

23L-37

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: July 27, 2023

ANALYST: Melissa Cisewski

- I. COMMITTEE: Organizing Empowerment PAC
C00763409
Michael Pfohl, Treasurer
P.O. BOX 288
McFarland, WI 53558
- II. RELEVANT STATUTE: 52 U.S.C. § 30104(g)(2)
11 C.F.R. § 104.4(b)(2)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Timely File 48-Hour Reports)

Organizing Empowerment PAC (“the Committee”) failed to timely file one (1) 48-Hour Report to support one (1) independent expenditure, totaling \$59,626.28, disclosed on the Amended 2022 October Quarterly Report, received January 31, 2023, made up to and including the 20th day before the 2022 General Election, and three (3) 48-Hour Reports to support six (6) independent expenditures, totaling \$119,221.63, disclosed on the Amended 2022 12-Day Pre-General Report, received January 31, 2023, made up to and including the 20th day before the 2022 General Election (Attachment 1).

Amended 2022 October Quarterly Report

On January 31, 2023, the Committee filed an [Amended 2022 October Quarterly Report](#) covering the period from July 1, 2022, through September 30, 2022. The report included a [Schedule E \(Itemized Independent Expenditures\)](#) disclosing one (1) independent expenditure totaling \$59,626.28, made in support of one (1) federal candidate (Attachment 1).

On March 28, 2023, a [Request for Additional Information \(RFAI\)](#) was sent to the Committee referencing the Amended 2022 October Quarterly Report. The RFAI noted that

the Committee may have failed to file one (1) or more of the required 48-Hour Reports of independent expenditures. A chart was included with the RFAI identifying one (1) independent expenditure, totaling \$59,626.28, for which a 48-hour report had not been filed.

On May 1, 2023, the Committee filed one (1) [48-Hour Report](#) to support one (1) independent expenditure, totaling \$59,626.28, disseminated on September 15, 2022.

Amended 2022 12-Day Pre-General Report

On January 31, 2023, the Committee filed an [Amended 2022 12-Day Pre-General Report](#) covering the period from October 1, 2022, through October 19, 2022. The report included a [Schedule E](#) disclosing six (6) independent expenditures totaling \$119,221.63, made in support of one (1) federal candidate and in opposition to one (1) federal candidate (Attachment 1).

On March 28, 2023, an [RFAI](#) was sent to the Committee referencing the Amended 2022 12-Day Pre-General Report. The RFAI noted that the Committee may have failed to file one (1) or more of the required 48-Hour Reports of independent expenditures. A chart was included with the RFAI identifying six (6) independent expenditures, totaling \$119,221.63, for which 48-hour reports had not been filed.

On May 1, 2023, the Committee filed an [FEC Form 99 \(Miscellaneous Electronic Submission\)](#) in response to the RFAs referencing the Amended 2022 October Quarterly and Amended 2022 12-Day Pre-General Reports, both received on January 31, 2023. The Committee stated, in part:

“In 2022, Organizing Empowerment PAC ("OE") filed a series of amendments to its October Quarterly, Pre-General, and Post-General reports...

OE filed these amendments in response to receiving delayed detailed invoices from Verdugo Strategies which assists with recruiting and organizing political staff, generally for canvassing efforts. In Fall 2022, OE made lump sum payments to Verdugo Strategies. Over the course of the election, Verdugo Strategies would expend this money on programmatic expenses...

...the two \$59,626.28 independent expenditures on September 15 were added to ensure that the correct spans of time for the communications were covered based on the detailed invoices. The October 1-19 independent expenditures, in addition to other transactions, were added to the Pre-General report based on the delayed detailed invoices from vendors. Again, while OE attempted to capture the eventual independent expenditures in the initial lump sum payments, the delayed detailed invoices required OE to file additional independent expenditure reports and to add additional expenses to the Pre-General and Post-General reports...”

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On the same day, the Committee filed one (1) [48-Hour Report](#) to support six (6) independent expenditures, totaling \$119,221.63, disseminated between October 1, 2022 and October 13, 2022.

Since April 27, 2023, the Reports Analysis Division (RAD) logged four (4) communications with representatives of the Committee which reflect efforts to help the Committee voluntarily comply with the Act. RAD was able to connect with the Committee on three (3) of these occasions and notified Michael Pfohl, Treasurer, that the Committee would be referred to another Commission office for further review. RAD advised the Committee to file an FEC Form 99 with any clarifying information for the public record (Attachment 2). To date, no further communications have been received from the Committee regarding these matters.

Filings and correspondence related to the Committee can be found here: [Organizing Empowerment PAC](#).

Organizing Empowerment PAC (C00763409)[Amended 2022 October Quarterly Report, received 1/31/2023](#)48-Hour Report Not Timely Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount	Candidate	Election	48-Hour Report Received
Verdugo Strategies	9/15/2022	\$59,626.28 <i>48-Hour Report Required</i>	Catherine Cortez Masto	2022 General (11/8/2022)	5/1/2023

Organizing Empowerment PAC (C00763409)[Amended 2022 12-Day Pre-General Report, received 1/31/2023](#)**48-Hour Reports Not Timely Filed**

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount	Candidate	Election	48-Hour Report Received
Verdugo Strategies	10/1/2022	\$75,533.29 <i>48-Hour Report Required</i>	Catherine Cortez Masto	2022 General (11/8/2022)	5/1/2023
Verdugo Strategies	10/13/2022	\$162.00	Catherine Cortez Masto	2022 General (11/8/2022)	5/1/2023
Verdugo Strategies	10/13/2022	\$972.00	Adam Laxalt	2022 General (11/8/2022)	5/1/2023
Verdugo Strategies	10/17/2022	\$4,108.77	Catherine Cortez Masto	2022 General (11/8/2022)	5/1/2023
Verdugo Strategies	10/17/2022	\$27,095.57 <i>48-Hour Report Required</i>	Adam Laxalt	2022 General (11/8/2022)	5/1/2023
Verdugo Strategies	10/19/2022	\$11,350.00 <i>48-Hour Report Required</i>	Catherine Cortez Masto	2022 General (11/8/2022)	5/1/2023