page.

Returned vs. Refunded

PACs & Parties:

- Returned, Lost or Voided checks
 - Negative entry on line number where transaction was originally disclosed
- Refunds
 - Refund check from another committee appears on Schedule A for line 16

- D. Voids vs. Refunds – PACs and Parties**
- 1. Voids or returned/uncashed checks** – should be disclosed as negative entries on the schedule supporting the Detailed Summary Page line number where the transaction was originally disclosed.

Returned, Lost or Voided

Negative Entry, Schedule B, Line 23

SCHEDULE B (FEC Form 3X)	Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE 1 OF 2
ITEMIZED DISBURSEMENTS		<input type="checkbox"/> 21b <input type="checkbox"/> 22 <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 24 <input type="checkbox"/> 25 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 29 <input type="checkbox"/> 30b	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) Citizens Who Love Candy PAC			
Full Name (Last, First, Middle Initial) A. Committee to Elect Baby Ruth		Date of Disbursement 12 / 02 / 2013	
Mailing Address 1776 Washington St.			
City Alexandria, VA 22314			
Purpose of Disbursement Check uncashed		011	
Candidate Name Baby Ruth		Amount of Each Disbursement this Period - 5,000.00	
Office Sought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President	Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Check uncashed See August Monthly	
State: VA	District: 08	Primary 2014	

Redesignations

- ❑ Use memo entries to note previously reported information – do not add them again to the totals.
- ❑ If redesignated after the close of books, show the redesignation on the next report and indicate the report on which it was previously itemized.
- ❑ Previous report should not be amended.
- ❑ If redesignating for previous election, to retire debts, be sure to note year, debt and election (e.g., 2012 general debt)

E. Redesignations of Excessive Contributions (PACs, Parties & Authorized Committees)

1. Use memo entries to note previously reported information – do not add them again to the totals.
2. If redesignated after the close of books, show the redesignation on the next report and indicate the report on which it was previously itemized.
3. Previous report should not be amended.
4. If redesignating for previous election, to retire debts, be sure to note year, debt and election (e.g., 2012 primary debt).

Redesignations: PAC/Party

December Monthly

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 2
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21a <input type="checkbox"/> 22 <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 24 <input type="checkbox"/> 25 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input type="checkbox"/> 30a	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in Full) Citizens Who Love Candy PAC			
Full Name (Last, First, Middle Initial) Committee to Elect Kit Kat		Date of Disbursement 11 / 11 / 2013	
Mailing Address 1060 West Addison St. Chicago IL 60613		Amount of Each Disbursement this Period 6,000.00	
Purpose of Disbursement Contribution Candidate Name Kit Kat Office Bought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President IL <input type="checkbox"/> State District		Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General 2014 Other (specify)	
Full Name (Last, First, Middle Initial)		Date of Disbursement	
Mailing Address		Amount of Each Disbursement this Period	
City State Zip Code		Category/Type	
Purpose of Disbursement		Amount of Each Disbursement this Period	
Candidate Name		Category/Type	
Office Bought: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	

Redesignations: PAC/Party

Year-End Report

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER: (check only one)	PAGE 1 OF 2
Use separate schedule(s) for each category of the Detailed Summary Page		<input type="checkbox"/> 21a <input type="checkbox"/> 22 <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 24 <input type="checkbox"/> 25 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28a <input type="checkbox"/> 28b <input type="checkbox"/> 28c <input type="checkbox"/> 29 <input type="checkbox"/> 30a	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in Full) Citizens Who Love Candy PAC			
Full Name (Last, First, Middle Initial) Committee to Elect Kit Kat		Date of Disbursement 11 / 11 / 2013	
Mailing Address 1060 West Addison St. Chicago IL 60613		Amount of Each Disbursement this Period 6,000.00	
Purpose of Disbursement Contribution Candidate Name Kit Kat Office Bought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President WI <input type="checkbox"/> State District		Disbursement For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General 2014 Primary	
Full Name (Last, First, Middle Initial) Committee to Elect Kit Kat		Date of Disbursement 12 / 02 / 2013	
Mailing Address 1060 West Addison St. Chicago IL 60613		Amount of Each Disbursement this Period 1,000.00	
Purpose of Disbursement Contribution -- Redesignation Candidate Name Kit Kat Office Bought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President IL <input type="checkbox"/> State District		Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General 2014 General	

Note: A red circle highlights the entry for the December Monthly disbursement, which is noted as "MEMO as disclosed in Decmeber Monthly".

Review: IE Definition

Expenditure for a communication expressly advocating the election or defeat of a clearly identified candidate, that is not made in cooperation, consultation, or concert with, or at the request or suggestion of a candidate or his/her agents.

EXPRESS ADVOCACY
NO COORDINATION

F. Independent Expenditures – Definition

1. Expenditure for communication that "expressly advocates" the election or defeat of a clearly identified candidate and that is not made in cooperation with, or at the suggestion of, the candidate or his/her campaign or its agents, or a political party or its agents.

Disclosure

- ▣ PACs report on Schedule E of Form 3X
- ▣ Date made = Date disseminated
- ▣ Aggregate on per calendar year, per election, per office sought basis

G. Disclosure of Independent Expenditures

- 1. Report using Schedule E/FEC Form 3X during appropriate reporting period.**
- 2. Date Made = Date Disseminated**
 - An independent expenditure is considered made when it is publicly distributed or otherwise publicly disseminated.
 - See the FEC's interpretive rule at 76 FR 16233 (October 4, 2011) (online at http://www.fec.gov/law/cfr/ej_compilation/2011/notice_2011-13.pdf).
- 3. Aggregation**
Done on a per calendar year, per election, per office sought (race) basis.
- 4. Additional reporting on 48- and 24-hour basis:**

Disclosure

48-Hour Reports

- ☐ Required for IEs
 - Aggregating \geq \$10,000
 - Made 20 days or more before an election

24-Hour Reports

- ☐ Required for IEs
 - Aggregating \geq \$1,000 made
 - $<$ 20 days but more than 24 hours before an election

****Disclose again on next regular report****

- **48-Hour Reporting (11 CFR 104.5(g)(1))**
 - Must file a **48-Hour Report** for independent expenditures that aggregate \$10,000 or more, anytime during a calendar year up to and including the 20th day before an election.
 - A 48-Hour Report is required each time an additional \$10,000 is aggregated in independent expenditures.
- **24-Hour Reporting (11 CFR 104.5(g)(2))**
 - Must file a **24-Hour Report** for independent expenditures aggregating \$1,000 or more made less than 20 days but more than 24 hours before the day of an election.
 - A 24-Hour Report is required each time an additional \$1,000 is aggregated in independent expenditures.
- **48- and 24-Hour Report** is filed using stand-alone Schedule E; check appropriate box to note type of report.
- **48- and 24-Hour Report time frames** for each state are located on our website:
 - **2013:** http://www.fec.gov/info/charts_ie_dates_2013.shtml.
 - **2014:** http://www.fec.gov/info/charts_ie_dates_2014.shtml.

H. Large Last-Minute Independent Expenditures (Reporting Scenario #3)



House candidate Junior Mint wouldn't accept PAC checks and his campaign would not speak to representatives of the Union of Chocolate Melters PAC. However, the PAC still wanted to lend its support to Candidate Mint. On October 27, 2014, just before the November 4 general election, the Chocolate Melters Union PAC runs a \$7,500 radio ad on WCHC-FM supporting Mint. The bill for the ads was paid on November 27, 2014.

- 1. What type of transaction is this?**
- 2. How must the committee disclose the transaction(s)?**
- 3. What information from the scenario do we need to disclose this correctly?**

Reporting Example #3 Answer Key: Large Last-Minute Independent Expenditures

1. What type of transaction is this?

PAC/Party Reporting Independent Expenditures

Last-Minute Reporting

- ☐ What type of transaction is this?
Answer: Last-minute independent expenditure
- ☐ How must the committee disclose the transaction(s)?
Answer: 24-hour report, then on post-general
- ☐ What information from the scenario do we need to disclose this correctly?
- ☐ Tricky Issues?

 Information Division
2013-14 Election Cycle 2013 Year-End PAC/Party Reporting Roundtable

Answer: The PAC is making an independent expenditure, defined as an expenditure for a communication that “expressly advocates” the election or defeat of a clearly identified candidate and that is not made in cooperation with, or at the request or suggestion of, a candidate or his/her campaign or its agents, or a political party committee or its agents.

2. How must the committee disclose the transaction(s)?

Answer: An independent expenditure is considered made when it is publicly distributed or otherwise publicly disseminated. If it aggregates \$1,000 or more and is made less than 20 days but more than 24 hours before the day of an election, as this expenditure did, the PAC must file a 24-Hour Report on Schedule E disclosing the independent expenditure. The PAC must disclose the independent expenditure again, on Schedule E, for the next regular FEC report (30-Day Post General Report).

Reporting example continues on next page

24-Hour IE Report

Initial Reporting – 24-hour Schedule E	
24/48 HOUR REPORT OF INDEPENDENT EXPENDITURES (Schedule E)	
PAGE 1 FOR SE OF FORM	
NAME OF COMMITTEE (In Full) Union of Chocolate Melters PAC	
FEC IDENTIFICATION NUMBER C C00000004	
Check <input checked="" type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input checked="" type="checkbox"/> New report <input type="checkbox"/> Amends report filed on	
Full Name of Payee WCHC-FM	Date of Public Distribution/Dissemination 10 / 27 / 2014
Mailing Address 17 Chocolate Avenue	Amount 7500.00
City Hershey State PA Zip Code 17033	Transaction ID : SE 4103 Date of Disbursement or Obligation
Purpose of Expenditure Radio Ad Category/Type 004	
Name of Federal Candidate Junior Mint <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	Office Sought: <input checked="" type="checkbox"/> House District: 17 <input type="checkbox"/> President <input type="checkbox"/> Senate State: PA
Calendar Year-To-Date Per Election for Office Sought 7500.00	Disbursement For: 2014 <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) ▶

3. What information from the scenario do we need to disclose this correctly?

Answer: Key facts in the scenario include the date of dissemination (10/27/14), the fact that it is an advertisement that contained express advocacy, and was not coordinated with the campaign. The PAC will also need to disclose the payee’s name and address, the candidate information, the purpose of the expenditure, the amount and the calendar year-to-date per election for the office sought.

On the next report filed (30 Day Post-General covering 10/16/14-11/24/14, and due on 12/4/14), the PAC must report the same information disclosed on the 24-Hour Notice on Schedule E as a MEMO entry because the payment has not been made yet. Accordingly, the PAC must report a debt on Schedule D to “WCHC-FM” until it is settled.

Reporting example continues on next page

IE Disclosed
(Post-General)

Disclosure on Next Regular Report

SCHEDULE E (FEC Form 3X)
ITEMIZED INDEPENDENT EXPENDITURES

PAGE 6 OF 6
FOR LINE 24 OF FORM 3X

NAME OF COMMITTEE (In Full) Union of Chocolate Melters PAC		FEC IDENTIFICATION NUMBER C C00000004
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input type="checkbox"/> New report <input type="checkbox"/> Amends report filed on		
Full Name of Pavee WCHC-FM		Date of Public Distribution/Dissemination 10 / 27 / 2014
Mailing Address 17 Chocolate Avenue		Amount 7500.00
City Hershey	State PA	Zip Code 17033
Purpose of Expenditure Radio Ad	Category/Type 004	Transaction ID : SE.4099 Date of Disbursement or Obligation
Name of Federal Candidate Junior Mint	<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	Office Sought: <input checked="" type="checkbox"/> House District: 17 <input type="checkbox"/> President <input type="checkbox"/> Senate State: PA
Calendar Year-To-Date Per Election for Office Sought	7500.00	Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)

Debt Owed
(Post-General)

Other Reporting - Debt

SCHEDULE D (FEC Form 3X)
DEBTS AND OBLIGATIONS
Excluding Loans

PAGE 1 OF 1
FOR LINE NUMBER: (check only one) 9 10

(Use separate schedule(s) for each numbered line)

NAME OF COMMITTEE (In Full) Union of Chocolate Melters PAC	
A. Full Name (Last, First, Middle Initial) of Debtor or Creditor WCHC-FM	Nature of Debt (Purpose): Radio Ad for Junior Mint
Mailing Address 17 Chocolate Avenue	
City State Zip Code Hershey PA 17033	
Outstanding Balance Beginning This Period 0.00	
Amount Incurred This Period 7,500.00	Payment This Period 0.00
Outstanding Balance at Close of This Period 7,500.00	

When full payment is made to the vendor on 11/27/14, it should be reflected on Schedule E supporting Line 24, as well as Schedule D supporting Line 10 of the Year End Report (coverage period: 11/25/14-12/31/14).

IE Payment
(Year-End)

Subsequent Payment

SCHEDULE E (FEC Form 3X)
ITEMIZED INDEPENDENT EXPENDITURES

PAGE 6 OF _____
FOR LINE 24 OF FORM _____

NAME OF COMMITTEE (In Full) Union of Chocolate Melters PAC		FEC IDENTIFICATION NUMBER C C00000004
Check if <input type="checkbox"/> 24-hour report <input type="checkbox"/> 48-hour report <input type="checkbox"/> New report <input type="checkbox"/> Amends report filed on _____		
Full Name of Payee WCHC-FM	Date of Public Distribution/Dissemination 10 / 27 / 2014	
Mailing Address 17 Chocolate Avenue	Amount 7500.00	
City State Zip Code Hershey PA 17033	Transaction ID : SE.4105 Date of Disbursement or Obligation 11 / 27 / 2014	
Purpose of Expenditure Radio Ad	Category/Type 004	
Name of Federal Candidate Junior Mint	<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	Office Sought: <input checked="" type="checkbox"/> House District: 17 <input type="checkbox"/> President <input type="checkbox"/> Senate State: PA
Calendar Year-To-Date Per Election for Office Sought	7500.00	Disbursement For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) ▶ _____

Reporting example continues on next page

Debt to Vendor
(Year-End)

Paying Off Debt

SCHEDULE D (FEC Form 3X) DEBTS AND OBLIGATIONS Excluding Loans		(Use separate schedule(s) for each numbered line)	PAGE 1 FOR LINE NUMBER: (check only one) <input type="checkbox"/> 9 <input checked="" type="checkbox"/> 10
NAME OF COMMITTEE (In Full) Union of Chocolate Melters PAC			
A. Full Name (Last, First, Middle Initial) of Debtor or Creditor WCHC-FM	Nature of Debt (Purpose): Radio Ad for Junior Mint		
Mailing Address 17 Chocolate Avenue			
City State Zip Code Hershey PA 17033			
Outstanding Balance Beginning This Period <div style="border: 1px solid black; padding: 2px; display: inline-block; font-weight: bold;">7,500.00</div>			
Amount Incurred This Period <div style="border: 1px solid black; padding: 2px; display: inline-block; font-weight: bold;">0.00</div>	Payment This Period <div style="border: 1px solid black; padding: 2px; display: inline-block; font-weight: bold;">7,500.00</div>	Outstanding Balance at Close of This Period <div style="border: 1px solid black; padding: 2px; display: inline-block; font-weight: bold;">0.00</div>	

4. Tricky Issues:

a) Debts

- Debts include ads that are contracted for but not paid for
- When payment for ad is made in subsequent reporting period, report payment on Schedule E, and include date of dissemination in purpose field.
- Update Schedule D with payment; cross-reference Schedule E.

b) 24-Hour Reporting

- Must file a **24-Hour Report** for independent expenditures aggregating (per calendar year, per election, per office) \$1,000 or more made less than 20 days but more than 24 hours before the day of an election.
- Aggregation is done on per calendar year, per election, per office sought (race) basis.
- Use Schedule E on Form 3X – check “24-hour” box.
- Must be received by FEC within 24 hours after the independent expenditure is publicly distributed or otherwise publicly disseminated.
- Must be certified (signed) by treasurer (e-filers should type the treasurer's name following the certification on the report).

- For paper filers, can use overnight delivery, hand-delivery or fax to 202-219-0174 (certified or registered mail date will not be considered filed date for these).
- Last-minute independent expenditures must be disclosed again on Schedule E of the next scheduled report that the committee files.
- A 24-Hour Report is required each time an additional \$1,000 is aggregated in independent expenditures.
- The 24-Hour Report time frames for the 2014 elections are located on our web site at http://www.fec.gov/info/charts_ie_dates_2014.shtml.

c) 48-Hour Reporting

- In addition, must file a **48-Hour Report** for independent expenditures that aggregate \$10,000 or more, anytime during a calendar year up to and including the 20th day before an election.
- Use Schedule E on Form 3X – check “48-hour” box.
- Must be received by FEC within 48 hours after expenditure is publicly distributed or otherwise publicly disseminated.
- Must be certified (signed) by treasurer (e-filers should type the treasurer’s name following the certification on the Report).
- For paper filers, can use overnight delivery, hand-delivery or fax to 202-219-0174 (certified or registered mail date will not be considered filed date for these).
- Last-minute independent expenditures must be disclosed again on Schedule E of the next scheduled report that the committee files.
- Aggregation is done on a per calendar year, per election, per office sought (race) basis.
- A 48-Hour Report is required each time an additional \$10,000 is aggregated in independent expenditures.

Avoid Common Mistakes

- ❑ Check for math errors
- ❑ Include all required schedules, all information
- ❑ Provide all information required by schedule
- ❑ Consult form instructions available on FEC.gov
- ❑ Designate contributions
- ❑ Only enter contributors into reporting software once to avoid aggregation problems
- ❑ Ensure correct committee name disclosed for contributions made/received

I. Avoiding Common Errors

1. Check for math errors.
2. Include all appropriate schedules.
3. Provide all information required by schedule. Consult form instructions available on our web site at <http://www.fec.gov/info/forms.shtml>.
4. Designate all contributions made to Federal candidate committees. If not designated, contribution is applied towards next election and may result in excessive contribution. Also indicate year of election and check Primary or General. For Special, Runoff, Convention or Recount election, check “Other” and also include election type and year (e.g., “Special General 2013”).
5. Avoid accidentally entering contributors multiple times into the committee’s reporting software program. This causes aggregation problems as well as excessive contributions to be reported.
6. Ensure the correct committee name is disclosed for contributions made. Using an incorrect committee name creates data entry problems and errors on the public record.

Best Practices: Reporting

- ✓ Respond completely to all RFAs by specified deadline
- ✓ Contact your analyst with any questions, especially if you are not sure what is wrong. The analyst can assist prior to the report being amended.
- ✓ Consult the most recent copy of “inadequate purpose” list
- ✓ Make sure all purposes of disbursements disclosed are on “acceptable” list or would meet rule of thumb

Best Practices:

- Consult most recent copy of inadequate purpose list.
- Make sure all purposes of disbursements disclosed are on the “acceptable” list or would meet the rule of thumb.
- Respond completely to all RFAs by the deadline specified.
- Contact your analyst to clarify questions and issues. Please contact the analyst if you are unsure of what is wrong. The analyst can assist prior to the report being amended.

Objectives

- ▣ Review filing deadlines and application of “best efforts” for timely filing
- ▣ Learn about the Reports Analysis Division (RAD) review process and how best to respond to a Request for Additional Information (RAI)
- ▣ Discuss common reporting errors

Workshop Evaluation

Help Us Help You!

Please complete an evaluation
of this workshop.