

NEW YORK REPUBLICAN STATE COMMITTEE  
EDWARD F. COX  
CHAIRMAN

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Dear Ms. Fraser,

Please find the enclosed response to the allegations set forth in ADR 524 (RAD 09L-42). Do not hesitate to contact me, if you have any questions.

I am typically in the office between the hours of 9 am – 5 pm, Monday – Friday. I am available to discuss the matter at your convenience. I can be reached at 518-462-2601 ext. 6.

I look forward to hearing from you.

Sincerely,

David C. Previte

101829048  
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David C. Previte, Esq.  
315 State St.  
Albany, NY 12210

January 13, 2010

Lynn M. Fraser, Director  
Alternative Dispute Resolution Office  
Federal Election Commission  
Washington, DC 20463

Re: **ADR 524 (RAD 09L-42)**  
**New York Republican Federal Campaign Committee and Jane Corwin, Treasurer**

Dear Ms. Fraser,

Thank you for the opportunity to respond to the allegations set forth in ADR 524 (RAD 09L-42).

The New York Republican Federal Campaign Committee (NYRFC) has addressed all issues raised by the Reports Analyst Division (RAD) in the above referenced matter in full compliance with the Federal Election Campaign Act of 1971, as amended.

The preliminary discrepancies in our 2008 M10, 30G, and YE reports were due to several factors beyond our control: 1.) In September 2008, the employee in charge of preparing our financial disclosure reports unexpectedly left the Committee after 17 years of service; 2.) Upon transferring software access to the newly hired compliance manager, the NYRFC experienced a number of technical issues that caused numerical inconsistencies within our reports; 3.) In December 2008, a new Reports Analyst was assigned to the NYRFC.

During this period of transition, the NYRFC proactively and continuously worked with the RAD, in an effort to clarify any and all resulting issues. To that end, the NYRFC filed numerous amendments to our 2008 M10, 30G, and YE reports. It was the understanding of the NYRFC that all matters had been resolved and were properly reported. It should be noted that the issues raised by the ADRO have been addressed to the satisfaction of the RAD. Furthermore, all matters have been adequately reported through the 2010 cycle.

With respect to the specific issues raised in this action, the NYRFC has taken the following measures:

**2008 M10:**

Mathematical discrepancies were due to software problems and were resolved prior to ADRO action and explained on ETEXT Attachment to M10 Amendment II.

**Amended 2008 M10, received 12/8/08:**

Schedule H4 of the Committee's report disclosed MEMO entries totaling \$11,465.20. The corresponding itemized transaction was a payment to American Express on 10/27/2008, which was reported on our 2008 30G report. The transaction was linked to the corresponding MEMO entries on ETEXT Attachment to M10 Amendment II & III. The reports have been amended so that the MEMO entries are on the same report as the corresponding itemized transaction.

**Amended 2008 M10, received 12/08/08:**

All receipts were disclosed prior to ADRO action and explained on ETEXT Attachment to M10 Amendment II.

**2007 M7:**

Committee failed to state in an otherwise very detailed memo text that it had sent follow up requests for employer/occupation information for contributors that exceeded \$200 for the calendar year prior to ADRO action. For contributors that required employer/occupation information, the NYRFCC mailed out follow up requests within 30 days of receipt. A Form 99 has been filed to clarify.

**2008 30G:**

The Committee disclosed a \$50,000 transfer from a national party committee on Schedule A supporting Line 12 of the Detailed Summary Page. The Committee also disclosed payments for exempt activities on Schedule B supporting Line 30 totaling \$10,124.54. None of the transferred funds disclosed on Schedule A supporting Line 12 were used for exempt activities disclosed on Schedule B supporting Line 30. An ETEXT Attachment was filed 04/24/09 stating such. A Form 99 has been filed to clarify.

**2008 M10:**

On Schedule B, the Committee disclosed \$7627.07 in disbursements made for "postage production for direct." These disbursements were not FEA public communications that promoted, supported, attacked or opposed Federal candidates nor did they expressly advocate the election or defeat of clearly identified Federal candidates. A Form 99 has been filed to clarify.

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### **2008 30G:**

On Schedule B, the Committee disclosed \$87,893.34 in disbursements made for “FEA mailers” and “FEA mailings.” The “FEA – exempt mass mail” disbursements characterized as exempt activities meet the conditions for campaign materials as they were conducted on behalf of the party’s nominees in the general election, the materials were distributed by volunteers – not through public political advertising, we did not use materials purchased by the national party committee or money transferred from the national committee to purchase materials, no earmarked funds were used and were made with 100% federal funds. The federal candidate associated with these disbursements is Christopher Lee, East Amherst, NY 14051 (H8NY26095). This information was coded in our software but failed to populate on the report. As soon as we were made aware that the information did not appear on the report we filed an amended report to clarify, but the information failed to populate on the amended report as well. We immediately filed a Form 99 on 11/25/09 to ensure proper disclosure prior to ADRO action.

### **2008 M10:**

There was no impermissible transfer-in from the non-federal account. The issue was clarified prior to ADRO action.

### **2008 30G:**

There was no impermissible transfer-in from the non-federal account. The issue was clarified prior to ADRO action.

Schedule H4 disclosed payments to a credit card company, but failed to provide any corresponding MEMO entries disclosing the name and address of the original vendors. The MEMO entries were reported on our 2008 M10 report. Furthermore, the transaction was linked to the corresponding MEMO entries on ETEXT Attachment to M10 Amendment II & III. The reports have been amended so that the MEMO entries are linked to the corresponding itemized transaction.

### **Amended 2008 30G, received 03/16/09:**

Schedule H4 administrative expense totals were not populating correctly due to the aforementioned software issues. The software was not aggregating administrative expenses as it should have been, but rather was aggregating subcategories within the administrative category, i.e., salaries, office expenses, travel, etc. All administrative expenses were disclosed and totals aggregated correctly if calculated manually. This was explained on ETEXT Attachment filed 04/21/09.

### **2008 YE:**

The Committee failed to provide a Schedule H2 to disclose the allocation ratio and unique identifier code for a fundraising expenditure listed on Schedule H4 because the

expenditure was not a fundraising expense. It was an administrative expense in the amount of \$100.75. The report has been amended.

**Amended 2008 YE, received 03/17/09:**

Schedule H4 administrative expense totals were not populating correctly due to the aforementioned software issues. Essentially, the system was not aggregating administrative expenses as it should have been, but rather was aggregating subcategories within the administrative category, i.e., salaries, office expenses, travel, etc. All administrative expenses were disclosed and totals aggregated correctly if calculated manually. This was explained on ETEXT Attachment filed 04/21/09.

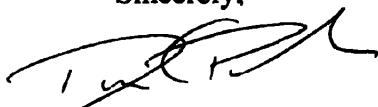
In an effort to prevent future discrepancies, the NYRFCC has already taken, or plans to take a number of steps, including the following:

1. The NYRFCC compliance manager attended and completed the first available FEC Campaign Finance seminar in March of 2009 held in Washington DC.
2. The NYRFCC compliance manager has completed software training through Aristotle, Inc.
3. The NYRFCC compliance manager will attend a 2010 FEC Campaign Finance seminar.
4. The NYRFCC is scheduled to update its reporting technology by switching from a dataset hosted on an in-house server to a web based application so that changes in personnel or hardware will not affect settings and cause reporting issues.
5. Implement a Request for Additional Information (RFAI) receipt, tracking and response system.
6. Conduct a monthly review with our Reports Analyst to confirm that all matters have been adequately reported.

As evidenced herein, the NYRFCC has been in constant contact with RAD, has filed a number of amendments to clarify all outstanding issues, has corrected all outstanding issues to the satisfaction of RAD, and has voluntarily worked to correct the problems that caused the initial discrepancies.

For the foregoing reasons, NYRFCC confirms that is in substantial compliance with FECA and the voluntary measures already adopted will ensure that there are no reporting discrepancies in the future.

Sincerely,



David C. Previte, Esq.

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