



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 9, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1979-57

Cooper T. Holt, Director  
VFW-Political Action Committee  
200 Maryland Avenue, N.E.  
Suite 201  
Washington, D.C. 20002

Dear Mr. Holt:

This responds to your letters of October 1 and 12, 1979, in which you request an advisory opinion as Director of VFW-Political Action Committee (VFW-PAC), with regard to the application of the Federal Election Campaign Act of 1971, as amended, ("the Act"), and the Commission's regulations to the disposition of fundraising proceeds raised by local VFW posts for your organization.

You state in your request that VFW-PAC is the recently established political action committee of the National Organization of Veterans of Foreign Wars, a corporation which is a tax-exempt organization under 26 U.S.C. 501(c)(19). You state further that local VFW posts are currently engaged in fundraising activities in support of the VFW-PAC. You request a Commission ruling as to whether monies raised by local VFW posts through raffles and other permissible fundraising devices under 11 CFR 114.5(b)(2), may be sent to the VFW-PAC in the form of money orders "to preclude possible commingling of these funds in local VFW post bank accounts."

The Commission concludes that fundraising proceeds may be sent to the VFW-PAC by local VFW posts in the form of money orders provided Commission regulations governing accounting procedures and solicitation of contributions are observed by your committee.

Specifically, only VFW members may be solicited for contributions in the course of fundraising activities at the local or national level. 2 U.S.C. 441b(b)(4)(C). Commission regulations provide that "membership organizations, cooperatives, or corporations without capital stock, or separate segregated funds established by such persons may solicit contributions to the fund from members of the organization, cooperative or corporation without capital stock."

11 CFR 114.7(a). Since the VFW-PAC would not be permitted to solicit contributions from individuals other than its members,\* it should notify local VFW personnel of this restriction on contribution solicitations to assure that contributions for VFW-PAC solicited at the local posts are solicited only from VFW members.

Second, the Act and Commission regulations provide that "no person shall make contributions to a candidate or political committee of currency of the United States . . . which in the aggregate exceed \$100." 11 CFR 110.4(c)(1); also see 2 U.S.C. 441g. Further, "a candidate or committee receiving a cash contribution in excess of \$100 shall promptly return the amount over \$100 to the contributor." 11 CFR 110.4(c)(2). Funds contributed by VFW members at local VFW posts for VFW-PAC would be subject to these restrictions.

Third, contributions received on behalf of VFW-PAC at the VFW local posts must be accounted for and recorded as required by 102.8 of Commission regulations if the local VFW chapter (or one of its designated officers) is not an authorized agent of the VFW-PAC treasurer, or as required by 102.9 if the local chapter is an authorized agent of the VFW-PAC treasurer. Also, 103.3(a) of the Commission's regulations requires that all contributions received by VFW-PAC be deposited in a designated VFW-PAC depository within 10 days of their receipt. As long as the regulations and statutory provisions discussed above are observed, the proceeds of fundraisers held by local VFW posts may be sent to the VFW-PAC in the form of money orders.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Robert O. Tiernan  
Chairman for the  
Federal Election Commission

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\* Executive or administrative personnel, and their families, of the National Organization of Veterans of Foreign Wars are also solicitable under 2 U.S.C. 441b(b)(4)(A)(i).