

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF ALTERNATIVE DISPUTE RESOLUTION

DATE: August 12, 2005

ANALYST: Elizabeth Boody

- I. COMMITTEE: MOVEON.ORG POLITICAL ACTION
(C00341396)
Wes Boyd, Treasurer
P.O. Box 9218
Berkeley, CA 94709
- II. RELEVANT STATUTES: 2 U.S.C. §432(b)(1)
11 CFR §102.8(a) and (c)
11 CFR §110.6(c)(1)(iii)
- III. BACKGROUND:

**Excessive, Prohibited and Other Impermissible Contributions/Transfers
(Earmarked Contributions Forwarded Outside of Permissible Period)**

On the Amended 2004 12 Day Pre-General Report, received December 23, 2004, MOVEON.ORG POLITICAL ACTION¹ ("the Committee") disclosed the disbursement of \$38,940.95 in earmarked contributions received for authorized committees more than ten (10) days after receipt (Attachment 2).

On December 23, 2004, the Committee filed an Amended 2004 12 Day Pre-General Report. Schedule A (Itemized Receipts) of the report disclosed \$400,974.85 in earmarked receipts on behalf of twenty-four (24) federal candidates from October 1, 2004 to October 11, 2004. The earmarked contributions consisted of 14,741 entries from various individuals. Also, disclosed on Schedule B (Itemized Disbursements) of the report, the Committee forwarded earmarked contributions totaling \$401,784.84 on October 13, 2004. A total of 1048 earmarked contributions, totaling \$38,940.95, were received on

¹ Please note, the Committee changed their name from MOVEON PAC to MOVEON.ORG POLITICAL ACTION via a Form 1 (Statement of Organization) submitted on 06/30/05

October 1, 2004 and October 2, 2004, and were forwarded to the federal candidates more than ten (10) days after initial receipt (Images 24981895355, 24981900001, 24981903001, and 24981906001).

On January 19, 2005, a Request for Additional Information ("RFAI") was sent to the Committee referencing the Amended 2004 12 Day Pre-General Report, received 12/22/04. Among other discrepancies, the RFAI noted that the Committee disclosed the apparent disbursement of earmarked contributions outside the permissible time period. Additionally, the RFAI stated that as a conduit or intermediary for an authorized committee, the Committee must forward any earmarked contribution, along with a transmittal report, no later than ten (10) days after receiving the earmarked contribution (Image 25038700172).

On February 3, 2005, Mr. Neil Reiff, the Committee's Assistant Treasurer, called the Reports Analysis Division (RAD) analyst to discuss various issues, including the RFAI sent on January 19, 2005 regarding the Amended-2004 12 Day Pre-General Report which was received on 12/22/04. Mr. Reiff asked the Analyst to explain why the earmarked disbursements were questioned. The Analyst explained that all of the earmarked contributions were received by the Committee on October 1 and October 2, 2004, and not forwarded to the respective authorized committees until October 13, 2004. She further clarified that there is a ten (10) day window for earmarked contributions to be forwarded to authorized committees. Mr. Reiff stated that he thought earmarked contributions of less than \$50.00 had a thirty (30) day window to be forwarded. The Analyst stated that the thirty (30) day time period only applied to earmarked contributions received for committees which are not authorized committees. Mr. Reiff looked up the 11 CFR §102.8 regulatory cite and agreed with the Analyst's statement. Mr. Reiff said that the person who usually does the transfers of earmarked contributions was not present at the time these transfers were made. Mr. Reiff indicated that he would do some research and then provide a response to the RFAI (Attachment 3).

On February 10, 2005, the Committee responded to the RFAI, among other issues, regarding the Amended 2004 12 Day Pre-General Report, received 12/22/04, with a miscellaneous report to the FEC. The report was an electronic submission that stated in part, "The committee acknowledges that in early October, there were some earmarked contributions transferred outside of the 10 day window proscribed by 11 CFR 102.8. Moveon PAC has a policy of forwarding all earmarked contributions within 10 days of receipts and has transferred millions of earmarked contributions within the window. In this instance the delay was caused by the fact that the Chief Financial Officer of Moveon PAC was abruptly called out of town to handle PAC business in Washington DC during the second week of October and transferred all funds received during the reporting period on October 13th. Moveon PAC will review its procedures to ensure that all earmarked contributions received in the future are forwarded within 10 days of receipt." (Image 25990043424)

On February 18, 2005, the RAD analyst attempted to call Mr. Neil Reiff, the Committee's Assistant Treasurer, to inform him that the issue of forwarding earmarked contributions outside of the ten (10) day window by the Committee is a matter referable to the FEC's Office of Alternative Dispute Resolution (ADR).

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Mr. Reiff, however, was out of the office and the Analyst left a message requesting a return call (Attachment 4).

On February 23, 2005 at 12:32 pm, the RAD analyst again attempted to call Mr. Neil Reiff to inform him of the referral to ADR. Mr. Reiff was not in the office, and the Analyst was unable to leave a voicemail; therefore, a message was left for Mr. Reiff's assistant asking that he return the call as soon as possible (Attachment 5).

On February 23, 2005 at 03:00 pm, Mr. Neil Reiff, the Committee's Assistant Treasurer, returned the RAD analyst's call. The Analyst explained that the issue of forwarding earmarked contributions outside of the required ten (10) day window as disclosed on the Committee's Amended 2004 12 Day Pre-General Report was referable to ADR. The Analyst explained that a miscellaneous text submission was received explaining the cause of the late disbursement of earmarked contributions received, but that Mr. Reiff should take this opportunity to submit any further information concerning the matter. Mr. Reiff said that he had already submitted a full explanation and that he did not plan to submit anything further at the time, but that he would let the Analyst know if he decided to do so (Attachment 6).

To date, no further communication has been received from the Committee regarding this matter.

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