

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: December 11, 2017

ANALYST: Joshua A. Rebollozo

I. COMMITTEE: Independence USA PAC
C00532705
Howard Wolfson, Treasurer
PO Box 1510
New York, NY 10150

II. RELEVANT STATUTE: 52 U.S.C. § 30104(b)
11 CFR § 104.3

III. BACKGROUND:

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

Independence USA PAC (“the Committee”) amended its 2016 July Monthly Report to disclose additional in-kind contributions received totaling \$118,000.00¹, which were not disclosed in the original report (Attachment 2).

On July 20, 2016, the Committee filed the original 2016 July Monthly Report covering the period from June 1, 2016 through June 30, 2016. The report disclosed \$65,394.00 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals) and \$116,509.19 in disbursements on Line 21(b) (Other Federal Operating Expenditures) of the Detailed Summary Page (Image 201607209021702392-93).

On August 25, 2016, the Committee filed an Amended 2016 July Monthly Report. The report disclosed \$183,394.00 in receipts on Line 11(a)(i) and \$234,509.19 in disbursements on Line 21(b) of the Detailed Summary Page, resulting in a total increase

¹ Per the reporting requirement for in-kind contributions received, the Committee disclosed additional receipts totaling \$118,000.00 on Schedule A and additional disbursements to offset the in-kind receipts totaling \$118,000.00 on Schedule B, resulting in a total increase in activity of \$118,000.00.

of in-kind contributions received of \$118,000.00 from the original report (Images 201608259023751244-45).

On March 7, 2017, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2016 July Monthly Report, received August 25, 2016. The RFAI requested clarification regarding the substantial increase in receipts and disbursements disclosed on the Amended 2016 July Monthly Report that were not disclosed on the original report (Image 201703070300082065).

On April 12, 2017, the Reports Analysis Division (RAD) Analyst spoke with Emily Smith, the Treasurer's Direct Assistant, in an attempt to reach the Committee's Treasurer. The RAD Analyst stated that the Committee failed to timely respond to the RFAI referencing the Amended 2016 July Monthly Report, which may be referred to another office within the Commission for potential further action. Further, the RAD Analyst encouraged the Committee to file additional clarification on the public record regarding the increase in activity. Ms. Smith informed the RAD Analyst that she would pass this information on to the Committee's Treasurer as well as another individual with further understanding of the Committee's filings (Attachment 3).

Subsequently, on April 12, 2017, Dave Owens, outside counsel for the Committee, contacted the RAD Analyst stating that the Committee had just received the RFAI referencing the Amended 2016 July Monthly Report and requested an extension on the response deadline. The RAD Analyst explained that we do not offer extensions for response deadlines, but further encouraged Mr. Owens to provide additional clarification on the public record. The RAD Analyst emphasized that the issue could be referred to another office at the Commission for further action. Mr. Owens stated that the Committee would file a response within the next week (Attachment 3).

On April 21, 2017, the Committee filed a Miscellaneous Electronic Submission ("FEC Form 99") in response to the RFAI referencing the Amended 2016 July Monthly Report, received August 25, 2016. The Committee stated, in part:

"Per guidance from the Commission's Reports Analysis Division, the Committee amended its July 2016 monthly report to reflect in-kind receipts of polling results, \$78,000 of which was separately disclosed in a 48-hour independent expenditure report that was timely filed in August 2016 and \$40,000 of which related to an ad the Committee never aired" (Image 201704219052406096).

On June 20, 2017, Mr. Owens contacted the RAD Analyst regarding matters unrelated to the Amended 2016 July Monthly Report. During the call, the RAD Analyst asked for further clarification from Mr. Owens regarding the FEC Form 99 filed on April 21, 2017 referencing the Amended 2016 July Monthly Report. The RAD Analyst asked Mr. Owens to clarify whether or not the portion of the disbursements that had "never aired" had been disbursed to the ultimate vendor or if the Committee had reported a disbursement that had never taken place. Mr. Owens stated that he was unaware of the details of this disbursement and would contact the RAD Analyst with additional information later in the day (Attachment 3).

Later on June 20, 2017, Mr. Owens contacted the RAD Analyst and stated that the funds had been disbursed for ad production costs and that the totals on the report were accurate and correct. The RAD Analyst encouraged the Committee to further explain this on the public record along with any additional clarification the Committee wished to provide, but explained that additional clarification was not required at this time (Attachment 3).

To date, no further communications have been received from the Committee regarding this matter.

Cmte. ID: C005332705 Cmte. Name: INDEPENDENCE USA PAC											
Treasurer Name: WOLFSON HOWARD Address: PO BOX 1510, NEW YORK, NY 10150											
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED)											
From/To	Recpt/Trp	Alt	Recpt Dt	Pgs	Begin/ing#	Beg Cvg Dt	End Cvg Dt	Ltr/Mail Dt	Begin Cash	Recpts	
MS-T			4/21/2017	1	2017042290552406006						
MS-T			5/30/2017	3	201705389055161247						
MS-T			6/2/2017	1	201706029055299326						
F3XN	M2	N	2/20/2017	12	20170229049746652	1/12/2017	1/31/2017		\$4,574	\$300,000	
F3XN	M3	N	3/20/2017	10	20170329050910694	2/11/2017	2/28/2017		\$197,478	\$107,096	
F3XN	M4	N	4/20/2017	10	201704290523989657	3/11/2017	3/31/2017		\$144,873	\$197,478	
F3XN	M5	N	5/20/2017	9	20170529050484131	4/11/2017	4/30/2017		\$144,873	\$52,604	
F3XN	M6	N	6/20/2017	11	201706290563589003	5/11/2017	5/31/2017		\$118,737	\$118,737	
F3XN	M7	N	7/19/2017	14	20170719066789391	6/11/2017	6/30/2017		\$115,083	\$115,083	
F3XN	M8	N	8/19/2017	10	20170819070473454	7/11/2017	7/31/2017		\$40,748	\$40,748	
F3XN	M9	N	9/20/2017	8	20170929074878810	8/11/2017	8/31/2017		\$114,120	\$114,120	
F3XN	M10	N	10/20/2017	10	20171029075914041	9/11/2017	9/30/2017		\$61,202	\$61,202	
F3XN	M11	N	11/20/2017	12	20171129086774987	10/11/2017	10/31/2017		\$64,660	\$64,660	
F1A	A	A	5/20/2017	4	20170529054083949				\$50,051	\$50,051	
F1A	A	A	5/30/2017	4	201705309055160899				\$60,000	\$60,000	
F1A	A	A	3/17/2017	4	201703179050879545				\$133,933	\$133,933	
F2A	48		6/23/2017	3	201706239065370033				\$129,651	\$129,651	
Totals										\$503,395	\$385,717

Cmt. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE)											Filing Frequency: MONTHLY FILER				
Form Type	Rep. Tp	Alt	Recpt Dt	Pgs	Begin Img#	Beg Cvg. Dt	End Cvg. Dt	Ltr Mtd	Begin Cash	Recpts	Distrb	End Cash	Debits	Loans	Debits & Loans
MS-T			7/12/2016	1	201607129020411416										
RQ2	M11	A	5/11/2016	2	201605110300046539	10/11/2015	10/31/2015	5/11/2016							
RQ2	YE	A	6/7/2016	2	201606070300048404	12/1/2015	12/31/2015	6/7/2016							
RQ2	M5	N	11/6/2016	2	201611060300067891	4/11/2016	4/30/2016	11/6/2016							
RQ2	M7	A	3/7/2017	2	201703070300082065	6/11/2016	6/30/2016	3/7/2017							
RQ2	M9	A	4/25/2017	5	201704250300085003	8/11/2016	8/31/2016	4/25/2017							
RQ2	M10	N	4/25/2017	2	201704250300085023	9/11/2016	9/30/2016	4/25/2017							
RQ2	30G	N	4/25/2017	3	201704250300085025	10/11/2016	11/28/2016	4/25/2017							
F3XN	M2	N	2/20/2015	9	15950820244	1/1/2015	1/31/2015		\$63,484	\$0	\$33,393	\$30,091	\$105,000	\$105,000	
F3XN	M3	N	3/19/2015	9	15950879980	2/1/2015	2/28/2015		\$50,091	\$161,265	\$125,548	\$65,808	\$37,895	\$37,895	
F3XN	M4	N	4/15/2015	7	15970346566	3/1/2015	3/31/2015		\$65,808	\$0	\$43,940	\$21,867	\$2,064	\$2,064	
F3XN	M5	N	5/20/2015	9	15951407756	4/1/2015	4/30/2015		\$21,867	\$996	\$6,832	\$16,031	\$0	\$0	
F3XN	M6	N	6/17/2015	7	15951486252	5/1/2015	5/31/2015		\$16,031	\$0	\$595	\$15,955	\$1,638	\$1,638	
F3XN	M7	N	7/20/2015	8	20150720000284048	6/1/2015	6/30/2015		\$15,436	\$32,221	\$41,221	\$13,436	\$1,520	\$1,520	
F3XN	M8	N	8/18/2015	8	201508189000837520	7/1/2015	7/31/2015		\$13,436	\$0	\$3,607	\$9,829	\$0	\$0	
F3XN	M9	N	9/16/2015	7	2015091690002676589	8/1/2015	8/31/2015		\$9,829	\$0	\$361	\$9,467	\$2,341	\$2,341	
F3XN	M10	N	10/19/2015	7	201510199003110319	9/1/2015	9/30/2015		\$9,467	\$0	\$2,669	\$6,791	\$435	\$435	
F3XN	M11	N	11/20/2015	9	201511209003426010	10/1/2015	10/31/2015		\$6,797	\$13,452	\$15,059	\$5,150	\$14,161	\$14,161	
F3XN	M11	A	12/18/2015	9	201512189004342216	10/1/2015	10/31/2015		\$6,797	\$203,252	\$204,889	\$5,150	\$14,161	\$14,161	
F3XN	M12	N	12/20/2015	11	201512209004342266	11/1/2015	11/30/2015		\$50,637	\$50,637	\$47,171,513	\$30,200	\$17,477	\$17,477	
F3XN	YE	N	1/29/2016	10	201601299004906584	12/1/2015	12/31/2015		\$50,637	\$2,139	\$65,987	\$238,808	\$44,867	\$44,867	
F3XA	YE	A	4/20/2016	10	201604209014588118	12/1/2015	12/31/2015		\$302,637	\$22,139	\$85,967	\$238,808	\$44,867	\$44,867	

F3XN	M2	N	2/19/2016	8	201602199008507285	1/1/2016	1/31/2016	\$0	\$238,808	\$0	\$54,473	\$184,334	\$0	\$0	\$0	
F3XN	M2	A	4/20/2016	8	201602208904588128	1/1/2016	1/31/2016	\$0	\$238,808	\$0	\$54,473	\$184,334	\$0	\$0	\$0	
F3XN	M3	N	3/20/2016	8	20160320890116938641	2/1/2016	2/29/2016	\$0	\$184,334	\$9,573	\$371	\$193,536	\$11,653	\$0	\$11,653	
F3XN	M3	A	4/20/2016	8	2016042089014588136	2/1/2016	2/29/2016	\$0	\$184,334	\$9,573	\$371	\$193,536	\$11,653	\$0	\$11,653	
F3XN	M4	N	4/20/2016	8	201604209014591194	3/1/2016	3/31/2016	\$0	\$193,536	\$0	\$16,760	\$176,776	\$846	\$0	\$846	
F3XN	M5	N	5/18/2016	9	201605188901531810	4/1/2016	4/30/2016	\$0	\$176,776	\$40,562	\$41,765	\$175,572	\$551	\$0	\$551	
F3XN	M5	A	12/8/2016	10	201612089040545395	4/1/2016	4/30/2016	\$0	\$176,776	\$40,562	\$41,765	\$175,572	\$551	\$0	\$551	
F3XN	M6	N	6/7/2016	9	2016067179018432940	5/1/2016	5/31/2016	\$0	\$175,572	\$35	\$3,184	\$172,423	\$0	\$0	\$0	
F3XN	M7	N	7/20/2016	11	201607209021702390	6/1/2016	6/30/2016	\$0	\$172,423	\$65,942	\$116,509	\$121,856	\$2,750	\$0	\$2,750	
F3XN	M7	A	8/25/2016	12	201608259023751242	6/1/2016	6/30/2016	\$0	\$172,423	\$183,942	\$234,509	\$121,856	\$2,750	\$0	\$2,750	
F3XN	M8	N	8/20/2016	14	201608209022647116	7/1/2016	7/31/2016	\$0	\$121,856	\$5,000,000	\$1,048,733	\$1,048,733	\$4,013,122	\$67,004	\$67,004	
F3XN	M8	A	8/25/2016	14	201608259023751588	7/1/2016	7/31/2016	\$0	\$121,856	\$5,000,000	\$1,048,733	\$1,048,733	\$4,013,122	\$67,004	\$67,004	
F3XN	M9	N	9/20/2016	24	201609209032015807	8/1/2016	8/31/2016	\$0	\$4,073,122	\$8,500,000	\$6,901,090	\$5,672,032	\$357,605	\$0	\$357,605	
F3XN	M9	A	10/20/2016	27	201610208034475638	8/1/2016	8/31/2016	\$0	\$4,073,122	\$8,500,000	\$6,901,090	\$5,672,032	\$357,605	\$0	\$357,605	
F3XN	M9	A	6/23/2017	32	201706239085091959	8/1/2016	8/31/2016	\$0	\$4,073,122	\$8,525,500	\$6,926,590	\$5,672,032	\$357,605	\$0	\$357,605	
F3XN	M10	N	10/20/2016	25	2016102080344756882	9/1/2016	9/30/2016	\$0	\$5,672,032	\$0	\$1,970,038	\$3,701,993	\$1,646,539	\$0	\$1,646,539	
F3XN	M10	A	6/23/2017	25	201706239085091991	9/1/2016	9/30/2016	\$0	\$5,672,032	\$0	\$1,970,038	\$3,701,993	\$1,646,539	\$0	\$1,646,539	
F3XN	12G	N	10/27/2016	18	2016102790369848833	10/7/2016	10/19/2016	\$0	\$3,701,993	\$12,964	\$2,992,917	\$722,040	\$1,813,122	\$0	\$1,813,122	
F3XN	12G	A	6/23/2017	18	201706239085092016	10/7/2016	10/19/2016	\$0	\$3,701,993	\$12,964	\$2,992,917	\$722,040	\$1,813,122	\$0	\$1,813,122	
F3XN	30G	N	12/8/2016	18	201612089004555209	10/20/2016	11/28/2016	\$0	\$722,040	\$2,335,000	\$3,029,207	\$27,832	\$49,805	\$0	\$49,805	
F3XN	30G	A	6/23/2017	20	201706239085368995	10/20/2016	11/28/2016	\$0	\$722,040	\$2,335,000	\$3,029,207	\$27,832	\$49,805	\$0	\$49,805	
F3XN	YE	N	1/31/2017	14	201701319024390865	11/29/2016	12/31/2016	\$0	\$27,832	\$122,796	\$146,054	\$4,574	\$102,513	\$0	\$102,513	
F3XN	YE	A	6/23/2017	14	201706239085370015	11/29/2016	12/31/2016	\$0	\$27,832	\$122,796	\$146,054	\$4,574	\$102,513	\$0	\$102,513	
F24N	48		9/8/2016	1	20160908903075082											
F24N	48		9/9/2016	1	201609099030756147											
F24A	48		9/14/2016	1	201609149030818461											
F24A	48		9/14/2016	2	201609149030815466											
F24N	48		9/14/2016	2	201609149030815468											
F24A	48		8/14/2016	3	20160814902244109											
F24N	48		8/14/2016	2	20160814902244112											
F24N	48		8/12/2016	1	20160812902242615											
F24A	48		10/27/2016	2	201610279036982687											
F24N	48		8/24/2016	1	201608249023739538											
F24N	48		8/24/2016	2	201608249023739539											
F24A	48		8/25/2016	3	201608259023751602											
F24A	48		8/25/2016	3	201608259023751605											
F24N	48		8/21/2016	3	201608219023702218											
F24N	48		8/5/2016	2	201608059022180733											
F24N	48		10/6/2016	1	201610069032194955											
F24N	48		10/5/2016	1	201610059032117735											
F24N	48		9/23/2016	2	201609239032135728											
F24N	48		9/29/2016	2	201609299032147194											
F24N	24		10/25/2016	2	201610259034575603											
Totals															\$21,675,246	\$21,734,156

Form Tp	Rpt Tp	Alt	Recpt Dt	Pgs	Beg Cvg Dt	End Cvg Dt	Begin Img#	Begin Cash	Recpts	Disb	Debits	Loans	Debits & Loans	Debits	Loans	Debits & Loans
MS-M			1/31/2013	1	13986019704											

Cmt. ID: C00532705 Cmt. Name: INDEPENDENCE USA PAC

Treasurer Name: O (INDEPENDENT EXPENDITURE COMMITTEE)

Address: PO BOX 1510, NEW YORK, NY 10150

Cmt. Design: U (UNAUTHORIZED)

Filing Frequency: MONTHLY FILER

Cmt. Mail Dt:

Ltr Cvg Dt:

Begin Cash:

Recpts:

Disb:

Debits:

Loans:

Debits & Loans:

F24A	24	3/20/2013	2	13940492390
F24A	24	3/20/2013	2	13940492415
F24A	24	3/20/2013	2	13940492435
F24A	24	3/20/2013	2	13940492437
F24N	24	2/23/2013	1	13961071502
F24A	24	2/20/2013	2	13961061775
F24A	24	2/20/2013	1	13961062235
F24A	24	2/20/2013	1	13961062348
F24A	24	2/20/2013	1	13961062375
F24A	24	2/20/2013	1	13961062376
F24N	24	2/20/2013	1	13961062384
F24N	24	2/22/2013	1	13961070395
F24N	24	2/19/2013	1	13960951260
F24N	24	10/22/2014	1	14951895192
F24N	24	10/20/2014	1	14951695592
Totals				\$17,457,952 \$17,767,773

Independence USA PAC (C00532705)

Additional Receipts by Line Number

2016 July Monthly Report/Amended 2016 July Monthly Report

Report Line	2016 July Monthly Report (Image 201607209021702392)	Amended 2016 July Monthly Report (Image 201608259023751244)	Variance Amount
Line 11(a)(i): Individual Contributions (Itemized)	\$65,394.00	\$183,394.00	\$118,000.00
Total Variance:			\$118,000.00

Additional Disbursements by Line Number

2016 July Monthly Report/Amended 2016 July Monthly Report

Report Line	2016 July Monthly Report (Image 201607209021702393)	Amended 2016 July Monthly Report (Image 201608259023751245)	Variance Amount
Line 21(b): Other Federal Operating Expenditures	\$116,509.19	\$234,509.19	\$118,000.00 ²
Total Variance:			\$118,000.00

² Per the reporting requirement for in-kind contributions received, the Committee disclosed additional receipts totaling \$118,000.00 on Schedule A and additional disbursements to offset the in-kind receipts totaling \$118,000.00 on Schedule B, resulting in a total increase in activity of \$118,000.00