

20L-10

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: June 8, 2020 (revised on August 4, 2020)

ANALYST: Denise Stilla

I. COMMITTEE:

Friends of John Delaney
C00508416
Edward P. Nordberg, Jr., Treasurer
P.O. Box 70835
Bethesda, MD 20813

II. RELEVANT STATUTE:

11 CFR §§ 104.3
52 U.S.C. § 30104(b)

III. BACKGROUND:

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

Friends of John Delaney (“the Committee”) amended its 2019 Year-End Report to disclose additional in-kind contributions received totaling \$428,570.00¹ that were not included in the original report (Attachment 2).

On January 31, 2020, the Committee filed the original 2019 Year-End Report covering the period from October 1, 2019 through December 31, 2019. The report disclosed no receipts from the candidate on Line 17(d) (Contributions from the Candidate) of the Detailed Summary Page (Image 202001319184171951, Attachment 2). The report

¹ Per the reporting requirement for in-kind contributions received, the Committee disclosed additional receipts totaling \$428,570.00 on Schedule A and additional disbursements to offset the in-kind receipts totaling \$428,570.00 on Schedule B, resulting in a total increase in activity of \$428,570.00.

also disclosed disbursements of \$1,375,132.67 on Line 23 (Operating Expenditures) of the Detailed Summary Page (Image 202001319184171952, Attachment 2).

On February 12, 2020, Kate Belinski, the Committee's compliance representative and counsel, called the Reports Analysis Division (RAD) Analyst and explained she would be amending the 2019 Year-End Report to report an inadvertently missed candidate in-kind contribution of approximately \$400,000.00. The RAD Analyst suggested she add an explanation to the report (Attachment 3).

On February 15, 2020, the Committee filed an Amended 2019 Year-End Report that disclosed \$428,570.00 in receipts on Line 17(d) of the Detailed Summary Page (Image 202002159186505830). The report also disclosed \$1,803,702.67 in disbursements on Line 23 of the Detailed Summary Page (Image 20200215918650583). The increases in receipts and disbursements resulted from the addition of a \$428,570.00 candidate in-kind contribution to the report. The in-kind contribution was notated, "In-Kind: Payment made to El Toro, LLC for Digital Marketing" (Image 202002159186506317). The Committee noted in a miscellaneous text, "This amendment is filed to include the In-Kind contribution from John Delaney on 10/21/19. This In-Kind was inadvertently omitted from the original report due to a clerical error" (Image 202002159186505835).

On February 20, 2020, the Committee filed the 2020 February Monthly Report covering the period from January 1, 2020 through January 31, 2020. The report disclosed an entry in the amount of \$125,802.25 on Line 20(a) (Offsets to Operating Expenditures). The entry was notated "Offset of previous over charge" (Image 202002209186878615).

On February 23, 2020, a Request for Additional Information ("RFAI") was sent to the Committee referencing the Amended 2019 Year-End Report, received February 15, 2020. The RFAI requested clarification regarding the substantial increase in receipts and disbursements disclosed in the amended report. The RFAI noted the Committee's explanation, in the amended report, regarding the increase in activity and requested the Committee provide any additional clarifying information as to why this activity was not disclosed in the original report (Image 202002230300059520).

On February 26, 2020, the RAD Analyst received a call from Ms. Belinski. Ms. Belinski inquired about the RFAI sent referencing the increase in receipts and disbursements. The Analyst explained that the letter was sent to the Committee as part of the FEC review process, as this increase in activity may be referred to another Commission office for potential further action. The Analyst explained the Committee could submit a Miscellaneous Electronic Submission (FEC Form 99) with any clarifying information (Attachment 3).

On March 2, 2020, the Committee filed an FEC Form 99 in response to the RFAI referencing the Amended 2019 Year-End Report, received February 15, 2020. The Committee stated, in full:

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Friends of John
Delaney Page 3 of 3

“In reference to the February Monthly 2020 report, the reported amount of \$125,802.85 from El Toro, LLC is a refund of an over payment related to the \$428,570 in-kind contribution from the candidate reported on the 2019 Year-End report. Accordingly, the actual value of the in-kind contribution from the candidate that was paid to El Toro, LLC, net the refund, was \$302,767.15” (Image 202003029203555327).

On March 23, 2020, the Committee filed a second Amended 2019 Year- End Report (Image 202003239215620501). The report disclosed no changes to receipts or disbursements from the previous amendment (Attachment 2).

On April 8, 2020, the RAD Analyst spoke with Ms. Belinski. The Analyst informed Ms. Belinski that the Committee would be referred to another office within the FEC for potential further action. Ms. Belinski stated that she would inform the Treasurer about the referral (Attachment 3).

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

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O-Index (2019-2020)															
Cmte. ID: C00508416 Cmte. Name: FRIENDS OF JOHN DELANEY															
Treasurer Name: NORDBERG, EDWARD P JR. Address: PO BOX 70835, BETHESDA, MD 20813															
Cmte. Type: P (PRESIDENTIAL) Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: MONTHLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
MS-T			3/2/2020	1	202003029203555327				-	-	-	-	-	-	-
MS-O			4/5/2020	2	202004050300063090				-	-	-	-	-	-	-
MS-T			6/25/2020	3	202007090300323724	12/15/2017	12/17/2019		-	-	-	-	-	-	-
RQ2	YE	N	2/17/2020	2	202002170300055335	10/1/2019	12/31/2019	2/17/2020	-	-	-	-	-	-	-
RQ2	YE	A	2/23/2020	2	202002230300059520	10/1/2019	12/31/2019	2/23/2020	-	-	-	-	-	-	-
F3PN	Q1	N	4/14/2019	727	201904149146120587	1/1/2019	3/31/2019		\$268,248	\$12,144,069	\$1,844,452	\$10,567,864	\$30,000	\$17,413,250	\$17,443,250
F3PA	Q1	A	8/19/2019	730	201908199162911506	1/1/2019	3/31/2019		\$268,248	\$12,144,069	\$1,844,452	\$10,567,864	\$30,000	\$17,413,250	\$17,443,250
F3PN	Q2	N	7/15/2019	857	201907159150849637	4/1/2019	6/30/2019		\$10,567,864	\$8,039,926	\$11,165,179	\$7,442,612	\$30,000	\$16,163,250	\$16,193,250
F3PA	Q2	A	8/19/2019	864	201908199162912567	4/1/2019	6/30/2019		\$10,567,864	\$8,039,926	\$11,165,179	\$7,442,612	\$30,000	\$16,163,250	\$16,193,250
F3PN	Q3	N	10/15/2019	1223	201910159164255522	7/1/2019	9/30/2019		\$7,442,612	\$868,452	\$7,763,004	\$548,060	\$30,000	\$10,563,250	\$10,593,250
F3PN	YE	N	1/31/2020	873	202001319184171949	10/1/2019	12/31/2019		\$548,060	\$977,944	\$1,386,124	\$139,881	\$30,000	\$11,378,250	\$11,408,250
F3PA	YE	A	2/15/2020	876	202002159186505828	10/1/2019	12/31/2019		\$548,060	\$1,406,514	\$1,814,694	\$139,881	\$30,000	\$11,378,250	\$11,408,250
F3PA	YE	A	3/23/2020	925	202003239215620501	10/1/2019	12/31/2019		\$548,060	\$1,406,514	\$1,814,694	\$139,881	\$30,000	\$11,378,250	\$11,408,250
F3PN	M2	N	2/20/2020	270	202002209186878489	1/1/2020	1/31/2020		\$139,881	\$491,301	\$518,370	\$112,811	\$30,000	\$11,378,250	\$11,408,250
F3PN	M3	N	3/20/2020	122	202003209204063916	2/1/2020	2/29/2020		\$112,811	\$224,636	\$322,637	\$14,811	\$30,000	\$11,378,250	\$11,408,250
F3PN	M4	N	4/20/2020	75	202004209219763020	3/1/2020	3/31/2020		\$14,811	\$117,821	\$90,468	\$42,164	\$30,000	\$1,463,250	\$1,493,250
F3PN	M5	N	5/20/2020	31	202005209239086111	4/1/2020	4/30/2020		\$42,164	\$207	\$5,864	\$36,507	\$30,000	\$1,463,250	\$1,493,250
F3PN	M6	N	6/19/2020	27	202006199240074257	5/1/2020	5/31/2020		\$36,507	\$0	\$16,103	\$20,403	\$30,000	\$1,463,250	\$1,493,250
F3PN	M7	N	7/20/2020	26	202007209250476621	6/1/2020	6/30/2020		\$20,403	\$0	\$5,058	\$15,344	\$30,000	\$1,463,250	\$1,493,250
F1A		A	4/14/2019	4	201904149146119769				-	-	-	-	-	-	-
F1A		A	9/30/2019	4	201909309163576401				-	-	-	-	-	-	-
Totals										\$23,292,930	\$23,545,833				

O-Index (2017-2018)															
Cmte. ID: C00508416 Cmte. Name: FRIENDS OF JOHN DELANEY															
Treasurer Name: NORDBERG, EDWARD P JR. Address: PO BOX 70835, BETHESDA, MD 20813															
Cmte. Type: P (PRESIDENTIAL) Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: MONTHLY FILER															
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RQ2	Q3	N	12/20/2017	2	201712200300095996	7/1/2017	9/30/2017	12/20/2017	-	-	-	-	-	-	-
RQ2	YE	N	5/7/2018	2	201805070300009646	10/1/2017	12/31/2017	5/7/2018	-	-	-	-	-	-	-
RQ2	Q1	N	5/7/2018	2	201805070300009648	1/1/2018	3/31/2018	5/7/2018	-	-	-	-	-	-	-
RQ2	Q2	A	7/11/2019	2	201907110300042444	4/1/2018	6/30/2018	7/11/2019	-	-	-	-	-	-	-
RQ2	Q3	N	7/11/2019	2	201907110300042446	7/1/2018	9/30/2018	7/11/2019	-	-	-	-	-	-	-
RQ2	YE	N	7/11/2019	2	201907110300042448	10/1/2018	12/31/2018	7/11/2019	-	-	-	-	-	-	-
F3N	Q1	N	4/13/2017	62	201704139052149960	1/1/2017	3/31/2017		\$22,042	\$83,825	\$40,469	\$65,398	\$30,000	\$1,153,250	\$1,183,250
F3N	Q2	N	7/14/2017	139	201707149066664352	4/1/2017	6/30/2017		\$65,398	\$187,588	\$198,962	\$54,024	\$30,000	\$1,213,250	\$1,243,250
F3PN	Q3	N	10/13/2017	244	201710139075642351	7/1/2017	9/30/2017		\$54,024	\$577,085	\$318,036	\$313,073	\$30,000	\$1,213,250	\$1,243,250
F3PA	Q3	A	1/15/2018	245	201801159090409149	7/1/2017	9/30/2017		\$54,024	\$577,085	\$318,036	\$313,073	\$30,000	\$1,213,250	\$1,243,250
F3PA	Q3	A	6/28/2018	245	201806289115197010	7/1/2017	9/30/2017		\$54,024	\$577,085	\$318,036	\$313,073	\$30,000	\$1,213,250	\$1,243,250
F3PN	YE	N	1/31/2018	159	201801319091217345	10/1/2017	12/31/2017		\$313,073	\$647,299	\$580,931	\$379,442	\$30,000	\$1,713,250	\$1,743,250
F3PA	YE	A	6/28/2018	161	201806289115197269	10/1/2017	12/31/2017		\$313,073	\$647,299	\$580,931	\$379,442	\$30,000	\$1,713,250	\$1,743,250
F3PN	Q1	N	4/15/2018	268	201804159108208295	1/1/2018	3/31/2018		\$379,442	\$2,173,151	\$1,722,890	\$829,703	\$30,000	\$3,713,250	\$3,743,250
F3PA	Q1	A	6/28/2018	269	201806289115197549	1/1/2018	3/31/2018		\$379,442	\$2,173,151	\$1,722,890	\$829,703	\$30,000	\$3,713,250	\$3,743,250
F3PN	Q2	N	7/15/2018	305	201807159115687702	4/1/2018	6/30/2018		\$829,703	\$240,167	\$915,614	\$154,256	\$30,000	\$3,713,250	\$3,743,250
F3PA	Q2	A	9/10/2018	315	201809109121662023	4/1/2018	6/30/2018		\$829,703	\$240,167	\$915,614	\$154,256	\$30,000	\$3,713,250	\$3,743,250
F3PA	Q2	A	8/14/2019	316	201908149162869226	4/1/2018	6/30/2018		\$829,703	\$240,167	\$915,614	\$154,256	\$60,000	\$7,426,500	\$3,743,250
F3PN	Q3	N	10/15/2018	326	201810159125259127	7/1/2018	9/30/2018		\$154,256	\$1,088,448	\$1,164,848	\$77,856	\$30,000	\$4,713,250	\$4,743,250
F3PA	Q3	A	8/14/2019	328	201908149162872264	7/1/2018	9/30/2018		\$154,256	\$1,088,448	\$1,164,848	\$77,856	\$30,000	\$4,713,250	\$4,743,250

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F3PN	YE	N	1/31/2019	322	201901319145245378	10/1/2018	12/31/2018		\$77,856	\$1,148,213	\$957,821	\$268,248	\$30,000	\$5,713,250	\$5,743,250
F3PA	YE	A	8/14/2019	323	201908149162873039	10/1/2018	12/31/2018		\$77,856	\$1,148,213	\$957,821	\$268,248	\$30,000	\$5,713,250	\$5,743,250
F1A		A	8/10/2017	4	201708109070314534				-	-	-	-	-	-	-
F2N		N	8/10/2017	1	201708109070314092				-	-	-	-	-	-	-
F2N		N	2/19/2017	1	201702199049726704				-	-	-	-	-	-	-
Totals										\$6,145,779	\$5,899,574				

O-Index (2015-2016)															
Cmte. ID: C00508416 Cmte. Name: FRIENDS OF JOHN DELANEY															
Treasurer Name: NORDBERG, EDWARD P JR. Address: PO BOX 70835, BETHESDA, MD 20813															
Cmte. Type: P (PRESIDENTIAL) Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: MONTHLY FILER															
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MS-T			12/12/2016	3	201612120300123946				-	-	-	-	-	-	-
RQ2	YE	N	3/3/2016	5	201603040300039085	10/1/2015	12/31/2015	3/3/2016	-	-	-	-	-	-	-
RQ2	Q3	N	11/24/2016	6	201611240300069009	7/1/2016	9/30/2016	11/24/2016	-	-	-	-	-	-	-
RQ2	12G	N	11/24/2016	2	201611240300069015	10/1/2016	10/19/2016	11/24/2016	-	-	-	-	-	-	-
F3N	Q1	N	4/15/2015	49	15951163484	1/1/2015	3/31/2015		\$24,504	\$142,685	\$38,611	\$128,577	\$42,170	\$883,250	\$925,420
F3N	Q2	N	7/15/2015	104	201507159000141022	4/1/2015	6/30/2015		\$128,577	\$345,069	\$213,266	\$260,380	\$30,000	\$883,250	\$913,250
F3N	Q3	N	10/15/2015	54	201510159002987960	7/1/2015	9/30/2015		\$260,380	\$128,005	\$79,505	\$308,880	\$30,000	\$883,250	\$913,250
F3N	YE	N	1/31/2016	60	201601319004996545	10/1/2015	12/31/2015		\$308,880	\$129,510	\$118,405	\$319,985	\$30,000	\$883,250	\$913,250
F3A	YE	A	3/23/2016	61	201603239011956294	10/1/2015	12/31/2015		\$308,880	\$129,510	\$118,405	\$319,985	\$30,000	\$883,250	\$913,250
F3N	12P	N	4/14/2016	49	201604149012408975	1/1/2016	4/6/2016		\$319,985	\$64,965	\$111,544	\$273,406	\$30,000	\$883,250	\$913,250
F3N	Q2	N	7/15/2016	122	201607159020610420	4/7/2016	6/30/2016		\$273,406	\$288,133	\$221,090	\$340,449	\$30,000	\$883,250	\$913,250
F3N	Q3	N	10/15/2016	129	201610159032768415	7/1/2016	9/30/2016		\$340,449	\$309,436	\$463,839	\$186,046	\$30,000	\$883,250	\$913,250
F3N	12G	N	10/27/2016	91	201610279036944219	10/1/2016	10/19/2016		\$186,046	\$268,175	\$205,029	\$249,191	\$30,000	\$953,250	\$983,250
F3N	30G	N	12/8/2016	63	201612089040552512	10/20/2016	11/28/2016		\$249,191	\$269,491	\$483,228	\$35,454	\$30,000	\$1,133,250	\$1,163,250
F3N	YE	N	1/31/2017	22	201701319042233554	11/29/2016	12/31/2016		\$35,454	\$11,723	\$25,135	\$22,042	\$30,000	\$1,133,250	\$1,163,250
F6N			4/16/2016	2	201604169012569830				-	-	-	-	-	-	-
F6N			4/14/2016	2	201604149012408388				-	-	-	-	-	-	-
F6N			11/4/2016	1	201611049037121012				-	-	-	-	-	-	-
F6N			11/2/2016	1	201611029037018708				-	-	-	-	-	-	-
F6N			10/31/2016	1	201610319037012837				-	-	-	-	-	-	-
F6N			4/13/2016	2	201604139012320320				-	-	-	-	-	-	-
F6N			4/10/2016	2	201604109012283816				-	-	-	-	-	-	-
F24N	24		3/24/2016	1	201603249011957572				-	-	-	-	-	-	-
F6N			4/24/2016	1	201604249015354335				-	-	-	-	-	-	-
F6N			4/22/2016	2	201604229015040887				-	-	-	-	-	-	-
F6N			4/19/2016	1	201604199012595185				-	-	-	-	-	-	-
F6N			4/20/2016	1	201604209014509707				-	-	-	-	-	-	-
F6N			10/23/2016	1	201610239034531482				-	-	-	-	-	-	-
F6N			10/29/2016	1	201610299037007164				-	-	-	-	-	-	-
F6N			10/26/2016	1	201610269034586460				-	-	-	-	-	-	-
Totals										\$1,957,196	\$1,959,657				

Friends of John Delaney (C00508416)

2019 Year-End Report/Amended 2019 Year-End Report, received 3/23/20

Overview of Additional Receipts

Report Line	Original 2019 Year-End Report (Image 202001319184171951)	Amended 2019 Year-End Report, Received 3/23/2020 (Image 202003239215620503)	Variance Amount
Line 17(d): Contributions from the Candidate	\$0.00	\$428,570.00	\$428,570.00
		Total:	\$428,570.00

Overview of Additional Disbursements

Report Line	Original 2019 Year-End Report (Image 202001319184171952)	Amended 2019 Year-End Report, Received 3/23/2020 (Image 202003239215620504)	Variance Amount
Line 23: Operating Expenditures	\$1,375,132.67	\$1,803,702.67	\$428,570.00 ¹
		Total:	\$428,570.00

¹ Per the reporting requirement for in-kind contributions received, the Committee disclosed additional receipts totaling \$428,570.00 on Schedule A and additional disbursements to offset the in-kind receipts totaling \$428,570.00 on Schedule B, resulting in a total increase in activity of \$428,570.00.