

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: February 3, 2006

ANALYST: Katrina Senger

- I. COMMITTEE: California Republican Party¹
(C00140590)
Douglas Boyd, Treasurer
1903 W Magnolia Boulevard
Burbank, CA 91506
- II. RELEVANT STATUTE: 2 U.S.C. §434(b)(2)(A)
2 U.S.C. §434(b)(4)(A)
2 U.S.C. §434(b)(4)(C)
11 C.F.R. §104.3(a)(2)(i)(A)
11 C.F.R. §104.3(b)(1)(i)(A) and (B)
11 C.F.R. §104.3(b)(1)(ii)
11 C.F.R. §104.17(b)(2)
11 C.F.R. §104.17(b)(3)(i)
11 C.F.R. §300.36(b)(2)(iv)
- III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

The California Republican Party ("the Committee") filed an Amended 2003 July Monthly Report disclosing \$85,000.00 in additional receipts and an Amended 2003 September Monthly Report disclosing \$168,223.78 in additional disbursements (Attachment 2).

2003 July Monthly Report

On July 15, 2003, the Committee filed its 2003 July Monthly Report covering the period from June 1, 2003 to June 30, 2003. This original report disclosed \$52,770.37 in

¹ The Committee filed an Amended Statement of Organization on February 16, 2005 changing its name from Victory2004/California Republican Party to the California Republican Party.

receipts on Line 11(a)(i) (Itemized Contributions from Individuals/Persons Other than Political Committees), \$315,061.98 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals/Persons Other than Political Committees) and \$43,502.00 in receipts on Line 18(a) (Transfers from Non-Federal Account for Allocated Activity) of the Detailed Summary Page (Image 23991367453).

On August 12, 2003, the Committee filed an Amended 2003 July Monthly Report which disclosed \$52,770.37 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals/Persons Other than Political Committees), \$315,061.98 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals/Persons Other than Political Committees) and \$133,502.00 in receipts on Line 18(a) (Transfers from Non-Federal Account for Allocated Activity) of the Detailed Summary Page (Image 23991700368).

On October 20, 2003, the Committee filed an Amended 2003 July Monthly Report which disclosed no change in the amount of receipts made by the Committee (Image 23992201760).

On November 20, 2003, the Committee filed an Amended 2003 July Monthly Report which disclosed no change in the amount of receipts made by the Committee (Image 23992364334).

On December 3, 2003, a Request for Additional Information ("RFAI") was sent to the Committee referencing the Amended July Monthly Report, received 10/20/03. Among other discrepancies discussed, the RFAI asked for clarification regarding the \$90,000.00 in additional receipts on Line 18(a) that were not disclosed on the Committee's original 2003 July Monthly Report (Image 23038250081).

On December 19, 2003 at 09:07, the Committee filed an Amended 2003 July Monthly Report which disclosed no change in the amount of receipts made by the Committee (Image 23992518982).

On December 19, 2003 at 09:20, the Committee filed a miscellaneous electronic submission in response to the RFAI referencing the Amended 2003 July Monthly Report. The text stated "Our amendment reflects a correction of \$90,000 in a transfer that was inadvertently overlooked on the original report. Therefore this amendment was done for accuracy." (Image 23992519574)

On January 16, 2004, the Committee filed an Amended 2003 July Monthly Report which disclosed no change in the amount of receipts made by the Committee (Image 24990108089).

On April 8, 2004, the Committee filed an Amended 2003 July Monthly Report which disclosed \$47,770.37 in receipts on Line 11 (a)(i) (Itemized Contributions from Individuals/Persons Other than Political Committees), \$315,061.98 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals/Persons Other than Political Committees) and \$133,502.00 in receipts on Line 18(a) (Transfers from Non-Federal Account for Allocated Activity) of the Detailed Summary Page (Image 24990934785).

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On May 28, 2004, the Committee filed an Amended 2003 July Monthly Report which disclosed no change in the amount of receipts made by the Committee (Image 24961502381).

On October 21, 2004, the Committee filed an Amended 2003 July Monthly Report which disclosed \$63,845.37 in receipts on Line 11 (a)(i) (Itemized Contributions from Individuals/Persons Other than Political Committees), \$298,986.98 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals/Persons Other than Political Committees), and \$133,502.00 in receipts on Line 18(a) (Transfers from Non-Federal Account for Allocated Activity) of the Detailed Summary Page² (Image 24962629131).

To date, no further communication has been received from the Committee regarding these matters.

2003 September Monthly Report

On September 19, 2003, the Committee filed its 2003 September Monthly Report covering the period from August 1, 2003 to August 31, 2003. This original report disclosed \$79,098.47 in disbursements on Line 21(a)(i) (Federal Share of Allocated Operating Expenditures), \$140,070.13 in disbursements on Line 21(a)(ii) (Non-Federal Share of Allocated Operating Expenditures), \$167,710.87 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$0 in disbursements on Line 22 (Transfers to Affiliated/Other Party Committees), and \$0 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page (Image 23991971475).

On October 20, 2003 at 18:20, the Committee filed an Amended 2003 September Monthly Reports which disclosed \$79,322.93 in disbursements on Line 21(a)(i) (Federal Share of Allocated Operating Expenditures), \$141,059.43 in disbursements on Line 21(a)(ii) (Non-Federal Share of Allocated Operating Expenditures), \$167,710.87 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$20,000.00 in disbursements on Line 23 (Contributions to Federal Candidates/Committees and Other Political Committees), \$0 in disbursements on Line 22 (Transfers to Affiliated/Other Party Committees), and \$0 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page (Image 23992202237).

On October 20, 2003 at 19:03, the Committee filed an Amended 2003 September Monthly Report which disclosed \$79,322.93 in disbursements on Line 21(a)(i) (Federal Share of Allocated Operating Expenditures), \$141,123.43 in disbursements on Line 21(a)(ii) (Non-Federal Share of Allocated Operating Expenditures), \$167,710.87 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$20,000.00 in disbursements on Line 23 (Contributions to Federal Candidates/Committees and Other Political Committees), \$0 in disbursements on Line 22 (Transfers to Affiliated/Other

² Please note the filing of this amendment reduced the overall receipt violation to \$85,000.00.

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Party Committees), and \$0 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page (Image 23992202643).

On November 18, 2003, the Committee filed an Amended 2003 September Monthly Report which disclosed \$79,322.93 in disbursements on Line 21(a)(i) (Federal Share of Allocated Operating Expenditures), \$141,059.43 in disbursements on Line 21(a)(ii) (Non-Federal Share of Allocated Operating Expenditures), \$167,710.87 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$20,000.00 in disbursements on Line 23 (Contributions to Federal Candidates/Committees and Other Political Committees), \$0 in disbursements on Line 22 (Transfers to Affiliated/Other Party Committees), and \$0 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page (Image 23992304467).

On November 20, 2003, the Committee filed an Amended 2003 September Monthly Report which disclosed no change in the amount of disbursements made by the Committee (Image 23992364664).

On January 14, 2004, the Committee filed an Amended 2003 September Monthly Report which disclosed \$81,718.42 in disbursements on Line 21(a)(i) (Federal Share of Allocated Operating Expenditures), \$145,791.99 in disbursements on Line 21(a)(ii) (Non-Federal Share of Allocated Operating Expenditures), \$135,451.81 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$0 in disbursements on Line 23 (Contributions to Federal Candidates/Committees and Other Political Committees), \$0 in disbursements on Line 22 (Transfers to Affiliated/Other Party Committees), and \$25,131.01 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page (Image 24990108430).

On April 8, 2004, the Committee filed an Amended 2003 September Monthly Report which disclosed no change in the amount of disbursements made by the Committee (Image 24990935665).

On October 21, 2004, the Committee filed an Amended 2003 September Monthly Report which disclosed \$85,307.35 in disbursements on Line 21(a)(i) (Federal Share of Allocated Operating Expenditures), \$152,146.31 in disbursements on Line 21(a)(ii) (Non-Federal Share of Allocated Operating Expenditures), \$278,074.81 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$0 in disbursements on Line 22 (Transfers to Affiliated/Other Party Committees), and \$19,574.78 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page (Image 24962629527).

On March 4, 2005, an RFAI was sent to the Committee referencing the Amended September Monthly Report, received 10/21/04. Among other discrepancies discussed, the RFAI asked for clarification regarding the \$148,222 in additional disbursements on lines 21(a)(i), 21(a)(ii), 21(b), and 30(b) that were not disclosed on the Committee's original 2003 September Monthly Report (Image 25038750011).

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On March 4, 2005, the Committee filed an Amended 2003 September Monthly Report which disclosed no change in the amount of disbursements made by the Committee (Image 25990183584).

On March 31, 2005, the Committee filed a miscellaneous electronic submission in response to the RFAI which stated "Regarding the request on the disbursements totaling \$148,222 that were not reported on the Committee's initial September monthly report, the individual responsible for entering those disbursements into the software failed to do so. The Committee has undertaken a complete overhaul of its procedures since this occurrence to prevent it from occurring in the future. Additionally, the Committee has retained an accounting firm with lengthy experience in federal campaign compliance to oversee its compliance activities." (Image 25990351653)

On May 20, 2005, the Committee filed an Amended 2003 September Monthly Report which disclosed \$85,307.35 in disbursements on Line 21(a)(i) (the Federal Share of Allocated Operating Expenditures), \$152,146.31 in disbursements on Line 21(a)(ii) (the Non-Federal Share of Allocated Operating Expenditures), \$278,074.81 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$20,000 in disbursements on Line 22 (Transfers to Affiliated/Other Party Committees) and \$19,574.78 in disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) of the Detailed Summary Page³ (Image 25980517682).

To date, no further communication has been received from the Committee regarding these matters.

³ Please note the filing of this amendment increased the overall disbursement violation to \$168,223.78.

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