

100-000000024772

REPORTS ANALYSIS DIVISION REFERRAL

TO

ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: December 3, 2015

ANALYST: Nicole Miller

I. COMMITTEE: Hawaii Democratic Party
C00212787
Florence L. Kong Kee, Treasurer (8/20/14 - Present)
Donna L. Domingo (8/20/14 - 8/20/14)
Yuriko J. Sugimura (7/15/94 - 8/19/14)
404 Ward Ave., STE 200
Honolulu, HI 96814

TYPE OF COMMITTEE: Party

II. REGISTRATION DATE: December 17, 1986

III. MULTICANDIDATE STATUS: Qualified

IV. BACKGROUND:

The Committee was sent fifteen (15) Requests for Additional Information (RFAs) and one (1) Notice of Failure to File (RQ-7) for reporting errors including failure to file reports and late filing, prohibited and other impermissible contributions or transfers, mathematical discrepancies, failure to provide supporting schedules, Federal Election Activity/Levin funds, and allocated federal and non-federal activity.

DATE: December 3, 2015

ANALYST: Nicole Miller

REPORTS ANALYSIS DIVISION AUDIT REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

I. COMMITTEE: Hawaii Democratic Party
C00212787
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TYPE OF COMMITTEE: Party

II. REGISTRATION: December 17, 1986

III. MULTICANDIDATE STATUS: Qualified

IV. SUMMARY OF RFAI RESPONSES: The Committee did not respond, responded inadequately or responded late to eight (8) of sixteen (16) RFAIs and RQ-7s sent in the 2013-2014 election cycle.

Hawaii Democratic Party (C00212787)
ADRO Referral Response Guide

Failure to File Reports and Late Filing

Report	Report Due Date	Report Filed Date	Code	Reason for code
2014 M9	9/20/14	10/20/14	N/A	<p>The Committee failed to timely file the 2014 M9.</p> <p>The Committee filed the 2014 M9 on 10/20/14, 30 days late.</p>

Prohibited and Other Impermissible Contributions or Transfers

Report	RFAI Due Date	Response Date(s)	Code	Reason for code
Amended 2013 MY, received 11/1/13	1/28/14	1/29/14	LAR	<p>Schedule A supporting Lines 11(b) and 17 disclosed receipts of apparent prohibited contributions from three (3) unregistered political organizations totaling \$4,178.00, or 32.15% of the total contributions from political party committees and other federal receipts.</p> <p>The Committee filed a Form 99 on 1/29/14, stating in part: "Q5: Voter file purchases at fair market value. Incoming money reported with Oahu County Committee were non-contributions. Data entry error. Corrections made to these funds."</p> <p>Subsequently, the Committee filed an Amended 2013 MY on 1/29/14, removing one (1) of the unregistered political organizations from Schedule A supporting Line 11(b). Schedule A supporting Line 17 disclosed receipts totaling \$4,000.00 which were clarified in the Form 99, filed on 1/29/14, to be for voter file payments at fair market value.</p> <p>The Committee filed an Amended 2013 MY on 3/11/14 and 9/18/14; however, there were no changes in receipts from the prior amendment.</p>
Amended 2013 YE, received 2/20/14	6/16/14	9/18/14	LAR	<p>Schedule A supporting Lines 11(a)(i) and 17 disclosed receipts of prohibited contributions totaling \$5,671.19, or 19.0% of the total contributions from individuals and other federal receipts. These contributions were received from three (3) corporations.</p> <p>The Committee filed a Form 99 on 6/16/14, stating in part: "Question 5: Money received from VLM Cooperative were voterfile proceeds purchased at fair market value. Appropriate memo text has been added."</p> <p>The Committee also filed an Amended 2013 YE on 6/16/14, failing to clarify the apparent prohibited receipt on Schedule A supporting Line 11(a)(i) totaling \$5,327.38, or 25.08% of the total contributions from individuals. The contribution was received from one (1) corporation. The Committee attached memo text to two (2) receipts totaling \$343.81 on Schedule A supporting Line 17 stating, in full: "Proceeds from license of voter file - fair market value", further clarifying that the two (2) receipts were permissible.</p>

				The Committee filed an Amended 2013 YE on 9/18/14, removing the receipt on Schedule A supporting Line 11(a)(i) totaling \$5,327.38 from one (1) corporation but provided no further explanation. The Committee made no changes to Schedule A supporting Line 17 from the previous report.
2014 M4	6/25/14	9/18/14	LAR	<p>Schedule A supporting Line 11(a)(i) disclosed a receipt of a prohibited contribution totaling \$7,653.22, or 93.87% of the total contributions from individuals. This contribution was received from one (1) corporation.</p> <p>The Committee filed a Form 99 on 6/20/14, stating in part: "Question 3: Please note - Eventbrite is a fundraising vendor. Proceeds were received in the ordinary course of business."</p> <p>The Committee also filed an Amended 2014 M4 on 6/20/14, moving the prohibited contribution to Schedule A supporting Line 17 but provided no additional clarification.</p> <p>The Committee filed another Amended 2014 M4 on 6/20/14; however, there was no change in receipts from the prior amendment.</p> <p>The Committee filed an Amended 2014 M4 on 9/18/14, removing the prohibited contribution entirely from the report.</p>
Amended 2014 30G, received 12/16/14	4/9/15	5/11/15	LAR	<p>Schedule A supporting Line 11(c) disclosed a contribution totaling \$5,000.00 from one (1) political action committee which was disclosed as intended for the Committee's non-federal account on the contributor's disbursement schedule, resulting in an apparent prohibited receipt of \$5,000.00.</p> <p>The Committee filed a Form 99 on 5/11/15, stating in part: "2) Please note that the contribution dated 10/17/14 from ?Seafarers Political Activity Donation - Seafarers International Union of NA-AGLIWD/NMU? (C00004325) was comprised of 100% federal funds. The Committee understands that it was intended for and deposited into the party's federal account."</p> <p>The Committee also filed an Amended 2014 30G on 5/11/15; however, there was no change in receipts from the prior amendment.</p>

Mathematical Discrepancies

Report	RFAI Due Date	Response Date(s)	Code	Reason for code
Amended 2013 MY, received 11/1/13	1/28/14	1/29/14	LAR	<p>Line 6(a) of the Summary Page, \$32,358.17, represented the total cash-on-hand as of January 1, 2013, was greater than the figure disclosed on Line 6(b), \$27,937.03, a discrepancy of \$4,421.14.</p> <p>The Committee filed an Amended 2013 MY on 1/29/14, correcting the discrepancy.</p>
		3/11/14	LAR	<p>Line 8 Column A, -\$9,198.09, of the Summary Page did not equal Line 8 Column B, -\$4,776.95, of the Summary Page, a discrepancy of \$4,421.14.</p> <p>The Committee filed an Amended 2013 MY on 1/29/14, on which Line 8</p>

				Column A, \$2,207.84, of the Summary Page did not equal Line 8, Column B, \$146,290.41, of the Summary Page, a discrepancy of \$144,082.57. The Committee filed an Amended 2013 MY on 3/11/14, correcting the discrepancy.
Amended 2013 MY, received 3/11/14	5/15/14	9/18/14	LAR	The report contained mathematical discrepancies on several lines in Column B totaling \$144,082.57. The Committee filed an Amended 2013 MY on 9/18/14, correcting the discrepancies.
Amended 2013 YE, received 6/16/14	8/25/14	9/18/14	LAR	Line 11(a)(iii), Column B, of the Detailed Summary Page, \$27,815.38, did not equal the sum of Lines 11(a)(i) (\$140,914.39) and 11(a)(ii) (\$30,983.56), Column B, a discrepancy of \$144,082.57. The Committee filed an Amended 2013 YE on 9/18/14, correcting the discrepancy.

Failure to Provide Supporting Schedules

Report	RFAI Due Date	Response Date(s)	Code	Reason for code
Amended 2013 MY, received 11/1/13	1/28/14	1/29/14	LAR	The report disclosed a negative cash-on-hand balance totaling \$9,198.09 for the reporting period. The Committee filed an Amended 2013 MY on 1/29/14, disclosing a cash-on-hand balance of \$2,207.84, correcting the discrepancy.
		9/18/14	LIR	The Committee's report disclosed additional receipts totaling \$38,780.45 on Schedules A and H3 supporting Lines 11(a)(ii), 11(b), 15, and 18(a), and additional debt totaling \$17,787.42, on Schedule D supporting Line 10, resulting in an increase of more than 5% and \$10,000.00 over the original report. The Committee filed a Form 99 on 1/29/14, stating in part: "Previous, undisclosed receipts and debts were the result of data error. Receipts and debts were unintentionally left out of original report, but were immediately included when the omission was discovered." The Committee also filed an Amended 2013 MY on 1/29/14, disclosing additional receipts totaling \$44,616.78 on Schedule A supporting Lines 11(a)(iii), 11(b), 15, 16, 17, and 18(a), resulting in an increase of more than 5% and \$10,000.00 over the original report. The amendment disclosed no change on Schedule D supporting Line 10. The Committee filed an Amended 2013 MY on 3/11/14, disclosing additional receipts totaling \$44,640.79 on Schedule A supporting Lines 11a(iii), 11(b), 11(c), 15, 16, 17 and 18(a), resulting in an increase of more than 5% and \$10,000.00 over the original report. The amendment disclosed no change on Schedule D supporting Line 10.

				The Committee filed an Amended 2013 MY on 9/18/14, disclosing additional receipts totaling \$44,665.87 on Schedule A supporting Lines 11(a)(iii), 11(b), 11(c), 15, 16, 17, and 18(a), resulting in an increase of more than 5% and \$10,000.00 over the original report. The amendment disclosed no change on Schedule D supporting Line 10.
Amended 2014 30G, received 12/16/14	4/9/15	5/11/15	LIR	<p>The Committee's report disclosed additional receipts totaling \$22,154.67 on Schedules A and H3 supporting Lines 11(a)(ii), 11(c), 12, 17 and 18(a), resulting in an increase of more than 5% and \$10,000.00 over the original report.</p> <p>The Committee filed a Form 99 on 5/11/15, stating in part: " 1) The noted increased receipts were due to clerical/accounting error(s) made on the original report. When the errors were discovered, the committee took prompt action to amend the report and disclose the missing information."</p> <p>The Committee also filed an Amended 2014 30G on 5/11/15, disclosing no changes in receipts from the previous amendment.</p>

Federal Election Activity/Levin Funds

Report	RFAI Due Date	Response Date(s)	Code	Reason for code
Amended 2014 M8, received 12/8/14	3/26/15	5/11/15	LAR	<p>Schedule L-A supporting Line 1(a) and Schedule L-B supporting Line 4(d) contained activity outside of the reporting period totaling \$125,442.86.</p> <p>The Committee filed an Amended 2014 M8 on 5/11/15, removing Schedules L-A and L-B, correcting the discrepancy.</p>
Amended 2014 30G, received 12/16/14	4/9/15	5/11/15	LAR	<p>Schedule H6 disclosed \$79,394.21 in disbursements made for "Direct Mail" 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 \$62,721.43 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 5/11/15, stating in part: "6) The expense for ?Direct Mail? was a generic campaign expense and did not refer to any federal candidate."</p> <p>The Committee filed an Amended 2014 30G on 5/11/15, making no changes to Schedule H6.</p>
				<p>Schedule A supporting Line 12 disclosed transfers-in from another party committee; however, Schedule H6 disclosed payments for Federal Election Activity totaling \$79,394.21. The transferred funds may have specifically funded the Federal Election Activity.</p> <p>The Committee filed a Form 99 on 5/11/15, stating in part: "7) No funds transferred in from the Democratic National Committee were used to pay for the federal component of FEA. The Committee had sufficient funds, other</p>

				<p>than the funds transferred by the Democratic National Committee, to pay for activity described in 11 CFR 300.32."</p> <p>Subsequently, the Committee filed an Amended 2014 30G on 5/11/15, and made no changes to Schedule A supporting Line 12.</p>
				<p>Schedule B supporting Line 30(b) disclosed \$1,000.00 in disbursements for "Video Production" but failed to clarify whether these disbursements were FEA public communication that promoted, supported, attacked or opposed federal candidates or if they expressly advocated the election or defeat of clearly identified federal candidate, which would require additional disclosure</p> <p>The Committee filed a Form 99 on 5/11/15, stating in part: "3) ?Video Production? was an expense associated with the committee?s website and was not an FEA public communication."</p> <p>The Committee also filed an Amended 30G on 5/11/15, providing additional clarification for the disbursement on Schedule B supporting Line 30(b) stating, "Video Production - Takai/Djou" in the purpose field.</p>
				<p>Schedule H4 disclosed \$2,641.51 in disbursements for "PA Sound System Equipment Rental," "Audio Visual Services," and "Telecommunications" 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 a Form 99 on 5/11/15, stating in part: "4) None of these expenses were for public communication(s) that qualified as federal election activity."</p> <p>The Committee also filed an Amended 2014 30G on 5/11/15, making no changes to Schedule H4.</p>
				<p>Schedule L-A supporting Line 1(a) contained activity outside of the reporting period totaling \$52,442.63.</p> <p>The Committee filed a Form 99 on 5/11/15, stating in part: "8) The amended report discloses only activity that occurred during the 30-Day Post General Reporting Period."</p> <p>The Committee also filed an Amended 2014 30G on 5/11/15, removing Schedule L-A, correcting the discrepancy.</p>

Allocated Federal and Non-Federal Activity

Report	RFAI Due Date	Response Date(s)	Code	Reason for code
Amended 2013 MY, received 11/1/13	1/28/14	1/29/14	LAR	<p>The Committee failed to provide a Schedule H1 to disclose the allocation ratio for administrative expenditures on Schedule H4.</p> <p>The Committee filed an Amended 2013 MY on 1/29/14, disclosing a Schedule H1, correcting the discrepancy.</p>

1-6-10-0-0-2-7-7-6

Amended 2014 30G, received 12/16/14	4/9/15	5/11/15	LAR	<p>Schedule H4 failed to clarify whether \$12,760.65 in disbursements were made on behalf of a specifically identified federal candidate or were associated with fundraising activity conducted for the Committee's federal and non-federal accounts.</p> <p>The Committee filed a Form 99 on 5/11/15, stating in part: "5) These expenses were for party overhead, not fundraising. These expenses were not made on behalf of any clearly identified federal candidate."</p>
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O-Index (2015)															
Cmte. ID: C00212787			Cmte. Name: HAWAII DEMOCRATIC PARTY												
Treasurer Name: KONG KEE, FLORENCE L			Address: 404 WARD AVE STE 200, HONOLULU, HI 96814												
Cmte. Type: Y (QUALIFIED PARTY)			Cmte. Designation: U (UNAUTHORIZED)			Filing Frequency: QUARTERLY FILER									
Form Tp	Rpt Tp	A/l	Receipt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
MS-T			5/11/2015	1	15951368229										
MS-M			5/9/2015	1	15951403858										
MS-O			5/20/2015	2	15330083126										
RQ7	M2		3/9/2015	2	15330075212	1/12/2015	1/12/2015	1/12/2015	3/9/2015						
RQ7	M3		4/6/2015	2	15330080000	2/1/2015	2/28/2015	4/6/2015	5/5/2015						
F3XN	M2	N	5/5/2015	2	15330082695	3/1/2015	3/31/2015			\$64,317	\$7,842	\$15,612	\$56,547	\$20,513	\$16,000
F3XN	M2	N	7/31/2015	17	201507319000545465	1/1/2015	1/31/2015			\$68,547	\$9,606	\$10,991	\$55,163	\$20,513	\$16,000
F3XN	M3	N	7/31/2015	17	201507319000545505	2/1/2015	2/28/2015			\$65,163	\$3,118	\$2,231	\$66,050	\$20,513	\$16,000
F3XN	M4	N	7/31/2015	11	201507319000545522	3/1/2015	3/31/2015			\$68,050	\$23,318	\$30,131	\$49,297	\$20,513	\$16,000
F3XN	Q2	N	7/31/2015	31	201507319000545625	4/1/2015	6/30/2015								
Totals											\$11,817	\$38,987			

O-Index (2013-2014)															
Cmte. ID: C00212787		Cmte. Name: HAWAII DEMOCRATIC PARTY		Address: 404 WARD AVE STE 200, HONOLULU, HI 96814		Cmte. Type: Y (QUALIFIED PARTY)		Cmte. Designation: U (UNAUTHORIZED)		Filing Frequency: QUARTERLY, F.I.I.R.					
Form Tp	Rpt Tp	All	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debits & Loans
MS-M		2/20/2013	1		13961059894										
MS-O		3/4/2013	2		1339026542										
MS-T		4/2/2013	3		13031052530										
MS-T		5/1/2013	3		13940782074										
MS-T		6/1/2013	1		13940782200										
MS-T		6/19/2013	1		13952965982										
MS-T		8/17/2013	1		13964526808										
MS-T		1/29/2014	1		14901375249										
MS-M		2/10/2014	1		14960384881										
MS-O		2/19/2014	2		14930043828										
MS-T		3/1/2014	1		14940553879										
MS-T		6/16/2014	1		14941322801										
MS-T		6/20/2014	1		14941626787										
MS-T		12/8/2014	1		14953195958										
MS-T		12/16/2014	1		14953212044										
RQ2	NY-A	2/14/2014	2		14330043177				1/1/2013		6/30/2013		2/1/2014		
RQ2	NY-A	4/10/2014	2		14330044834				1/1/2013		6/30/2013		4/10/2014		
RQ2	NY-A	12/24/2013	5		13390041738				1/1/2013		6/30/2013		12/24/2013		
RQ2	YE-A	5/10/2014	5		14330051885				7/1/2013		12/31/2013				
RQ2	YE-A	7/19/2014	2		14330055608				7/1/2013		12/31/2013		7/3/2014		
RQ2	M2-A	5/10/2014	2		14330051883				1/1/2014		1/31/2014		5/10/2014		
RQ2	M3-N	5/21/2014	2		14330052489				2/1/2014		2/28/2014		5/21/2014		
RQ2	M4-N	5/21/2014	4		14330052471				3/1/2014		3/31/2014		5/21/2014		
RQ2	M4-A	8/14/2014	2		14330059598				3/1/2014		3/31/2014		8/14/2014		
RQ2	M7-N	8/14/2014	2		14330059400				6/1/2014		6/30/2014		8/14/2014		
RQ2	M8-A	2/19/2015	2		15330075803				7/1/2014		7/31/2014		2/19/2015		

RQ2	M8	A	11/3/2014	2	14330064244	7/1/2014	7/31/2014	1/3/2014
RQ7	M9	N	10/21/2014	2	14330062757	8/1/2014	8/31/2014	10/1/2014
RQ2	M9	N	11/16/2014	2	14330066462	8/1/2014	8/31/2014	11/16/2014
RQ2	30G	A	3/5/2015	6	15330077992	10/16/2014	11/24/2014	3/15/2015
RQ2	30G	A	11/11/2015	2	201511110007644	10/16/2014	11/24/2014	11/11/2015
F3XN	MY	N	7/31/2013	64	13941229500	7/4/2013	6/30/2013	8/27/2013
F3XA	MY	A	11/1/2013	69	139412248752	1/1/2013	6/30/2013	\$27,937
F3XA	MY	A	12/9/2014	72	14940137757	1/1/2013	6/30/2013	\$34,368
F3XA	MY	A	3/11/2014	73	14960495680	1/1/2013	6/30/2013	\$34,468
F3XA	MY	A	9/18/2014	161	14970803003	7/4/2013	6/30/2013	\$34,468
F3XN	YE	N	13/1/2014	64	14980372538	7/1/2013	12/31/2013	\$2,207
F3XA	YE	A	2/20/2014	73	14980473854	7/1/2013	12/31/2013	\$2,207
F3XA	YE	A	6/16/2014	158	14981626580	7/1/2013	12/31/2013	\$2,330
F3XA	YE	A	9/18/2014	188	14970803194	7/1/2013	12/31/2013	\$2,355
F3XN	M2	N	2/20/2014	23	14980478947	1/1/2014	1/31/2014	\$19,302
F3XA	M2	A	3/4/2014	23	14980488954	1/1/2014	1/31/2014	\$19,302
F3XA	M2	A	6/16/2014	24	14961265748	1/1/2014	1/31/2014	\$14,097
F3XA	M2	A	9/18/2014	30	14970803394	1/1/2014	1/31/2014	\$16,222
F3XN	M3	N	3/20/2014	34	14980553158	2/1/2014	2/28/2014	\$18,044
F3XA	M3	A	6/20/2014	24	14941626657	2/1/2014	2/28/2014	\$13,440
F3XA	M3	A	9/18/2014	36	14970803432	2/1/2014	2/28/2014	\$15,565
F3XN	M4	N	4/20/2014	25	14941113580	3/1/2014	3/31/2014	\$15,278
F3XA	M4	A	6/20/2014	21	14941626766	3/1/2014	3/31/2014	\$10,074
F3XA	M4	A	9/18/2014	35	14981337446	3/1/2014	3/31/2014	\$10,074
F3XA	M4	A	9/18/2014	40	14970803495	3/1/2014	3/31/2014	\$12,199
F3XN	M5	N	5/21/2014	35	14941247806	4/1/2014	4/30/2014	\$19,838
F3XA	M5	A	6/20/2014	40	14941626788	4/1/2014	4/30/2014	\$16,900
F3XA	M5	A	9/18/2014	40	14970803802	4/1/2014	4/30/2014	\$19,850
F3XN	M6	N	6/20/2014	34	14981337452	5/1/2014	5/31/2014	\$7,042
F3XA	M6	A	9/18/2014	33	14970803881	5/1/2014	5/31/2014	\$9,992
F3XN	M7	N	7/20/2014	22	14942363665	6/1/2014	6/30/2014	\$1,610
F3XA	M7	A	9/18/2014	28	14970803988	6/1/2014	6/30/2014	\$4,560
F3XN	M8	N	8/20/2014	28	14970726535	7/1/2014	7/31/2014	\$4,550
F3XA	M8	A	9/18/2014	34	14970804456	7/1/2014	7/31/2014	\$18,478
F3XA	M8	A	12/8/2014	26	14953195932	7/1/2014	7/31/2014	\$4,672
F3XA	M8	A	5/11/2015	21	15981368125	7/1/2014	7/31/2014	\$4,672
F3XN	M9	N	10/20/2014	16	14951856311	8/1/2014	8/31/2014	\$9,610
F3XA	M9	A	12/1/2014	20	14983682346	8/1/2014	8/31/2014	\$9,514
F3XN	M10	N	10/20/2014	21	14951856582	9/1/2014	9/30/2014	\$1,444
F3XA	M10	A	12/16/2014	22	14983682367	9/1/2014	9/30/2014	\$1,398
F3XN	12G	N	10/23/2014	38	1492543285	10/1/2014	10/15/2014	\$28,773
F3XA	12G	A	12/16/2014	38	14983662404	10/1/2014	10/15/2014	\$28,727
F3XN	30G	N	12/4/2014	74	14953166284	10/16/2014	11/24/2014	\$39,154
F3XA	30G	A	12/16/2014	79	14983682443	10/16/2014	11/24/2014	\$39,108
F3XA	30G	A	5/1/2015	74	15921368155	10/16/2014	11/24/2014	\$24,364
F3XN	YE	N	13/0/2015	28	15970167016	11/25/2014	12/31/2014	\$61,483
F1A		A	6/19/2013	4	13982965449			
F1A		A	8/20/2014	4	14950082063			

O-Index

F1A	A	8/20/2014	4	14950082068
Totals				

11/18/2015 12:14 PM