

REPORTS ANALYSIS REFERRAL

TO

ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: November 19, 2013

ANALYST: David Butler

I. COMMITTEE: Nebraska Democratic Party
C00003988
Gerry Finnegan, Treasurer
421 S 9th Street, Suite 233
Lincoln, NE 68508

TYPE OF COMMITTEE: Party

II. REGISTRATION DATE: December 3, 1975

III. MULTICANDIDATE STATUS: Qualified

IV. BACKGROUND:

The Committee was sent eleven (11) Requests for Additional Information (RFAs) for reporting errors including excessive, prohibited, and other impermissible contributions or transfers, mathematical discrepancies, failure to provide supporting schedules, failure to itemize disbursements, Federal Election Activity/Levin funds, allocated federal and non-federal activity, and coordinated party expenditure reporting problems.

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Nebraska Democratic Party (C00003988)
ADRO Referral Response Guide

Excessive, Prohibited, and Other Impermissible Contributions or Transfers

Report	RFAD Due Date	Response Date(s)	Reason for code
2012 30G	5/8/13	5/23/13	<p>Schedule F disclosed apparent excessive coordinated expenditures totaling \$70,457.54, or 29.2% of the total coordinated expenditures. These coordinated expenditures were made on behalf of two (2) federal candidates.</p> <p>The Committee filed an Amended 2012 30G on 5/23/13, and attached memo text stating, in part: "The DSCC authorized [<i>sic</i>] the Committee to spend on behalf of J. Robert Kerry [<i>sic</i>] and the DCCC authorized the Committee to spend on behalf of John Ewing. Both are now reflected on this report." The amended report reflected these changes.</p>

Mathematical Discrepancies

Report	RFAD Due Date	Response Date(s)	Reason for code
2011 M10	3/5/2012	3/6/12	<p>Schedule A supporting Line 11(a)(i) disclosed memo entries totaling \$17,009.91 that did not appear to correspond with any itemized transaction(s).</p> <p>The Committee filed an Amended 2011 M10 on 3/6/12, and attached memo text stating, in part: "The memo entries on Schedule A were the joint fundraising donors through the Dollars for Democrats program. There may not be a corresponding [<i>sic</i>] transfer of those funds itemized on the report, because they do not come on a set schedule."</p> <p>The Amended 2011 M10, received 3/6/12, further clarified memo entries totaling \$14,552.50. However, \$2,487.41 in memo entries have not been clarified.</p>
2012 M5	11/23/2012	2/24/14	<p>Line 6(a) of the Summary Page, \$26,065.38, represented the total cash-on-hand as of January 1, 2012, was greater than the figure disclosed on Line 6(a) of the first report of the year, \$24,169.98, a discrepancy of \$1,895.40.</p> <p>The beginning cash balance, \$37,909.65, was greater than the ending cash balance on the previous report, \$35,972.31, a discrepancy of \$1,937.34.</p> <p>The Committee resolved these issues by filing corrected amended reports on 2/24/14.</p>

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Amended 2012 M8, received 4/17/13	7/30/2013	2/24/14	<p>Line 8, Column A, \$114,423.18, of the Summary Page did not equal Line 8, Column B, \$109,357.22, of the Summary Page, a discrepancy of \$5,065.96.</p> <p>The report also contained mathematical discrepancies on several lines in Column B totaling \$5,065.96.</p> <p>The Committee resolved these issues by filing corrected amended reports on 2/24/14.</p>
Amended 2012 30G, received 5/23/13	7/30/2013	2/24/14	<p>Line 8, Column A, \$32,405.93, of the Summary Page did not equal Line 8, Column B, \$27,339.97, of the Summary Page, a discrepancy of \$5,065.96.</p> <p>The report also contained mathematical discrepancies on several lines in Column B totaling \$5,066.34.</p> <p>The Committee resolved these issues by filing corrected amended reports on 2/24/14.</p>

Failure to Provide Supporting Schedules

Report	RFAD Due Date	Response Date(s)	Reason for code
2012 YE	6/7/2013	7/1/13	<p>Schedule A supporting Line 12 disclosed \$716,197.89 in transfers received from "NE Party Victory Fund," "NE Senate Victory Fund," "NE State Party Victory Fund," and "NE State Victory Fund," apparent joint fundraising committees, during the 2012 calendar year. However, the supporting itemized memo entries associated with these joint fundraising committees provided on Schedule A during 2012 total \$438,763.46, creating a discrepancy of \$277,434.43.</p> <p>The Committee filed an Amended 2012 YE on 7/1/13, and attached memo text stating, in part: "This report also includes the missing memo records for the donors to the NE Senate Victory Fund." The Committee also included sufficient memo entries on Schedule A of the amended report to support all the joint fundraising transfers.</p>

Failure to Properly Itemize Disbursements

Report	RFAD Due Date	Response Date(s)	Reason for code
2012 M9	3/26/2013	4/16/13	<p>Schedule A supporting Line 12 disclosed transfers-in from national party committees; however, Schedule B supporting Line 21(b) disclosed payments for exempt party activities totaling \$13,000.00. The transferred funds may have specifically funded the exempt activities.</p> <p>The Committee resolved the issue by filing a Form 99 on 4/16/13, stating in part: "All transfers from national party committees were accounted for in a segregate account and were not used to pay for exempt activities. The Commission may note that the non-transferred funds are more than enough to pay for any exempt activities engaged in by the Committee."</p>

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2012 30G	5/8/2013	5/23/13	<p>Schedule A supporting Line 12 disclosed transfers-in from national party committees; however, Schedule B supporting Line 30(b) disclosed payments for exempt party activities totaling \$311,709.96. The transferred funds may have specifically funded the exempt activities.</p> <p>The Committee filed an Amended 2012 30G on 5/23/13, and attached memo text stating, in part: "The transfers in from the National Party committees were segregated and not used to pay for exempt activities or the federal portion of Levin eligible transactions."</p>
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Federal Election Activity/Levin Funds

Report	Original Due Date	Response Date(s)	Reason for code
2012 M4	11/23/2012	2/24/14	<p>Schedule B supporting Lines 21(b) and 30(b) failed to disclose the address for two (2) disbursements totaling \$15,591.44.</p> <p>The Committee resolved this issue by filing a corrected amended report on 2/24/14.</p>
2012 M8	3/21/2013	4/17/13	<p>Schedule B supporting Lines 21(b) and 30(b) failed to disclose the address for seventy-three (73) disbursements totaling \$30,793.88.</p> <p>The Committee filed an Amended 2012 M8 on 4/17/13, clarifying all but four (4) disbursements with omitted addresses. The violation is now below threshold.</p>
2012 30G	5/8/2013	5/23/13	<p>Schedule B supporting Line 30(b) disclosed \$7,545.64 in disbursements for "Vote By Mail Postage" but failed to clarify whether these disbursements were FEA public communications that promoted, supported, attacked or opposed federal candidates or if they expressly advocated the election or defeat of clearly identified federal candidates, which would require additional disclosure.</p> <p>The Committee filed an Amended 2012 30G on 5/23/13, and attached memo text stating, in part: "The Vote By Mail activity on Schedule B did not reference a federal candidate."</p>
		6/4/13	<p>Schedule A supporting Line 12 disclosed transfers-in from other party committees; however, Schedule H6 disclosed payments for Federal Election Activity totaling \$73,555.96. The transferred funds may have specifically funded the Federal Election Activity.</p> <p>The Committee filed a Form 99 on 6/4/13, stating in part: "Funds transferred from National Party committees were segregated and accounted for using the Committee's accounting and compliance software. These funds were not used to pay for any expenses reported on Schedule H6. The Committee raised more than enough funds to cover all such expenses."</p>

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			<p>Schedule H6 disclosed \$32,084.08 in disbursements made for "Vote By Mail Call" and "Vote By Mail Piece" but failed to clarify whether these disbursements were FEA public communications that promoted, supported, attacked or opposed federal candidates, or if they expressly advocated the election or defeat of clearly identified federal candidates. Further, the Committee failed to address an apparent impermissible transfer of \$20,533.81 from the Levin account that occurred as a result of allocating these payments between the federal and Levin accounts.</p> <p>The Committee filed a Form 99 on 6/4/13, stating in part: "The Voter By Mail pieces reference on Schedule H6 did not reference a specific federal candidate."</p>
2012 YE	6/7/2013	7/1/13	<p>Schedule H5 disclosed a \$4,243.81 transfer-in of Levin funds to your federal account for GOTV activity and a \$23,632.00 transfer-in of Levin funds for Voter ID activity. However, the Committee did not file Schedules L or L-B for the "Non Federal Checking Account" to disclose transfer(s)-out of Levin funds for these activities.</p> <p>The Committee filed an Amended 2012 YE on 7/1/13, and provided Schedules L and L-B disclosing matching transfer(s)-out of Levin funds for these activities.</p>

Allocated Federal and Non-Federal Activity

Report	RFAL Due Date	Response Date(s)	Reason for code
2011 M4	8/25/2011	2/24/14	<p>Line 18(a) of the Detailed Summary Page disclosed \$57,883.86 in transfers received from the non-federal account for allocable administrative activity for a 3 month period. However, Line 21(a)(ii) disclosed \$49,017.51 in the non-federal share of allocable administrative disbursements, resulting in an apparent excessive transfer of \$8,866.35 from the non-federal account.</p> <p>The Committee filed a Form 99 on 2/24/14, stating in part: "Because the transfers are calculated on a 70 day window, the transfer on 1/17/2011 was actually based on 2010 transactions. The entire \$23,577.77 transfer was based on the 2009/2010 admin ratio."</p>
2011 M10	3/5/2012	3/6/12	<p>Schedule H4 failed to disclose the address for \$9,550.00 in disbursements.</p> <p>The Committee filed an Amended 2011 M10 on 3/6/12, including all previously omitted addresses on Schedule H4.</p>
2012 M2	8/20/2012	2/24/14	<p>Schedule H4 disclosed disbursements for salary, wages and/or fringe benefits, resulting in an apparent impermissible transfer-in from the non-federal account of \$6,744.85.</p> <p>The Committee filed an Amended 2012 M2 on 2/24/14, and attached memo text stating in part: "Any payroll related items on Schedule H4 were for employees that did not spend over 25% of their[sic] compensated time on federal activity."</p>

Coordinated Party Expenditure Reporting Problems

Report	RFAI Due	Response	Reason for code
- -	Dat	Date	-
2012 30G	5/8/2013	6/4/13	<p>Schedule F failed to clarify five (5) coordinated expenditures totaling \$35,912.54, which were made after the date of the election.</p> <p>The Committee filed a Form 99 on 6/4/13, stating in part: "The Expenses on Schedule F in support of J. Robert Kerrey after the general election were items that were disseminated before the election, but not invoiced until after the election. Both the dissemination and the payment occurred [<i>sic</i>] within the same reporting period."</p>

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