



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 1, 2021

MEMORANDUM

To: Charles Kitcher
Acting Associate General Counsel

Jeff S. Jordan
Assistant General Counsel

Through: Alec Palmer
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Dayna C. Brown *DCB*
Acting Assistant Staff Director
Audit Division

Kendrick Smith *KDS*
Audit Manager

David Butler *DB*
Lead Auditor

Subject: Steve Chabot for Congress (A19-01) – Transfer Matters

On May 20, 2021, the Commission approved the Audit Division's recommendation to rescind authority to audit Steve Chabot for Congress (the committee), pursuant to 52 U.S.C. §30111(b). The Commission also approved the transfer of the following to the Office of General Counsel (OGC):

- All audit records pertaining to the committee; and
- All Reports Analysis Division (RAD) identified 2017-2018 OGC, Alternative Dispute Resolution Office and Administrative Fine Program referable items for the committee.

As noted in the attached RAD 2017-2018 Audit Referral, and in accordance with the 2017-2018 RAD Review and Referral Procedures, the following items meet the referral threshold and are being transferred to OGC:

- **Missing Schedules** – Disclosing a negative ending cash-on-hand amount of \$119,614 on the 2018 30 Day Post-General Report;
- **Failure to Properly Itemize Contributions from Individuals** – Failure to properly itemize contributions from 227 individuals during the 2017-2018 election cycle;
- **Mathematical Discrepancies** – Filing three consecutive reports with election cycle-to-date discrepancies in excess of \$50,000 per report; and
- **Missing Schedules – Missing 48-Hour Notices** – Failure to file required 48-Hour Notices for the 2018 Primary and General Elections, for contributions totaling \$147,945.

All records pertaining to the audit may found at the following location:

\\ntsrv1\2_Audit_OGC_Documents\Steve Chabot for Congress\Rescind audit - Transfer records to OGC - May 2021

The Audit Division is available to assist OGC in analyzing any financial records provided by the committee during the enforcement process.

Should you have any questions regarding the audit records, please contact David Butler (x1204) or Kendrick Smith (x1344). Should you have any questions regarding the RAD referable matters, please contact the Nataliya Ioffe, RAD Authorized Branch Chief at x1163.

Attachments:

RAD Audit Referral

Designation of Counsel

May 20, 2021 Vote Certification

RAD REFERRAL #: A19-01**DATE:** April 3, 2019**ANALYST:** Chris Jones**REPORTS ANALYSIS DIVISION AUDIT REFERRAL**

I. CANDIDATE: Steve Chabot
CANDIDATE ID NUMBER: H8OH01043
STATE/DISTRICT: OH/01

II. PRINCIPAL CAMPAIGN COMMITTEE: Steve Chabot for Congress
 C00301838
 James Schwartz Sr., Treasurer
 3030 Harrison Ave.
 Cincinnati, OH 45211

OTHER AUTHORIZED COMMITTEE(S): None

III. REGISTRATION DATE: March 22, 1995
DATE OF CANDIDACY FOR THE AUDIT PERIOD: April 12, 2017

IV. ELECTION RESULTS: Won the 2018 General Election by 3.6%

V. TOTAL POINTS ASSESSED: ■

VI. SUMMARY OF AUDIT POINTS BY STANDARD:

Standard	#	Description	Total # of Point(s)	Points for Receipts	Points for Disbursements	Other Points
Standard	6	Mathematical Discrepancies	■ Point(s)	■	■	■
Standard	7	Failure to Provide Schedules	■ Point(s)	■	■	■
Standard	8	Failure to Properly Itemize Contributions from Individuals	■ Point(s)	■	■	■
Standard	10	Failure to Properly Itemize Contributions and Transfers to Political Committees	■ Point(s)	■	■	■
		TOTAL	■ Point(s)	■	■	■

VII. NOTICES SENT TO AND RESPONSES RECEIVED FROM THE COMMITTEE:

See attached O-Index for the Committee.

VIII. PROBLEMS FOR WHICH AUDIT POINTS WERE ASSESSED:

A. Standard 6 - Mathematical Discrepancies:

Report Type		Violation (Description)	Points
2017	Q1	The Committee's report contained mathematical discrepancies totaling \$ 25,500.00.	■
2017	Q2	The Committee's report contained mathematical discrepancies totaling \$114,349.51.	■
2017	Q3	The Committee's report contained mathematical discrepancies totaling \$48,220.00, as detailed below: The Committee's beginning cash balance, \$1,059,962.10, was greater than the ending cash balance of the Committee's previous report, \$1,056,437.10, resulting in a discrepancy of \$3,525.00. The Committee's report contained mathematical discrepancies totaling \$44,695.00 on Column B of the Summary and Detailed Summary Pages.	■
2017	YE	The Committee's report contained mathematical discrepancies totaling \$40,995.00.	■
2018	Q1	The Committee's report contained mathematical discrepancies totaling \$112,912.00.	■
2018	Q3	The Committee's report contained mathematical discrepancies totaling \$233,990.33.	■
2018	12G	The Committee's report contained mathematical discrepancies totaling \$281,868.00.	■
2018	30G	The Committee's report contained mathematical discrepancies totaling \$58,240.25.	■
Standard 6 Total:			■

Points for Receipts	Points for Disbursements	Other Points
■	■	■

B. Standard 7 - Failure to Provide Supporting Schedules:

Report Type		Violation (Description)	Points
2018	Q2	The Committee failed to file the required 48-Hour Notices from 4/19/2018 through 5/5/2018 for contributions totaling \$2,000.00 from two (2) multicandidate political committees.	■

2018 30G The Committee failed to provide supporting schedules totaling \$265,559.35, as detailed below:

The Committee's report disclosed a negative ending cash-on-hand balance of \$119,614.35 for the reporting period.

The Committee failed to file the required 48-Hour Notices from 10/18/2018 through 11/3/2018 for contributions totaling \$145,945.00 from thirty-seven (37) individuals, one (1) Indian tribe, twenty-eight (28) multicandidate political committees, six (6) non-qualified political committees, and four (4) federal candidate committees.

Standard 7 Total:

Points for Receipts	Points for Disbursements	Other Points
■	■	■

C. Standard 8 - Failure to Properly Itemize Contributions from Individuals:

Report Type	Violation (Description)	Points
2017 Q3	The Committee failed to provide adequate identification for 20 of 49, or 40.82%, of the contributions from individuals that require itemization (occupation/employer, address, city, state, and attribution of partnership contributions).	■
2017 YE	The Committee failed to provide the adequate identification for 21 of 56, or 37.50%, of the contributions from individuals that require itemization (occupation/employer, city, and state).	■
2018 Q3	The Committee failed to provide the adequate identification for 75 of 265, or 28.30%, of the contributions from individuals that require itemization (full name, occupation/employer) as well as the attribution of contributions made from a trust (individual's name, address, occupation and employer).	■
2018 12G	The Committee failed to provide the adequate identification for 12 of 44, or 27.27%, of the contributions from individuals that require itemization (occupation/employer).	■
2018 30G	The Committee failed to provide the adequate identification for 58 of 145, or 40.00%, of the	■

contributions from individuals that require itemization (occupation/employer).

Standard 8 Total: ■

Points for Receipts	Points for Disbursements	Other Points
■	■	■

D. Standard 10 - Failure to Properly Itemize Contributions and Transfers to Political Committees:

Report Type	Violation (Description)	Points
2017 Q2	The Committee failed to provide the office sought, state, and district for contributions to eight (8) federal candidates totaling \$4,000.00.	■

Standard 10 Total: ■

Points for Receipts	Points for Disbursements	Other Points
■	■	■

IX. MATTERS REQUIRING REFERRAL TO OGC/ADRO/AF:

A. OGC –

Missing Schedules (Standard 7)

The Committee can be referred to the Office of General Counsel for disclosing a negative ending cash-on-hand amount of \$119,614.35 on the 2018 30 Day Post-General Report.

Failure to Properly Itemize Contributions from Individuals (Standard 8)

The Committee can be referred to the Office of General Counsel for failure to properly itemize contributions from two hundred and twenty-seven (227) individuals, 25.36% of all contributions received during the 2017-18 election cycle.

B. ADRO –

Mathematical Discrepancies (Standard 6)

The Committee can be referred to the Alternative Dispute Resolution Office for filing three consecutive reports with election cycle-to-date discrepancies in excess of \$50,000.00 per report (2018 October Quarterly, 12 Day Pre-General, and 30 Day Post-General Reports).

C. AF –

Missing Schedules – Missing 48-Hour Notices (Standard 7)

The Committee can be referred to the Administrative Fines Program for failure to file required 48-Hour Notices for both the 2018 Primary and 2018 General Elections. The Committee failed to file the required 48-Hour Notices for contributions totaling \$2,000.00 from two (2) multicandidate political committees, received between 4/19/2018 and 5/5/2018. Additionally, the Committee failed to file the required 48-Hour Notices

for contributions totaling \$145,945.00 from thirty-seven (37) individuals and one (1) Indian tribe, twenty-eight (28) multicandidate political committees, six (6) non-qualified political committees, and four (4) federal candidate committees, received between 10/18/2018 and 11/3/2018.

X. OTHER COMMISSION ACTIONS DURING THE 2015-2016 AND 2017-2018 ELECTION CYCLES:

The Committee is involved in active MURs 7272 and 7477. During the 2017-18 election cycle, the Committee was also involved in MUR 7485, which was closed on 2/7/2019.

XI. OTHER RELEVANT INFORMATION:

None.



FEDERAL ELECTION COMMISSION
1050 First Street, N.E.
Washington, D.C. 20463

STATEMENT OF DESIGNATION OF COUNSEL
Audit
FAX 202-219-3923

Name of Counsel: Megan Sowards Newton
E. Stewart Crosland

Firm: Jones Day
51 Louisiana Avenue, NW
Washington, DC 20001

Telephone: (202) 879-3939

Fax: (202) 626-1700

Email: msowardsnewton@jonesday.com
scrosland@jonesday.com

The above-named individuals and firm are hereby designated as my counsel and are authorized to receive any notifications and other communications from the Commission and to act on behalf of Steve Chabot for Congress and Natalie Baur, as Treasurer, before the Commission.

11.14.19
Date

Natalie Baur
Natalie Baur

Treasurer

Name: Steve Chabot for Congress
Natalie Baur, as Treasurer

Address: 9856 Archer Lane
Dublin, OH 43012

This form relates to a Federal Election commission matter that is subject to the confidentiality provisions of 52 U.S.C. § 30109(a)(12)(A). This section prohibits making public any notification or investigation conducted by the Federal Election commission without the express written consent of the person under investigation.

Vicktoria J. Allen
Acting Deputy Secretary of the Commission