




FEDERAL ELECTION COMMISSION
Washington, DC 20463

March 12, 2004

MEMORANDUM

TO: The Commission

THROUGH: James A. Pehrkon
Staff Director

FROM: Allan D. Silberman 
Director, ADR Office

SUBJ: Case for ADR Activation

On February 20, 2004 the ADR Office received from OGC/CELA the following case to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case, **ADR 157/MUR 5397**, is appropriate for ADR and recommend that it be assigned to the ADR Office.

ADR 157/MUR 5397: The complaint alleges that the Respondents, Charlie Dent for Congress and Jeff Berdahl, Treasurer, made several expenditures that were not listed on their July 2003 Quarterly Report. Complainant contends that Respondents made disbursements for various operating expenditures including mailing lists, post office box rental, office products, consulting fees and travel to Washington D.C. that were not included in the July 2003 report. Respondents contend that the complaint has no basis in fact. They argue that a number of the items listed in the complaint were included in the subsequent October 2003 Quarterly Report as portions of other expenditures or listed separately on that Report. Respondents also note the use of volunteers for activities cited in the complaint and use of the candidate's home for campaign-related activities. They further contend that the candidate's trip to D.C. occurred prior to the candidate's declaration of candidacy.

Attached for the Commission's review is the *ADR Case Analysis Report* on **ADR 157** along with copies of the EPS Rating and ADR Rating Sheets. The *Case Analysis Report* includes an analysis of the case and a description of the issues that the ADR Office (ADRO) anticipates addressing if the case is assigned to ADR. In addition, the Report has been reviewed by OGC, which concurs in the description of the case.

Recommendation: We recommend that **ADR 157/MUR 5397** be assigned to ADR Office for processing

ADR CASE ANALYSIS REPORT

ADR Case # 157

Respondents: Charlie Dent for Congress
Jeff Berdahl, Treasurer

MUR: 5397

OGC Case Open Date: 11-25-03

Respondents' Rep: Donald F. McGahn, II

Date Forwarded to ADRO: 2-20-04

Committee Type: Candidate Authorized Comm.

Date Reviewed by ADRO: 3-3-04

Committee's Name: Charlie Dent for Congress

District #/or State: PA 15th C.D.

Election Cycle: 2004

Complaint: Jim Logue

Summary of Complaint: Complaint alleges that Respondents made several disbursements not listed on their 2003 July quarterly report, including expenditures for mailing lists, post office box rental, office products (i.e., computers, telephones and/or office machinery), mail-house services, consulting fees, costs for catering a fundraising event and travel by the candidate to the D.C. area.

Alleged Violations: 2 U.S. C. § 434(b) and 11 C.F.R. § 104.3(b).

Respondents' Reply: Respondents contend "many of the allegations have no basis in fact". They also contend that the complaint fails to cite specific violations. Respondents noted that a number of the items listed in the complaint were included in the October Quarterly report and/or were included in a disbursement made to a vendor (Corsa Communications paid on 7/20/03) listed on the October report. Respondents also noted payment to the Post Office listed on the October report, payment to a consulting group (Laurel Group) for fund-raising activity, consulting fees paid to the Bellweather Group on 7/26/03 listed in the October quarterly and the use of the treasurer's home computer and the candidate's home for campaign work. Respondents also noted that the "catered fund raising event" was a small meeting hosted and funded by the candidate himself, that volunteers handled much the fundraising activity and that the trip to Washington D.C. by the candidate on or before April 9, 2003 occurred prior to his declaration of candidacy.

Issues:

- Reporting of campaign operating disbursements and expenditures -- 2 U.S.C. §§ 434(b)(4) and (b)(5) and 11 C.F.R. §§ 104.3(b)(2), and (b)(4)

Related FEC Experience/Guidance: The Commission's regulations are quite explicit regarding a committee's obligation to report operating expenditures, including itemized and unitemized operating expenditures.

Recommendation: Assign to ADR

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