

## REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: March 28, 2007

ANALYST: Jodi Winship

- I. COMMITTEE: North Dakota Democratic-Nonpartisan League Party  
(C00013748)  
Timothy Purdon, Treasurer (3/8/06-present)  
Dick Weber, Treasurer (2/18/05-3/7/06)  
Ken Ziegler, Treasurer (4/11/02-2/17/05)  
1902 E Divide Ave  
Bismarck, ND 58501
- II. RELEVANT STATUTE: 2 U.S.C. §434(b)(4)(A)  
2 U.S.C. §434(b)(4)(H)(v)  
11 C.F.R. §104.3(b)(1)(i)(A) and (B)  
11 C.F.R. §104.3(b)(1)(ix) (A) and (B)
- III. BACKGROUND:

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

The North Dakota Democratic-Nonpartisan League Party ("the Committee") filed an Amended 2003 Year End Report on January 4, 2005 disclosing additional disbursements totaling \$57,723.83 (Attachment 2).

On January 31, 2004, the Committee filed its original 2003 Year End Report covering the period July 1, 2003 through December 31, 2003 (Image 24990398482). The report disclosed \$16,548.58 in disbursements on Line 21(b) (Other Federal Operating Expenditures) and \$0 in disbursements on Line 29 (Other Disbursements) of the Detailed Summary Page (Image 24990398485).

On June 18, 2004, the Committee filed an Amended 2003 Year End Report covering the period July 1, 2003 through December 31, 2003 (Image 24961643401). The

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Amended Report disclosed \$24,278.85 in disbursements on Line 21(b) (Other Federal Operating Expenditures) <sup>1</sup> and \$0 in disbursements on Line 29 (Other Disbursements) of the Detailed Summary Page (Image 24961643404).

On August 18, 2004, the Committee filed another Amended 2003 Year End Report which disclosed no change in the amount of disbursements made by the Committee (Image 24962126188).

On January 4, 2005, the Committee filed another Amended 2003 Year End Report covering the period July 1, 2003 through December 31, 2003 (Image 25980019112). The Amended Report disclosed \$55,116.10 in disbursements on Line 21(b) (Other Federal Operating Expenditures) <sup>2</sup> and \$57,199.29 in disbursements on Line 29 (Other Disbursements) of the Detailed Summary Page (Image 25980019115).

On February 4, 2005, a Request for Additional Information ("RFAI") was sent to the Committee regarding the Amended 2003 Year End Report, received January 4, 2005. The RFAI asked for clarification regarding the \$57,723.83 in additional disbursements that were not disclosed on the Committee's original 2003 Year End Report (Image 25038722375).

On March 7, 2005, the Committee filed a miscellaneous electronic submission (Form 99) which stated in part:

"...The additional disbursements on Lines 21(b) and 29 of the Detailed Summary Page that were not disclosed were omitted due to accounting/bookkeeping errors. The disbursements on Line 29 were transfers to the Committee's Non-Federal account for payroll. The Payroll was for those employees who did not participate in any federal election activity for more that 25% of their time during any month of the reporting period. The Committee did not have enough funds in its non-federal account for payroll; therefore, we had to cover the payroll expenses with federal funds." (Image 25990190612)

On March 15, 2005, the Reports Analysis Division ("RAD") Analyst spoke with Paul Houghtaling, the Committee's Compliance Consultant, and informed him that the increase in activity disclosed on the Amended 2003 Year End Report could be referred to the Office of General Counsel (OGC) for further review. The Analyst informed Mr.

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<sup>1</sup> The Committee removed \$7,730.27 from Line 21(a) (Operating Expenditures: Shared Federal/Non-Federal) of the original 2003 Year End Report and added this amount to Line 21(b) (Other Federal Operating Expenditures) of the amended 2003 Year End Report, filed on June 18, 2004. Thus, the overall disbursement total remained the same.

<sup>2</sup> The Committee removed \$38,042.98 from Line 21(a) (Operating Expenditures: Shared Federal/Non-Federal) of the original 2003 Year End Report and added this amount to Line 21(b) (Other Federal Operating Expenditures) of the amended 2003 Year End Report, received on January 4, 2005. The difference between the 2003 Year End Amendment (received January 4, 2005) 21 (b), total and the Original 2003 Year End 21(b) total is \$38,567.52. The difference of these two totals, \$524.54, reflects the amount of 21(b) omitted activity that should have been reported on the original 2003 Year End Report.

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Houghtaling that he could file an additional electronic submission if he wanted to provide any additional information regarding the increased activity (Attachment 3).

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

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