



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1781

Date Filmed 3/18/85 Camera No. ---3

Cameraman JRL

85040514858

FEDERAL ELECTION COMMISSION

12 Day Reports & Comment Sheets

Routing cards

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- | | |
|--|---|
| ☐ (1) Classified Information | ☐ (6) Personal privacy |
| ☐ (2) Internal rules and practices | ☐ (7) Investigatory files |
| ☐ (3) Exempted by other statute | ☐ (8) Banking Information |
| ☐ (4) Trade secrets and commercial or financial information | ☐ (9) Well Information (geographic or geophysical) |
| ☒ (5) Internal Documents | |

Signed

Paul Reys

date

3/14/85

FEC 9-21-77

TRW
3/15/85

85040514852

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Michigan Republican State Committee)
Denzil L. Hammond, Treasurer)

MUR 1781

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of February 12, 1985, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 1781:

1. Find no probable cause to believe that the Michigan Republican Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b or 11 C.F.R. § 102.5.
2. Close the file.
3. Approve and send the letter attached to the General Counsel's report dated January 29, 1985.

Commissioners Aikens, Elliott, McDonald, McGarry, and Reiche voted affirmatively for the decision; Commissioner Harris was not present at the time of the vote.

Attest:

2-12-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

85040514860



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 14, 1985

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 East Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

Dear Mr. Hammond:

This is to advise you that after an investigation was conducted, the Commission concluded on February 12, 1985, that there is no probable cause to believe that the Michigan Republican State Committee and you, as treasurer, violated the Act. Accordingly the file in this matter, numbered MUR 1781, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days.

If you have any questions, contact Paul Reyes the staff member assigned to handle this matter at (202) 523-4000.

Sincerely,

A handwritten signature in dark ink, appearing to read "Charles N. Steele", is written over the word "Sincerely,".

Charles N. Steele
General Counsel

85040514861



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 East Grand River
Lansing, Michigan 48912

PRR 4/13/85

RE: MUR 1781
Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

Dear Mr. Hammond:

This is to advise you that after an investigation was conducted, the Commission concluded on 1985, that there is no probable cause to believe that the Michigan Republican State Committee and you, as treasurer, violated the Act. Accordingly the file in this matter, numbered MUR 1781, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days.

If you have any questions, contact Paul Reyes the staff member assigned to handle this matter at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

85040514862



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cut*
DATE: January 30, 1985
SUBJECT: MUR 1781 - General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of February 12, 1985

Open Session _____

Closed Session XX

CIRCULATIONS

48 Hour Tally Vote []
Sensitive []
Non-Sensitive []

24 Hour No Objection []
Sensitive []
Non-Sensitive []

Information []
Sensitive []
Non-Sensitive []

Other [X]

DISTRIBUTION

Compliance [X]

Audit Matters []

Litigation []

Closed MUR Letters []

Status Sheets []

Advisory Opinions []

Other (see distribution below) []

SENSITIVE

CIRCULATE ON BLUE PAPER

ON AGENDA 2-12-85

85040514863

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION SECRETARY

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

In the Matter of
Michigan Republican State
Committee
Denzil L. Hammond,
Treasurer

) 05 JAN 30 A10:38

) MUR 1781 (84)

) **EXECUTIVE SESSION**

GENERAL COUNSEL'S REPORT

FEB 12 1985

I. BACKGROUND

On September 11, 1984, the Federal Election Commission (the "Commission") found reason to believe that the Michigan Republican State Committee (the "MRSC") and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5 by accepting contributions from accounts containing prohibited labor organization funds. An investigation was conducted and based on answers filed in response to a Commission subpoena, on January 15, 1985, the General Counsel sent to the MRSC, a brief which stated the position of the General Counsel on the factual and legal matters of the case.

II. LEGAL ANALYSIS OF RESPONDENT'S BRIEF

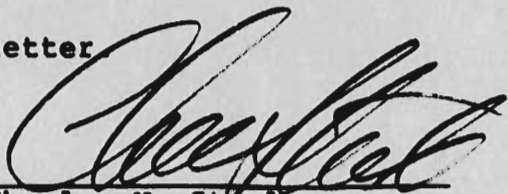
(See OGC Brief of January 15, 1985.) On January 22, 1985, Denzil L. Hammond, the MRSC treasurer, telephoned this Office to say that he had received the General Counsel's Brief. He indicated that he has no further information to add to the General Counsel's Brief and, therefore, he will not be filing a Reply Brief. This Office sent a letter confirming this conversation to Mr. Hammond on January 24, 1985. At this date, no contradictory information has been forthcoming.

85040514864

III. RECOMMENDATIONS

1. Find no probable cause to believe that the Michigan Republican Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b or 11 C.F.R. § 102.5.
2. Close the file.
3. Approve and send the attached letter

29 January 1985
Date


Charles N. Steele
General Counsel

Attachments

1. Letter to Respondent closing file.
2. Letter to Denzil L. Hammond (January 24, 1985)
3. General Counsel's Brief

85040514835



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 East Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

Dear Mr. Hammond:

This is to advise you that after an investigation was conducted, the Commission concluded on 1985, that there is no probable cause to believe that the Michigan Republican State Committee and you, as treasurer, violated the Act. Accordingly the file in this matter, numbered MUR 1781, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days.

If you have any questions, contact Paul Reyes the staff member assigned to handle this matter at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

Attachment 1

85040514866



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 24, 1985

Denzil L. Hammond
2121 E. Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

Dear Mr. Hammond:

This letter confirms that you telephoned this Office on January 22, 1985 concerning the above captioned matter and spoke to Mr. Paul Reyes, the staff member assigned to this matter. You indicated that you had received the General Counsel's Brief sent to you on January 15, 1985. You further indicated that you do not intend to file a Reply Brief.

The General Counsel's Office is, accordingly, proceeding with the recommendations outlined in the Brief and cover letter, dated January 15, 1985, which you received.

If you have any questions concerning this matter, contact Paul Reyes at (202) 523-4000.

Sincerely,

Kenneth A. Gross
Associate General Counsel

A Attachment 2

2

85040514867

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee)
Denzil L. Hammond, Treasurer)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On September 11, 1984, the Federal Election Commission (the "Commission") found reason to believe that the Michigan Republican State Committee (the "MRSC"), and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5 by accepting contributions from accounts containing prohibited labor organization funds.

Based on information obtained in the ordinary course of its supervisory responsibilities under the Federal Election Campaign Act of 1971, as amended (the "Act"), the Commission's Reports Analysis Division had questioned the MRSC about the source of funds that it had reported received from Republican party county organizations in Michigan. In light of the fact that these entities were not registered political committees within the meaning of 2 U.S.C. § 431(4) and that contributions from labor organizations are permitted to an extent in connection with state elections in Michigan, the Reports Analysis Division sought but was unable to obtain clarifying information about the funds which the county organizations used to make contributions to the MRSC.

II. LEGAL ANALYSIS

Section 441b of Title 2, United States Code, prohibits the making and acceptance of expenditures and contributions by labor organizations in connection with federal elections. Under

Attachment 3

85040514869

Michigan State laws, persons such as labor organizations may contribute up to \$1,700 in value for a candidate for state elective office other than the Office of state legislator.

[Michigan Compiled Laws (MCL) § 169.252(1)(a) (1970)]. Section 102.5(a) of Title 11 Code of Federal Regulations, provides that political committees like the MRSC shall either establish a separate federal account subject to the Act's limits and prohibitions, or establish themselves as committees which can receive only contributions subject to the prohibitions of the Act. If a committee maintains separate federal and state accounts the federal account may not, under 11 C.F.R.

§ 102.5(a)(1)(i), receive any funds that are not subject to the Act's prohibitions. Section 102.5(b) of Title 11, Code of Federal Regulations, provides that organizations which are not political committees are given the option of either maintaining a separate account for making contributions or expenditures in connection with Federal elections or demonstrating through any reasonable accounting method that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure it might make in connection with a Federal election. The MRSC maintains separate State and Federal accounts. Thus, the MRSC's Federal account may not accept funds from prohibited sources via contributions from unregistered county organizations.

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The Commission believes that the broad prohibition against corporate and labor contributions imposed by section 441b of the Act gives rise to a duty under 11 C.F.R. § 102.5 for a contributor and recipient to explain the source of contributions received from unregistered entities. See FEC Advisory Opinion 1982-38 [1 Fed. Elec. Camp. Fin. Guide (CCH) ¶ 5683 (June 25, 1982)]. The Commission's Reports Analysis-Division had questioned the MRSC through its administrative process and been informed simply that, the funds received by the MRSC from county organizations were erroneously deposited into the Federal account and were transferred-out to the MRSC state account. Considering that answer, and the fact that under state law labor organizations may make contributions from their treasuries in connection with state elections, the Commission ordered the County organizations in question to produce detailed information concerning the method of accounting used by them, and the exact source of their funds on hand on the day they made out the questioned contributions to the MRSC.

In response to that Order, six out of seven organizations responded in sufficient detail for the General Counsel's Office to determine that they had received no contributions that were prohibited by the Act and, therefore, that the contributions made in turn to the MRSC were made with funds not prohibited by the Act. All seven of the organizations questioned submitted affidavits as evidence, saying that they had received no

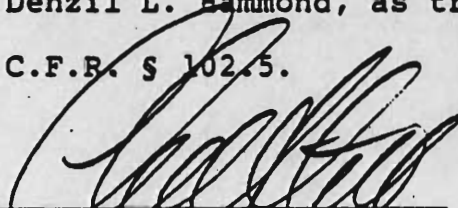
corporate or labor organization contributions at any time. Specifically, the county organizations explained that their contributions came from the following sources: rebates, individuals, gifts from Republican County Women's Clubs, transfers-in from savings, fundraisers, pig raffle at county fair, hog raffle, fundraising dinners, tickets to receptions, and dues. All of the county organizations that responded indicated that their contributions were made to the MRSC under a statewide quota system whereby the MRSC sets a fundraising goal for each county.

The county party organizations then raise funds and transmit them to the MRSC. All of the county organizations responding indicated that they gave the money to the MRSC for whatever purpose it desired and that they did not direct that the money be used for any particular election, state or federal.

III. GENERAL COUNSEL'S RECOMMENDATIONS

Find no probable cause to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer violated 2 U.S.C. § 441b or 11 C.F.R. § 102.5.

14 Jan 1985
Date


Charles N. Steele
General Counsel

85040514871



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 24, 1985

Denzil L. Hammond
2121 E. Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

Dear Mr. Hammond:

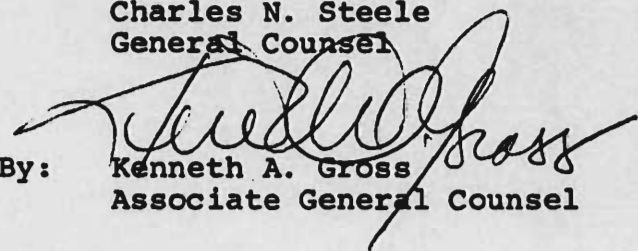
This letter confirms that you telephoned this Office on January 22, 1985, concerning the above captioned matter and spoke to Mr. Paul Reyes, the staff member assigned to this matter. You indicated that you had received the General Counsel's Brief sent to you on January 15, 1985. You further indicated that you do not intend to file a Reply Brief.

The General Counsel's Office is, accordingly, proceeding with the recommendations outlined in the Brief and cover letter, dated January 15, 1985, which you received.

If you have any questions concerning this matter, contact Paul Reyes at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: 
Kenneth A. Gross
Associate General Counsel

85040514872



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Wt*
DATE: January 15, 1985
SUBJECT: MUR 1781 - Memorandum and GC's Brief

The attached is submitted as an Agenda document
for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote []
Sensitive []
Non-Sensitive []
24 Hour No Objection []
Sensitive []
Non-Sensitive []
Information [X]
Sensitive [X]
Non-Sensitive []

Other []

DISTRIBUTION

Compliance [X]
Audit Matters []
Litigation []
Closed MUR Letters []
Status Sheets []
Advisory Opinions []
Other (see distribution below) []

85040514873



SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE REC
COMMISSION SECRETARY

85 JAN 15 P1:21

January 15, 1985

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: MUR 1781

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondent of the General Counsel's intent to recommend to the Commission a finding of no probable cause to believe was mailed on January 15, 1985. Following receipt of the Respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Brief
2. Letter to Respondent

85040514871

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee)
Denzil L. Hammond, Treasurer)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On September 11, 1984, the Federal Election Commission (the "Commission") found reason to believe that the Michigan Republican State Committee (the "MRSC"), and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5 by accepting contributions from accounts containing prohibited labor organization funds.

Based on information obtained in the ordinary course of its supervisory responsibilities under the Federal Election Campaign Act of 1971, as amended (the "Act"), the Commission's Reports Analysis Division had questioned the MRSC about the source of funds that it had reported received from Republican party county organizations in Michigan. In light of the fact that these entities were not registered political committees within the meaning of 2 U.S.C. § 431(4) and that contributions from labor organizations are permitted to an extent in connection with state elections in Michigan, the Reports Analysis Division sought but was unable to obtain clarifying information about the funds which the county organizations used to make contributions to the MRSC.

II. LEGAL ANALYSIS

Section 441b of Title 2, United States Code, prohibits the making and acceptance of expenditures and contributions by labor organizations in connection with federal elections. Under

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Michigan State laws, persons such as labor organizations may contribute up to \$1,700 in value for a candidate for state elective office other than the Office of state legislator.

[Michigan Compiled Laws (MCL) § 169.252(1)(a) (1970)]. Section 102.5(a) of Title 11 Code of Federal Regulations, provides that political committees like the MRSC shall either establish a separate federal account subject to the Act's limits and prohibitions, or establish themselves as committees which can receive only contributions subject to the prohibitions of the Act. If a committee maintains separate federal and state accounts the federal account may not, under 11 C.F.R.

§ 102.5(a)(1)(i), receive any funds that are not subject to the Act's prohibitions. Section 102.5(b) of Title 11, Code of Federal Regulations, provides that organizations which are not political committees are given the option of either maintaining a separate account for making contributions or expenditures in connection with Federal elections or demonstrating through any reasonable accounting method that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure it might make in connection with a Federal election. The MRSC maintains separate State and Federal accounts. Thus, the MRSC's Federal account may not accept funds from prohibited sources via contributions from unregistered county organizations.

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85040514877

The Commission believes that the broad prohibition against corporate and labor contributions imposed by section 441b of the Act gives rise to a duty under 11 C.F.R. § 102.5 for a contributor and recipient to explain the source of contributions received from unregistered entities. See FEC Advisory Opinion 1982-38 [1 Fed. Elec. Camp. Fin. Guide (CCH) ¶ 5683 (June 25, 1982)]. The Commission's Reports Analysis Division had questioned the MRSC through its administrative process and been informed simply that, the funds received by the MRSC from county organizations were erroneously deposited into the Federal account and were transferred-out to the MRSC state account. Considering that answer, and the fact that under state law labor organizations may make contributions from their treasuries in connection with state elections, the Commission ordered the County organizations in question to produce detailed information concerning the method of accounting used by them, and the exact source of their funds on hand on the day they made out the questioned contributions to the MRSC.

In response to that Order, six out of seven organizations responded in sufficient detail for the General Counsel's Office to determine that they had received no contributions that were prohibited by the Act and, therefore, that the contributions made in turn to the MRSC were made with funds not prohibited by the Act. All seven of the organizations questioned submitted affidavits as evidence, saying that they had received no

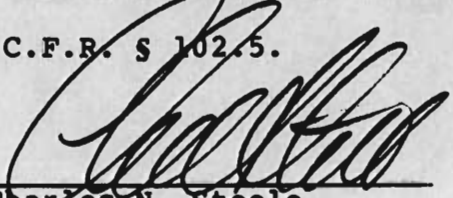
corporate or labor organization contributions at any time. Specifically, the county organizations explained that their contributions came from the following sources: rebates, individuals, gifts from Republican County Women's Clubs, transfers-in from savings, fundraisers, pig raffle at county fair, hog raffle, fundraising dinners, tickets to receptions, and dues. All of the county organizations that responded indicated that their contributions were made to the MRSC under a statewide quota system whereby the MRSC sets a fundraising goal for each county.

The county party organizations then raise funds and transmit them to the MRSC. All of the county organizations responding indicated that they gave the money to the MRSC for whatever purpose it desired and that they did not direct that the money be used for any particular election, state or federal.

III. GENERAL COUNSEL'S RECOMMENDATIONS

Find no probable cause to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer violated 2 U.S.C. § 441b or 11 C.F.R. § 102.5.

14 Jan 1985
Date


Charles N. Steele
General Counsel

85040514873



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 15, 1985

Denzil L. Hammond
2121 E. Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee,
Denzil L. Hammond, Treasurer

Dear Mr. Hammond:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on September 11, 1984, found reason to believe that the Michigan Republican State Committee and you, as treasurer, had violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5 and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of no probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days.

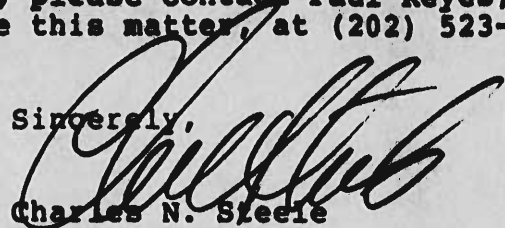
85040514872

MUR 1781
Denzil L. Hammond,
Treasurer
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Paul Reyes, the staff member assigned to handle this matter, at (202) 523-4000.

Sincerely,


Charles N. Steele
General Counsel

Enclosure
Brief

85040514830



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM *JCR*

DATE: DECEMBER 7, 1984

SUBJECT: MUR 1781 - Comprehensive Investigative
Report #1 signed December 6, 1984

The above-captioned matter was circulated to the Commission on a 24 hour no-objection basis at 4:00, December 6, 1984.

There were no objections to the Comprehensive Investigative Report at the time of the deadline.

8504051483



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Office of the Commission Secretary

Office of General Counsel *CW*

FROM:

DATE: December 6, 1984

SUBJECT: MUR 1781 - Comprehensive Investigative Report #1

The attached is submitted as an Agenda document
for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote []
Sensitive []
Non-Sensitive []

24 Hour No Objection [X]
Sensitive [X]
Non-Sensitive []

Information []
Sensitive []
Non-Sensitive []

Other []

DISTRIBUTION

Compliance [X]

Audit Matters []

Litigation []

Closed MUR Letters []

Status Sheets []

Advisory Opinions []

Other (see distribution below) []

8504051483

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
 Michigan Republican State)
 Committee, Denzil Hammond,)
 Treasurer)

RECEIVED
 NOV 17 1984
 OFFICE OF THE FEC
 COMMISSIONER SECRETARY

84 DEC 6 P12: 51

COMPREHENSIVE INVESTIGATIVE REPORT #1

On September 11, 1984, the Commission found reason to believe that the Michigan Republican State Committee and Denzil Hammond, as treasurer, violated 2 U.S.C. § 441b by accepting and using contributions from accounts containing prohibited labor organization contributions and that they violated 11 C.F.R. § 102.5. The Commission additionally directed this Office to send interrogatories to the unregistered county organizations whose accounts were in question. The interrogatories asked the county groups to explain in detail the source of funds which they contributed to the Michigan Republican State Committee.

The Michigan Republican State Committee has said that all of the county group's contributions were erroneously deposited into its federal account and subsequently transferred to its state account. The county groups have said that they made their contributions to the MRSC for whatever purpose it might choose; under a party quota system.

Investigation by this Office demonstrates that the county groups' accounts contained no corporate or labor organization funds at the time they contributed to the MRSC. Accordingly, this Office is preparing appropriate briefs for the Commission's consideration.

Dec. 6, 1984
 Date

Charles N. Steele
 General Counsel
 BY: [Signature]
 Kenneth A. Gross
 Associate General Counsel

85040514385

5 0 4 0 5 1 4 8 4
BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED AT THE FEC
GCC # 5243
84 OCT 22 AID: 00

In the Matter of)

Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

MUR 1781

ANSWERS TO INTERROGATORIES

STATE OF MICHIGAN)

) SS.

COUNTY OF MASON)

Jack Nederveld, being duly sworn, deposes and says:

A. That he is Chairman of the Manistee County Republican Committee.

B. That he answers the Interrogatories addressed to Mr. Lee McGregor, but submitted to deponent in his capacity as County Chairman.

C. That his responses to the Interrogatories are as follows:

1. Was the contribution intended for use in connection with federal or state elections?

ANSWER: The September 27, 1983, contribution of \$200 to the Michigan Republican State Committee was intended by the Manistee County Republican organization as a part of its annual contribution to the MRSC. This contribution is not specifically earmarked for any purpose.

2. How was the stated intention communicated?

ANSWER: No intention was communicated to the MRSC. No cover letter accompanied the check. The check was addressed to the Michigan State Republican Committee and was mailed to the Michigan State Republican Committee by Evelyn M. Wilson, Treasurer of the Manistee County Republicans.

3. Was a separate account maintained?

ANSWER: No.

4. Accounting method and bookkeeping procedures.

ANSWER: A journal of receipts and disbursements by activity is maintained as is a card file of donations and the purchase of fund raising tickets by individual name and amount and date.

a) Specific procedures used to monitor receipt of contributions.

ANSWER: Specific recording is made by individual name on cards maintained in alphabetical order.

5. Date of the check.

ANSWER: September 20, 1983.

6. Amount of cash on hand on date check was drawn.

ANSWER: \$699.36.

a) Source of funds on hand using LIFO accounting method.

ANSWER: Contributions received from a pig raffle at the Manistee County Fair, August 1983.

Further deponent says no.

Jack Nederveld

Subscribed and sworn to before me this 17th day of October, 1984.

Notary Public, Mason County, Michigan
My commission expires: 5/25/87

MANISTEE COUNTY REPUBLICANS

**P.O.Box 636
Manistee, MI 49660**



**Federal Elections Commission
Washington, D. C. 20463**



850405148

MARQUETTE

COUNTY

Republicans

RECEIVED AT THE FEC
THRUSTY

NOV 22

Michigan Republicans
Legal Counsel
2121 E. Grand River
Lansing MI

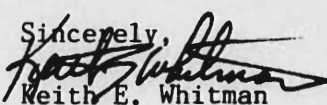
October 12, 1984

Dear Sir:

Please find enclosed copies of our response to the Federal Election Commission regarding the Michigan Republican State Committee, Denzil Hammond, Treasurer, MUR 1781.

We felt you should be aware of our response to this matter.

Sincerely,


Keith E. Whitman
Chairperson

PAID FOR BY THE MARQUETTE COUNTY REPUBLICAN PARTY

85040514886

BCC# 5760

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Michigan Republican State
Committee,
Denzil Hammond, Treasurer

MUR 1781

34 NOV 23 AIO: 5

RECEIVED
GENERAL COUNSEL

ANSWERS TO INTERROGATORIES

As Chairman of the Marquette County Republican Party, the following are Answers to Interrogatories in the above captioned matter:

1. The \$250.00 contribution to "MRSC" was not intended for use in connection with Federal or State elections. It was a contribution to MRSC to be used by the State Committee in any way it believed necessary or desirable.

2. The contribution was accompanied by a cover letter, dated December 18, 1983. The letter was written by me, as Chairman of the Marquette County Republican Party, and was consistent with a motion passed by the local party organization at its meeting on December 5, 1983. (See Item 4, minutes, attached.)

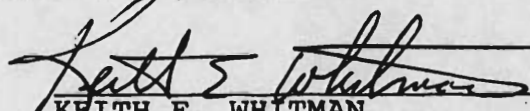
3. No.

4. Ledger and checkbook register.

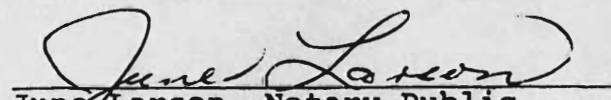
5. December 12, 1983.

6. On the date this check was drawn, we had a balance in our account of \$558.68.

a) I do not know how to answer this question. You are welcome to review our checkbook register.


KEITH E. WHITMAN
Chairman
MARQUETTE COUNTY REPUBLICAN PARTY

Subscribed and sworn to before me this 1st day of October, 1984.


June Larson, Notary Public
Marquette County, Michigan.
My commission expires: 2/5/86.

MARQUETTE COUNTY REPUBLICAN PARTY

DECEMBER 5, 1983

The Marquette County Republican Committee meeting was called to order by Chairperson Keith Whitman on the above date at 7:10 p.m. at the Ramada Inn, Marquette, Michigan.

Members present were: Keith Whitman Janet Ramseth, Judy Jason, Bob Hanson, Bob Davis, Sun Davis, Patty Nemacheck, Fred Sabin, Blane and Teresa Hoffman, Dennis Mapes, Steve DeLong, Bill Lyons and Scott Reilly.

A motion was made by S. Reilly and seconded by J. Jason to accept the secretaries minutes to the last meeting. Motion carried.

The Treasurers report was presented and accepted, following a brief discussion.

THE FOLLOWING OLD BUSINESS WAS DISCUSSED:

- #1 A report of the Fall Fundraiser showed an approximate profit of \$465. Ticket sales vs. invitations was discussed. Bob Davis, Jr. indicated on a state wide basis that there experience is 30% more success with tickets than invitations.
- #2 We are still looking for a Senior Citizens Chairperson.
- #3 Chairperson Whitman reported that the phone answering machine is working well and well used. The number is listed under Political Organization in the yellow pages and also in the white pages.
- #4 The quota due State Central is \$500. The membership list will not be released by State Central unless money is received from the county. Discussion followed as to whether to pay the money, or how much to pay of the amount requested. Bill Lyons moved that we make out quota \$250 and pay this amount. Blane Hoffman seconded. Motion carried with P. Nemacheck opposed. Bob Davis, Jr. will contact State Central Finance Chairman to negotiate this lesser amount and get the membership list released.
- #5 S. DeLong reported on youth activities. They tried to get into the high schools without much success. Sabin suggested Bob Davis go to N.M.U. to do a program at one of their meetings.

85040514839



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Ms. Peggy Frazier, County Chair
Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

RE: MUR 1781
Marquette County Republicans

Dear Ms. Frazier:

8 5 0 4 0 5 1 4 8 3 9

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

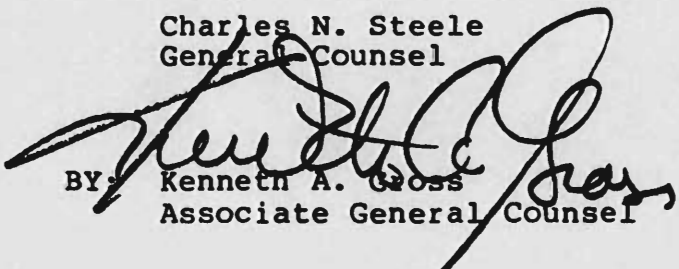
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

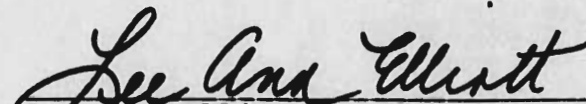
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ms. Peggy Frazier
County Chair, Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

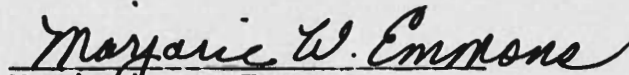
Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 20th day of Sept., 1984.


Lee Ann Elliott

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514890

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Michigan Republican State
Committee,
Denzil Hammond, Treasurer

)
)
) MUR 1781
)
)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 22, 1983, contribution of \$250.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Marquette County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Marquette County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Marquette County Republican Organization.
 - a) Identify the specific procedures used by the Marquette County Republican Organization to monitor the receipt of contributions.

C. J. [unclear]

Leigh

85040514891

5. State on what date the check for the contribution referred to in number (1) above was made out by the Marquette County Republican Organization. *12-12-55* *558.68*
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Marquette County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Marquette County Republican Organization on the date that the contribution in number (1) above was issued.

85040514892

MICHIGAN REPUBLICAN STATE COMMITTEE

2121 E. GRAND RIVER
LANSING, MICHIGAN 48912



85040514893

Mr. Paul Reyes
Federal Elections Commission
1325 K Street
Washington, D.C. 20463

84 NOV 23 4 03 PM '84

06C-5109
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Michigan Republicans

84 OCT 12 AM 11:38

2121 E. Grand River
Lansing, MI 48912
517/487-5413

1665 First National Bldg.
Detroit, MI 48226
313/963-9414

October 9, 1984

Mr. Paul Reyes
Federal Elections Commission
1325 K Street
Washington, D. C. 20463

RE: MUR 1781

Dear Mr. Reyes,

I am Enclosing the two (2) additional affidavits from the county committees which were involved in the erroneous deposits of non-federally registered committee contributions into our federal account. (The other four (4) counties' affidavits were forwarded to you earlier and I am enclosing copies))

Please let us know if there is anything else which we can supply in order to clarify the situation.

Sincerely,

John Egbert
Accountant

John Egbert
Enclosures

cc. Denzil Hammond, Treasurer

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OFFICE OF THE
GENERAL COUNSEL

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E. SPENCER ABRAHAM
Chairman

FRANK D. STELLA
Finance Chairman

LARRAIN THOMAS
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M. GUZIK
Third Vice-Chair

JERRY KAMINSKI
Fourth Vice-Chair

MARIE WENTELA
Fifth Vice-Chair

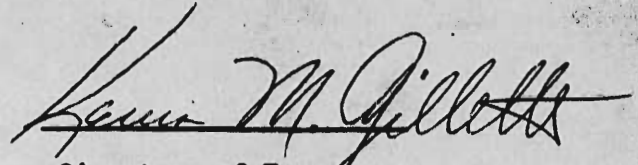
JANE C. GARCIA
Sixth Vice Chair

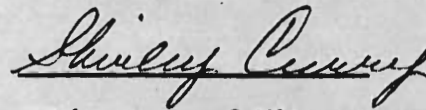
AFFIDAVIT

The undersigned, on behalf of the Berrien County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the Berrien County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated October 2, 1984


Signature of Treasurer


Signature of Witness

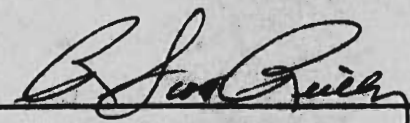
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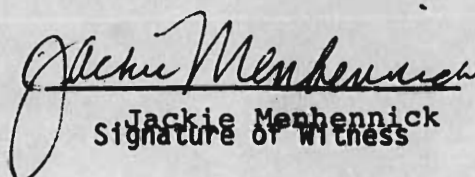
AFFIDAVIT

The undersigned, on behalf of the Marquette County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the Marquette County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated October 2, 1984


R. Scott Reilly
Signature of Treasurer


Jackie Menhennick
Signature of Witness

85040514896

Michigan Republicans

2121 E. Grand River
Lansing, MI 48912
517/487-5413

1665 First National Bldg.
Detroit, MI 48226
313/ 963-9414

October 1, 1984

Mr. Paul Reyes
Federal Election Commission
1325 K Street
Washington, DC 20463

RE: MUR1781

Dear Mr. Reyes,

I am enclosing affidavits from four (4) of the six (6) counties involved in the matter of the deposit of non-federally registered county committee contributions into our federal account. The other two (2) counties have assured me that their affidavits are on their way to me, and I will likewise forward them on to you in the next day or two.

Once again I would like to express the assurance that all of these county committees have verbally denied any acceptance of corporate or labor organization contributions.

I would be glad to furnish any other material that you request to demonstrate that the erroneously deposited county committee contributions were not in any way made up of corporate or labor organization contributions.

If you wish to contact either myself (517-487-5413) or Denzil Hammond, our treasurer (313-956-3992) regarding this matter, please feel free to do so.

Sincerely,

John Egbert
Accountant
Michigan Republican State Committee

JE/kf

Enclosures

cc: Denzil Hammond, Treasurer

SPENCER ABRAHAM
Chairman

THOMAS
Treasurer

ABRAHAM THOMAS
Treasurer

SPENCER
Treasurer

JOHN M. JUDY
Treasurer

AFFIDAVIT

The undersigned, on behalf of the Presque Isle County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organizations contributed to the Presque Isle County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated: Oct 1, 1984

J. W. Kuligowski
Signature of Treasurer

Valerie Sue Belusar
Signature of Witness

85040514898

AFFIDAVIT

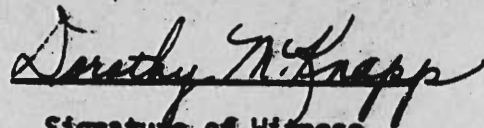
The undersigned, on behalf of the St. Joseph Republican Committee having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the St. Joseph County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated October 2, 1984



Signature of Treasurer



Signature of Witness

DOROTHY M. KNAPP
NOTARY PUBLIC, ST. JOSEPH CO., MICH.
MY COMMISSION EXPIRES AUG. 3, 1985

85040514892

AFFIDAVIT

The undersigned, on behalf of the Otsego County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the Otsego County Republican Committee.

I, The undersigned, certify that the information set forth above is true and correct.

Dated Oct. 1, 1984

Erma M. Backstrom

Signature of Treasurer

Eugene M. Pratt

Signature of Witness

85040514900

AFFIDAVIT

The undersigned, on behalf of the Manistee County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the Manistee County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated 9/29, 1984

Emory M. Wilson

Signature of Treasurer

Barbara J. Kuback

Signature of Witness

85040514901

MICHIGAN REPUBLICAN STATE COMMITTEE

2121 E. GRAND RIVER
LANSING, MICHIGAN 48912

0514902

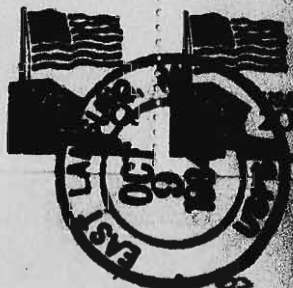
**RETURN RECEIPT
REQUESTED**

CERTIFIED

P 585 675 840

MAIL

Mr. Paul Reyes
Federal Elections Commission
1325 K Street
Washington, D. C. 20463



84 OCT 13 1988
ALL: 38

Falshel Election Comm

Ans: Mr. Kenneth A. Gross

Dear Mr. Gross,

Answers to questions to Carolyn Dimhoff
on Interrogatories

MLR 1781
Newaygo County Republicans

GCC #5047
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10/1/84
84 OCT 10 AM: 45

1. We do not specify the use of funds sent
to the State Regl. Comm.

2. N/A

3. 1983 no monies were sent to the State
Republican Comm.

4. We use a cash bookkeeping system with
all entries being recorded of our checkbook
register.

a) The main source of funds are in three
areas:

1) Fund raising dinners & receptions
(Lunch Day, Summer Picnic, etc.)
& no specific records are kept
by contribution. The tickets
are always in the \$5⁰⁰ - 12⁰⁰
range

85040514903

34 OCT 10 AM: 41

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OFFICE OF THE
GENERAL COUNSEL

2) We conduct various raffles (big
raffle at County Fair, etc.) &
no specific records are kept. The
raffle tickets have always been
\$1.00 each.

3) County Republican Membership
Program. The types of memberships
range from \$12.00 - \$300.00 per
year. All membership receipts
are recorded on the filing
forms of the Mich. Election
Comm.

85040514904

S. on March 30, 1984 we sent a \$750.00
to MRSC.

86. Cash on hand after this check was \$1,738.00

a) N/A.

I hope this meets your needs.

Norman Krown, Dewey County Regl. Treasurer
5675 W. 24
Fremont, Mich 49412

cc Mr. Graydon Dimickoff

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Michigan Republican State
Committee,
Denzil Hammond, Treasurer

)
)
)
)
)

MUR 1781

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether any contributions made by your county organization in 1984 to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the Newaygo County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Newaygo County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts are maintained, state on which account any contribution check(s) listed pursuant to interrogatory (1) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Newaygo County Republican Organization.
 - a) Identify the specific procedures used by the Newaygo County Republican Organization to monitor the receipt of contributions.

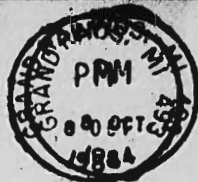
85040514905

5. State on what date and in what amount any checks for the contributions referred to in number (1) above were made out by the Newaygo County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the Newaygo County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Newaygo County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040514906



NEWAYGO COUNTY
REPUBLICAN COMMITTEE
POST OFFICE BOX 208
REMONT, MICHIGAN 49412



5040514

Fronte Election Comm
When DC 20/63

ATTN: Mr. Kenneth A. Gross

840CT10 A8:45

Otsego County Republican Committee

P.O. Box 963
Gaylord, Michigan 49735

RECEIVED AT THE FEC

GCC #4945

8/10/84 ALL: 11

September 28, 1984

Order to submit written answers

To: Federal Elections Commission
1325 K Street NW
Washington D.C. 20463

In the Matter of

Michigan Republican State Committee,
Denzil Hammond, Treasurer
MUR 1781

INTERROGATORIES

1. Our contribution of \$500.00 was intended for whoever State Central intended to give it to.
2. The only way it was communicated to the State was this was the Counties Quoto.
3. The Otsego County Republican Committee maintains one account.
4. The Otsego County Republican Committee uses the Cash method of accounting.
5. The date on the Check referred to in number(1) above was dated December 3, 1983
6. The Cash on hand in the account on which the check was written was \$ 720.60. The contributions received from this account were for un der \$20.00 . All of our contributions are from Fund Raisers or dues which run from 5.00 to 15.00.

Erma Backenstose
Erma Backenstose Treasurer
Otsego County Republican Committee

Attested:

Scott Dunn
Scott Dunn , Chairman
Otsego County Republican Committee

85040514903

34 OCT 2 P12:34

RECEIVED

RECEIVED

ERMA M. BACKENSTOSE
~~Chicago County Treasurer~~
~~City County Building~~
~~295 W. Main, Room 107~~
~~AYLEIGH, MICHIGAN 49735~~

P.O. Box 963
Gaylord, Mich 49735

8504051

Federal Elections Commission
1325 K. Street N.W.
Washington D.C. 20463



RETURN RECEIPT
REQUESTED



CERTIFIED

P17 3953681

GRAYDON W. DIMKOFF

ATTORNEY AND COUNSELOR AT LAW

(616) 924-6000

RECEIVED AT THE FEC
BCC #4888
84 SEP 28 10: 00

P. O. BOX 164, 9 EAST MAIN
PREMONT, MICHIGAN 49412

September 26, 1984

FEDERAL ELECTION COMMISSION
Washington, D.C. 20463
ATTN: Mr. Kenneth A. Gross

RE: MUR 1781
Newaygo County Republicans

Dear Mr. Gross:

Enclosed please find my Answers to Interrogatories in the above referenced matter for filing with your office.

If you have any questions, please do not hesitate to contact me. Thank you for your cooperation.

Very truly yours,

Graydon W. Dimkoff

Graydon W. Dimkoff

GWD/ln

Enc.

85040514910

14 SEP 28 10: 19

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Michigan Republican State
Committee,
Denzil Hammond, Treasurer

)
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)
)
)

MUR 1781

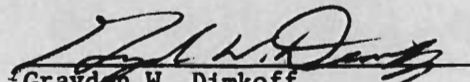
ANSWER TO INTERROGATORIES

NOW COMES GRAYDON W. DIMKOFF, and in answer to Interrogatories numbers one through six answers as follows:

1. I am not the Chairman of the Newaygo County Executive Committee, nor have I chaired the Newaygo County Executive Committee since the expiration of my term of office in December 1982, and have no specific knowledge of the questions asked.
2. The Chairman of the Newaygo County Republican Party is Mr. Stan DeKuiper, 5620 South Green, Fremont, Michigan 49412.

Dated: September 25, 1984

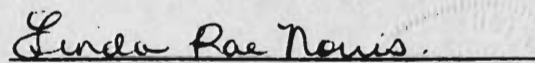
BY:


Graydon W. Dimkoff

STATE OF MICHIGAN)
COUNTY OF NEWAYGO) ss.

Subscribed and sworn to before me, a Notary Public in and for said County, on this 25th day of September, 1984.

My commission expires: 26 June 1985


Linda Rae Norris, Notary Public
Newaygo County, Michigan

85040514911

RAYDON W. DIMKOFF

ATTORNEY AND COUNSELOR AT LAW

P. O. BOX 184, S EAST MAIN

FREDRICKT. MICHIGAN 49412



FEDERAL ELECTION COMMISSION
Washington, D.C. 20463

8504051491

ATTN: Mr. Kenneth A. Gross

84SEP28 AB:

RECEIVED AT THE FEC
GCC # 4909
OCT 1 ALL: 50

September 27, 1984

Federal Election Commission
Washington, D.C. 20463

Re: The matter of MUR 1781 Michigan Republican State Committee

In response to your interrogatories -

1. The St. Joseph County Republican Committee, of which I was Treasurer in 1983-84, has solicited funds for Republican Party candidates and activities. Regarding the Michigan Republican State Committee, we were assigned an annual quota or goal as our portion of the state party effort, which quota we achieved by raising funds in various ways; at no time to my knowledge did we ever tell them what to do with the funds we donated.
2. See last sentence of (1) above.
3. In 1983, the St. Joseph County Republican Committee maintained one account only, in which it deposited all contributions received, from which it made all contributions and withdrawals.
4. In 1983, the St. Joseph County Republican Committee used the cash accounting method. Our procedures were as required to comply with Michigan law, Campaign Finance Act PA 386 of 1976 concerning receipt and dispersal of monies for political purposes; we have been filing statements under this act since its adoption in 1977.
5. The St. Joseph County Republican Committee wrote the checks referred to in your interrogatory (1) on February 21, March 18, July 5, August 22, October 22, 1983 and January 23, 1984.

	<u>Date</u>	<u>Cash on Hand</u>
6. 1.	2-21-83	1523.54
2.	3-18-83	853.54
3.	7-5-83	3037.68
4.	8-22-83	1125.18
5.	10-22-83	1093.64
6.	1-23-84	3420.26

a. Amount and source of contributions used for checks enumerated above.

#1 of 2-21-83

\$100.00	Carl Haradine
100.00	W.R. Monroe
100.00	Dennis Baker
100.00	John Kirsch
100.00	Leonard Eishen
100.00	Neubert Balk

85040514913

OCT 1 10:33

#2 of 3-18-83

\$100.00	Dale Bishop
100.00	Beverly Burnham
100.00	Harmon Cropsey
100.00	Mrs. Richard Davidson
100.00	Ray Dresser, Jr.
100.00	Dale Gray

#3 of July 12, 1983

\$1218.00	Lincoln Day Dinner Receipts
100.00	Dennis Kane
100.00	Charles Kirsch
100.00	Mason Meyer
100.00	Marilyn McManus
100.00	Audra Noecker
100.00	James O'Connell
100.00	Glenn Oxender
100.00	Jo Ellen Oster
100.00	David Stuck
100.00	Jesse Younts
100.00	Donald Reist
100.00	T.O. Monroe
100.00	Mrs. R. Reist
100.00	Newell Franks
100.00	Harry Sprecken, Jr.
82.00	Mrs. Newell Franks

#4 of August 24, 1983

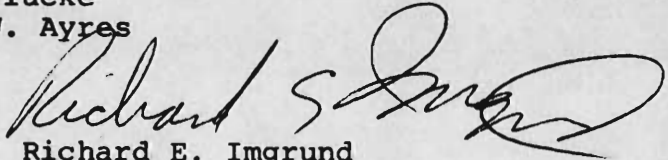
\$1000.00	Summer Thing
	A fund raiser held in the summer

#5 of October 27, 1983

\$1000.00	Summer Thing
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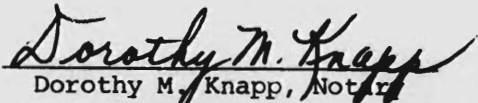
#6 of January 30, 1984

\$100.00	Robert Sayers
100.00	James Malcolm
100.00	Richard Imgrund
100.00	Daniel Cary
100.00	Robert Beals
100.00	Robert Flucke
50.00	Mrs. A.W. Ayres


Richard E. Imgrund
Treasurer
St. Joseph County
Republican Committee

Subscribed and sworn to before me September 27th, 1984 as true.

DOROTHY M. KNAPP
NOTARY PUBLIC, ST. JOSEPH CO., MICH.
MY COMMISSION EXPIRES AUG. 3, 1985.


Dorothy M. Knapp, Notary
St. Joseph County,

85040514914

Imgrund
E. Hoffman
e Rivers, Mi.49093

5040514915

Federal Election Commission
Washington, DC 20463

RECEIVED AT 11:57
84 OCT 11 AM 11:57
Thomas H. Caffery




RECEIVED AT THE FEC
GCC #SD60
OCT 3 1984

**BERRIEN COUNTY
REPUBLICAN COMMITTEE**

804 MAIN

ST. JOSEPH, MICHIGAN 49085

Phone: 985-6303

October 2, 1984

Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D. C. 20463

RE: MUR 1781

Dear Mr. Gross:

Upon receiving your letter from Ms. Charlotte Wenham, to whom the letter was sent, I have carefully prepared answers to the interrogatories. Enclosed you will find the responses and copies of correspondence.

Sincerely,

Virginia Antonson

Virginia Antonson, Chairman
Berrien County Republicans

VA/sc

Enclosures
Responses
Correspondence Copies

85040514916

In the Matter of
Michigan Republican State
Committee

MUR 1781

RESPONSES TO INTERROGATORIES

Virginia Antonson, Chairman of the Berrien County Republican Party, being duly sworn, responds in answer to interrogatories addressed to her in her official capacity as follows:

1. The contributions referred to in question number one, with the exception of the April 19, 1983 \$50 contribution, were contributions made pursuant to the Michigan Republican State Committee's quota system. Designation of the uses of the contributions was not addressed. However, the Berrien County Republican Party is a State registered Political Committee only. The April 19, 1983 \$50 contribution was for the purchase of a ticket to a Champaign Reception held to meet Elizabeth Dole on April 13, 1983.
2. The intention of the contributions by the Berrien County Republican Party was communicated through written correspondence. Copies of the cover letters accompanying all the \$650 contributions are enclosed.
3. No, the Berrien County Republican Party is a State registered Committee only.
4. Upon information and belief, we use the accrual method of accounting.
 - a. All membership contributions are received by the headquarters office, entered in a journal ledger, recorded on ledger cards, and receipts issued to contributors.

All fundraiser contributions over \$20 are entered in a journal ledger and recorded on a ledger card.

5.

January 3, 1983	-	December 28, 1982
March 14, 1983	-	March 9, 1983
April 19, 1983	-	April 9, 1983
June 17, 1983	-	June 16, 1983
August 28, 1983	-	August 22, 1983
January 6, 1984	-	January 4, 1984
March 14, 1984	-	March 12, 1984

6.

Date	Cash on Hand
December 28, 1982	\$ 1,420.98
March 9, 1983	7,955.88
April 9, 1983	2,819.01
June 16, 1983	1,944.52
August 22, 1983	2,225.09
January 4, 1984	1,502.75
March 12, 1984	11,188.93

85040514917

6a). December 28, 1982

\$138.45	Fourth District Rebate
\$ 90.00	Membership
	\$ 30.00 - Mr. & Mrs. Wendell Evans
	\$ 30.00 - Mr. & Mrs. Elmer Greening
	\$ 30.00 - Mr. & Mrs. Tim Neal
\$ 20.00	Donation from Berrien County Republican Women's Club
\$230.00	Membership
	\$ 30.00 - Mr. & Mrs. Harold Mosler
	\$100.00 - Mrs. Priscilla Byrns
	\$100.00 - Mr. & Mrs. Maurice Rushlow
\$ 30.00	Membership - Mr. Richard Miller
\$ 60.00	Membership
	\$ 30.00 - Mr. & Mrs. Lowell Bruce
	\$ 30.00 Mr. Willis Brock
\$ 48.00	Fundraiser contributions in the amount of \$8 each
\$ 50.00	Transfer from savings

March 9, 1983

\$690.00	Membership
	\$300.00 - Mr. John Globensky
	\$300.00 - Mr. & Mrs. William P. Moomaw
	\$ 30.00 - Mr. & Mrs. Robert Klug
	\$ 30.00 - Mr. & Mrs. George Behner
	\$ 30.00 - Mrs. Marian Rutz

April 9, 1983

\$ 60.00	Fundraiser contributions in the amount of \$15 each
----------	---

June 16, 1983

\$ 80.00	Fundraiser contributions in the amount of \$10 each
\$ 30.00	Membership - Congressman Mark Siljander
\$190.00	Membership
	\$100.00 - Mr. & Mrs. Dave Upton
	\$ 30.00 - Mr. & Mrs. William Morgan
	\$ 30.00 - Miss Diana Hafer
	\$ 30.00 - Mr. & Mrs. Ed Kretchman
\$ 20.00	Fundraiser contributions in the amount of \$10 each
\$ 30.00	Fundraiser contributions in the amount of \$15 each
\$120.00	Membership
	\$ 30.00 - Mr. Fred Upton
	\$ 30.00 - Mr. & Mrs. Harry Parrett
	\$ 30.00 - Mr. William Lint
	\$ 30.00 - Dr. & Mrs. Jon Schuster

85040514918

6a). June 16, 1983 (cont'd)

\$130.00 Membership
 \$100.00 - Mr. Barclay Johnson
 \$ 30.00 - Mr. & Mrs. Arnold Luther
 \$ 30.00 - Mr. & Mrs. Lee Auble
 \$ 30.00 - Mr. & Mrs. Ron Ravitch

August 22, 1983

\$ 20.00 Fundraiser contributions in the amount of \$20 each
 \$250.00 Membership
 \$100.00 - Mr. & Mrs. Allen DePriest
 \$ 30.00 - Mr. & Mrs. Frank Lahr
 \$ 30.00 - Mr. & Mrs. Chester Jollay, Jr.
 \$ 30.00 - Mr. & Mrs. William Johnson
 \$ 30.00 - Mr. & Mrs. Allen Westmaas
 \$ 30.00 - Mr. & Mrs. James Tiscornia
 \$ 90.00 Membership
 \$ 30.00 - Mr. & Mrs. Don Jewell
 \$ 30.00 - Mr. & Mrs. Don Humphrey
 \$ 30.00 - Mr. & Mrs. Don Schultz
 \$ 50.00 Fundraiser contributions in the amount of \$10 each
 \$210.00 Membership
 \$ 30.00 - Mr. & Mrs. Dennis Scheer
 \$ 30.00 - Mr. & Mrs. Roger Curry
 \$ 30.00 - Mrs. Nancy Taylor
 \$ 30.00 - Mr. & Mrs. Gerald Youdell
 \$ 30.00 - Mr. & Mrs. Al Rottmann
 \$ 30.00 - Mr. & Mrs. Joseph Pater
 \$ 30.00 - Charles Greenleaf, Jr.
 \$ 30.00 Fundraiser contribution in the amount of \$10 each

January 4, 1984

\$650.00 Membership
 \$ 30.00 - Mr. & Mrs. Elmer Cauffman
 \$100.00 - Mr. Jim Hinkle
 \$ 30.00 - Mr. & Mrs. Ed Eaman
 \$ 30.00 - Mr. Al Dexel
 \$100.00 - Mr. & Mrs. Mike Jones
 \$ 30.00 - Mr. & Mrs. Fred Jung
 \$100.00 - Mr. & Mrs. Hank Kesterke
 \$100.00 - Mrs. Priscilla Byrns
 \$100.00 - Mr. & Mrs. William Heyn
 \$100.00 - Mr. & Mrs. Don Clark

85040514919

6a). March 9, 1984

\$ 75.00	Fundraiser contributions in the amount of \$15 each
\$ 55.96	Collection to cover Executive Meeting refreshments @ \$1.50ea.
\$180.00	Membership
\$ 30.00	- Mrs. Lillian Jespersen
\$ 30.00	- Mr. & Mrs. Gene White
\$ 30.00	- Dr. & Mrs. Dean Asselin
\$ 30.00	- Mr. & Mrs. Peter Johnson
\$ 30.00	- Mrs. Helen Kirchoff
\$ 30.00	- Mr. & Mrs. Harry Siedelberg
\$150.00	Fundraiser contributions in the amount of \$15 each
\$210.00	Membership
\$ 30.00	- Mr. & Mrs. Ronald Casto
\$ 30.00	- Mr. Michael Horan
\$ 30.00	- Mr. James Horan
\$ 30.00	- Mr. Tim Horan
\$ 30.00	- Mr. & Mrs. Jack Hart
\$ 30.00	- Mr. & Mrs. Ron Ravitch
\$ 30.00	- Mrs. Marian Rutz

Virginia Antonson
Virginia Antonson, Chairman
Berrien County Republican Party

Subscribed and sworn before me, a
Notary Public on October 2, 1984

Carol Stockman
Carol Stockman
Notary Public Berrien Co. Mich.
Expiration Date May 21, 1986

85040514920

TO: Spence Abraham, State Chairman
FROM: Virginia Antonson, Berrien County GOP Chairman
RE: Berrien County Cash Quota Contribution
DATE: March 12, 1984

We are enclosing a check in the amount of \$650.00 which
is one-fourth of Berrien County's budgeted portion of the
1984 County Cash Quota Contribution.

se

Encl.

85040514921

85040514922

TO: Spence Abraham, State Chairman
FROM: Virginia Antonson, Berrien County GOP Chairman
RE: Berrien County Cash Quota Contribution
DATE: January 4, 1984

Enclosed is a check in the amount of \$650.00 which is our fourth quarter payment for 1983. We are happy that we could complete our 1983 budgeted cash quota contribution.

August 22, 1983

Mr. William H. Gnodtke
Finance Director
Michigan Republicans
223 North Walnut Street
Lansing, Michigan 48933

Dear Bill:

Thanks for your letter of July 22nd in updating us on your progress in paying the State Republican debts. Our congratulations on your progress to date.

Berrien County has budgeted \$2600 for 1983 to be sent in quarterly payments which you can count on. Enclosed is our third quarter payment of \$650.00. We are glad we can help you out by sending our quarterly payment early.

Keep up the good work.

Sincerely yours,

Roger H. Curry
Budget Director
Berrien County GOP

Encl.

85040514923

TO: Spence Abraham, State Chairman
FROM: Virginia Antonson, Berrien County GOP Chairman
RE: Berrien County 2nd Quarter Cash Quota Contribution
DATE: June 16, 1983

Enclosed is a check in the amount of \$650.00 which is
the second quarter payment of the 1983 budgeted cash
quota contribution.

sc

Encl.

85040514924

TO: Spence Abraham, State Chairman

FROM: Virginia Antonson, Berrien County GOP Chairman

RE: Berrien County Cash Quota Contribution

DATE: March 9, 1983

We are pleased to enclose a check in the amount of \$650.00 which is one-fourth of Berrien County's budgeted portion of the 1983 County Cash Quota Contribution.

sc

Encl.

85040514925

December 28, 1982

TO: Mel Larsen, State Chairman
FROM: Virginia Antonsen, Berrien County GOP Chairman
RE: Berrien County Cash Quota Contribution

Enclosed is a check in the amount of \$650.00, the final payment for 1982 of Berrien County's Budgeted Cash Quota Contribution.

sc

Enclosure

85040514926

BERRIEN COUNTY
PUBLICAN COMMITTEE

2214 South State Street
St. Joseph, Michigan 49085



RETURN RECEIPT
REQUESTED

CERTIFIED

O P 747 268 276

MAIL

Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D. C. 20463



RECEIVED AT THE FEC
GCC#5062
04 OCT 84 05:11

Michigan Republicans

2121 E. Grand River
Lansing, MI 48912
517/487-5413

1665 First National Bldg.
Detroit, MI 48226
313/ 963-9414

October 1, 1984

Mr. Paul Reyes
Federal Election Commission
1325 K Street
Washington, DC 20463

RE: MUR1781

Dear Mr. Reyes,

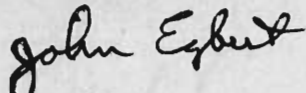
I am enclosing affidavits from four (4) of the six (6) counties involved in the matter of the deposit of non-federally registered county committee contributions into our federal account. The other two (2) counties have assured me that their affidavits are on their way to me, and I will likewise forward them on to you in the next day or two.

Once again I would like to express the assurance that all of these county committees have verbally denied any acceptance of corporate or labor organization contributions.

I would be glad to furnish any other material that you request to demonstrate that the erroneously deposited county committee contributions were not in any way made up of corporate or labor organization contributions.

If you wish to contact either myself (517-487-5413) or Denzil Hammond, our treasurer (313-956-3992) regarding this matter, please feel free to do so.

Sincerely,



John Egbert
Accountant
Michigan Republican State Committee

JE/kf

Enclosures

cc: Denzil Hammond, Treasurer

85040514928

E. SPENCER ABRAHAM
Chairman

FRANK D. STELLA
Finance Chairman

LARRAIN THOMAS
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M. GUZIK
Third Vice-Chair

JERRY KAMINSKI
Fourth Vice-Chair

MARIE WENTELA
Fifth Vice-Chair

JANE C. GARCIA
Sixth Vice Chair

AFFIDAVIT

The undersigned, on behalf of the Presque Isle County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organizations contributed to the Presque Isle County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated Oct 1, 1984

J. W. Kuehling
Signature of Treasurer

Valerie Sue Belissar
Signature of Witness

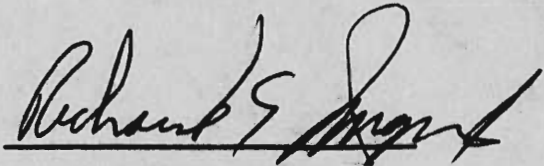
85040514929

AFFIDAVIT

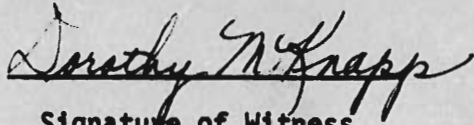
The undersigned, on behalf of the St. Joseph Republican Committee having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the St. Joseph County Republican Committee.

I, the undersigned, certify that the information set forth above is true and correct.

Dated October 2, 1984



Signature of Treasurer



Signature of Witness

DOROTHY M. KNAPP
NOTARY PUBLIC, ST. JOSEPH CO., MICH.
MY COMMISSION EXPIRES AUG. 3, 1985

85040514930

AFFIDAVIT

The undersigned, on behalf of the Otsego County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the Otsego County Republican Committee.

I, The undersigned, certify that the information set forth above is true and correct.

Dated October 4, 1984

Erma M. Backenstue

Signature of Treasurer

Evelyn M. Pratt

Signature of Witness

85040514931

AFFIDAVIT

The undersigned, on behalf of the Manistee County Republican Committee, having made (a) contribution(s) to the Michigan Republican State Committee, certifies that no corporate or labor organization contributed to the Manistee County Republican Committee.

I, The undersigned, certify that the information set forth above is true and correct.

Dated 9/29, 1984

Emory M. Wilson

Signature of Treasurer

Barbara J. Kuband

Signature of Witness

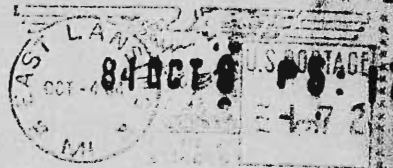
85040514932

Michigan Republicans 4 9 3 3

2121 E. Grand River • Lansing, MI 48912

JE

Mr. Paul Reyes
Federal Election Commission
1325 K Street
Washington, DC 20463



RETURN RECEIPT
REQUESTED
CERTIFIED

P 585 674 857

MAIL

RECEIVED AT THE FEC
GCC # 4927
04 OCT 4 AM: 00

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

14 OCT 4 P12:59

ANSWERS TO INTERROGATORIES

As Chairman of the Marquette County Republican Party, the following are Answers to Interrogatories in the above captioned matter:

1. The \$250.00 contribution to "MRSC" was not intended for use in connection with Federal or State elections. It was a contribution to MRSC to be used by the State Committee in any way it believed necessary or desirable.

2. The contribution was accompanied by a cover letter, dated December 18, 1983. The letter was written by me, as Chairman of the Marquette County Republican Party, and was consistent with a motion passed by the local party organization at its meeting on December 5, 1983. (See Item 4, minutes, attached.)

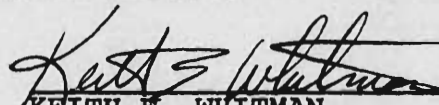
3. No.

4. Ledger and checkbook register.

5. December 12, 1983.

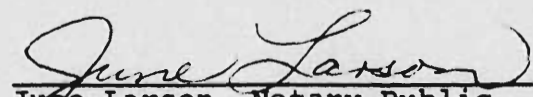
6. On the date this check was drawn, we had a balance in our account of \$558.68.

a) I do not know how to answer this question. You are welcome to review our checkbook register.



KEITH E. WHITMAN
Chairman
MARQUETTE COUNTY REPUBLICAN PARTY

Subscribed and sworn to before me this 1st day of October, 1984.



June Larson, Notary Public
Marquette County, Michigan.
My commission expires: 2/5/86.

85040514934

MARQUETTE COUNTY REPUBLICAN PARTY

DECEMBER 5, 1983

The Marquette County Republican Committee meeting was called to order by Chairperson Keith Whitman on the above date at 7:10 p.m. at the Ramada Inn, Marquette, Michigan.

Members present were: Keith Whitman Janet Ramseth, Judy Jason, Bob Hanson, Bob Davis, Sun Davis, Patty Nemacheck, Fred Sabin, Blane and Teresa Hoffman, Dennis Mapes, Steve DeLong, Bill Lyons and Scott Reilly.

A motion was made by S. Reilly and seconded by J. Jason to accept the secretaries minutes to the last meeting. Motion carried.

The Treasurers report was presented and accepted, following a brief discussion.

THE FOLLOWING OLD BUSINESS WAS DISCUSSED:

- #1 A report of the Fall Fundraiser showed an approximate profit of \$465. Ticket sales vs. invitations was discussed. Bob Davis, Jr. indicated on a state wide basis that there experience is 30% more success with tickets than invitations.
- #2 We are still looking for a Senior Citizens Chairperson.
- #3 Chairperson Whitman reported that the phone answering machine is working well and well used. The number is listed under Political Organization in the yellow pages and also in the white pages.
- #4 The quota due State Central is \$500. The membership list will not be released by State Central unless money is received from the county. Discussion followed as to whether to pay the money, or how much to pay of the amount requested. Bill Lyons moved that we make out quota \$250 and pay this amount. Blane Hoffman seconded. Motion carried with P. Nemacheck opposed. Bob Davis, Jr. will contact State Central Finance Chairman to negotiate this lesser amount and get the membership list released.
- #5 S. DeLong reported on youth activities. They tried to get into the high schools without much success. Sabin suggested Bob Davis go to N.M.U. to do a program at one of their meetings.

85040514935

Quetta County Republican Party
101 Savings Bank Building
Marquette, Michigan 49855



Federal Election Commission
Washington, D.C. 20463

84 OCT 4
12:11:21

RECEIVED AT THE FEC

8504051493

RECEIVED AT THE FEC
BCC #4937
64 OCT 1 AM: 11

mwr 1781

3612 Lakeshore Drive
St. Joseph, MI 49085
September 25, 1984

RECEIVED
GENERAL COUNSEL
34 OCT 1 3:02

Miss Virginia Antonson
Chairman
Berrien County Republican Committee
2214 South State Street
St. Joseph, MI 49085

Dear Miss Antonson:

Please note the enclosed letter which I received on September 24, 1984.

I am forwarding it to you as the period in question is within the period of your chairmanship. My term expired when yours began in December of 1982.

I have been in contact with Mr. Paul Reyes at the Office of General Counsel of the FEC to notify him that the letter would be forwarded to you. Please telephone him at 202/523-4000 upon receipt of this letter.

Should you have any questions or if I can be of help to you in this matter, please feel free to call.

Sincerely,

Charlotte Wenham

Charlotte Wenham

et

cc: Paul Reyes

85040514937

Charlotte Wenham
Lakeshore Drive
Joseph, MI 49085



Office of General Counsel
FEC
1325 K Street NW
Washington, DC 20463

84 OCT 1 4:11

THE FEC

5040514938
Attention: Paul Reyes

Michigan Republicans

RECEIVED AT THE FEC
GCC# 4914
04 OCT 1 AM: 10

2121 E. Grand River
Lansing, MI 48912
517/487-5413

1885 First National Bldg.
Detroit, MI 48226
313/ 963-9414

September 25, 1984

Federal Elections Commission
1325 K Street, N.W.
Washington, D. C. 20463
ATTN: Paul Reyes

Dear Sir,

I received your letter (MUR 1781) on Monday September 24, 1984.

I am writing to notify you that I am gathering the necessary information to demonstrate that no action should be taken against our committee and Treasurer.

I have contacted all of the county committees involved and have been assured that they have not accepted any corporate donations, labor union donations, or donations from foreign nationals.

If you have any comments regarding this matter that you feel may assist me I would very much appreciate it, also if there are any further steps that we should take above contacting the county committees and getting their assurance that their contributions to us were not made up of prohibited donations.

Sincerely,

John
John Egbert
Accountant

E. SPENCER ABRAHAM
Chairman

FRANK D. STELLA
Finance Chairman

LARRAIN THOMAS
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M. GUZIK
Third Vice-Chair

JERRY KAMINSKI
Fourth Vice-Chair

MARIE WENTELA
Fifth Vice-Chair

JANE C. GARCIA
Sixth Vice Chair

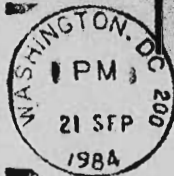
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Label Business
Pay for Private Use \$300

5040514940

RETURNED
TO
SENDER
REASON:
Unclaim.
Attem.
Insuffic..
No such street number
No such office in state
Do not remain in this envelope

Lee MacGregor, County Chair
Manistee County Republicans
376 Second Street
Manistee, Michigan 49660



SM
The United States
Postage and Fees Paid
Federal Election Commission

RWD.
EXP.

2121 E. Grand River • Lansing, MI 48912

85040514941

Federal Elections Commission
1325 K. Street
Washington, D.C. 20463
ATTN: Paul Reyes



84 OCT 1, 11:16

THE FEC

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

517-487-5413

MEMORANDUM TO: *P. Regus* BS

FROM: Barbara A. Johnson PR
Docket Clerk

SUBJECT: Returned Letters ..

DATE: 9/27/84

The following letter MUR/771 was returned. Please write a memo to the file and advise on what to do. If you wish to resend the letter, please have the envelope(s) and green card(s) made.

Thanks:

Jack Nederveld, County Chair
manist for County Republicans
323 River Street

POB 638

manist 49660.

616-723-6211

85040514942

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) RAD REFERRAL NO. 84L-18
Committee, et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session of
September 11, 1984, do hereby certify that the Commission
took the following actions in the above-captioned matter:

1. Decided by a vote of 6-0 to open a MUR.
2. Decided by a vote of 6-0 to find reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b by accepting and using contributions from accounts containing prohibited labor organization funds and violated 11 C.F.R. § 102.5.
3. Decided by a vote of 6-0 to take no action at this time with respect to finding reason to believe against the seven county organizations named in recommendation number 3 of the General Counsel's August 28, 1984 report, but direct the staff to send interrogatories to these organizations.

(Continued)

85040514943

4. Decided by a vote of 6-0 to

- a) Find no reason to believe that the St. Joseph County Republicans and the Berrien County Republicans violated 2 U.S.C. §§ 433 and 434 by failing to register as political committees and file reports of receipts and disbursements.
- b) Find no reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 433(b)(2) by failing to disclose the St. Joseph County Republicans and the Berrien County Republicans as affiliated committees.
- c) Approve and send the letters and General Counsel's factual and legal analysis as recommended in the General Counsel's August 28, 1984, report, subject to their amendment pursuant to the actions taken in the meeting.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for each of the decisions.

Attest:

9-11-84

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

85040514944

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) RAD REFERRAL NO. 84L-18
Committee, et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of September 11, 1984, do hereby certify that the Commission took the following actions in the above-captioned matter:

1. Decided by a vote of 6-0 to open a MUR.
2. Decided by a vote of 6-0 to find reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b by accepting and using contributions from accounts containing prohibited labor organization funds and violated 11 C.F.R. § 102.5.
3. Decided by a vote of 6-0 to take no action at this time with respect to finding reason to believe against the seven county organizations named in recommendation number 3 of the General Counsel's August 28, 1984 report, but direct the staff to send interrogatories to these organizations.

(Continued)

85040514945

4. Decided by a vote of 6-0 to

- a) Find no reason to believe that the St. Joseph County Republicans and the Berrien County Republicans violated 2 U.S.C. §§ 433 and 434 by failing to register as political committees and file reports of receipts and disbursements.
- b) Find no reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 433(b)(2) by failing to disclose the St. Joseph County Republicans and the Berrien County Republicans as affiliated committees.
- c) Approve and send the letters and General Counsel's factual and legal analysis as recommended in the General Counsel's August 28, 1984, report, subject to their amendment pursuant to the actions taken in the meeting.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for each of the decisions.

Attest:

9-11-84

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

85040514946



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM *JCR*

DATE: SEPTEMBER 20, 1984

SUBJECT: MUR 1781 - Orders

The attached orders, which were Commission approved on September 11, 1984 by a vote of 6-0, have been signed and sealed this date.

85040514947

Attachments:
Orders (7)



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Mr. Graydon Dimkoff, County Chair
Newaygo County Republicans
9 East Main
Fremont, Michigan 49412

RE: MUR 1781
Newaygo County Republicans

Dear Mr. Dimkoff:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

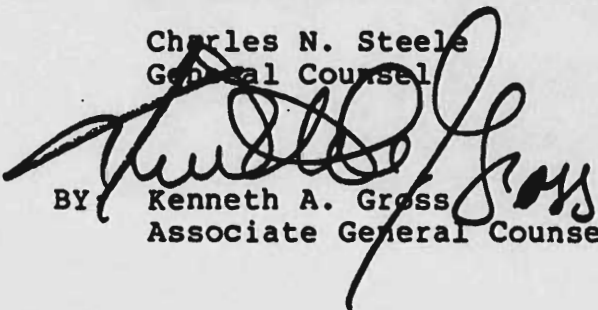
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514943

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Graydon Dimkoff
County Chair, Newaygo County Republicans
9 East Main
Fremont, Michigan 49412

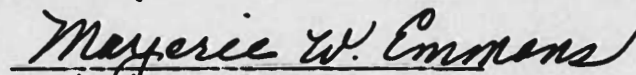
Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 20th day of Sept. , 1984.


Lee Ann Elliott

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514949

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether any contributions made by your county organization in 1984 to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the Newaygo County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Newaygo County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts are maintained, state on which account any contribution check(s) listed pursuant to interrogatory (1) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Newaygo County Republican Organization.
 - a) Identify the specific procedures used by the Newaygo County Republican Organization to monitor the receipt of contributions.

85040514950

5. State on what date and in what amount any checks for the contributions referred to in number (1) above were made out by the Newaygo County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the Newaygo County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Newaygo County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040514951



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Mr. R. Wally Peltz, County Chair
Presque Isle County Republicans
P.O. Box 215, 451 Road
Rogers City, Michigan 49779

RE: MUR 1781
Presque Isle County Republicans

Dear Mr. Peltz:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

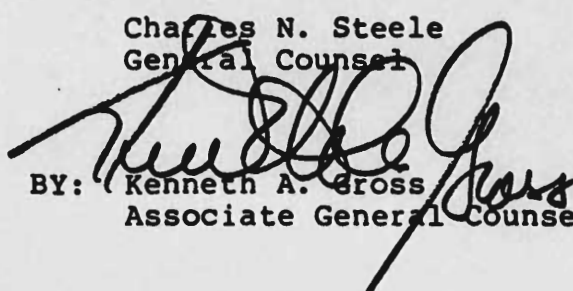
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514952

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. R. Wally Peltz
County Chair, Presque Isle County Republicans
P.O. Box 215, 451 Road
Rogers City, Michigan 49779

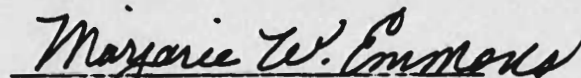
Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this *20th* day of *Sept.*, 1984.


Lee Ann Elliott

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514953

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

MUR 1781

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 31, 1983, contribution of \$300.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Presque Isle County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Presque Isle County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Presque Isle County Republican Organization.
 - a) Identify the specific procedures used by the Presque Isle County Republican Organization to monitor the receipt of contributions.

85040514954

5. State on what date the check for the contribution referred to in number (1) above was made out by the Presque Isle County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Presque Isle County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Presque Isle County Republican Organization on the date that the contribution in number (1) above was issued.

85040514955



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Mr. Gordon Doule, County Chair
Otsego County Republicans
Route #1, Box 160
Gaylord, Michigan 49735

RE: MUR 1781
Otsego County Republicans

Dear Mr. Doule:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

850405149556

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Gordon Doule
County Chair, Otsego County Republicans
Route 1, Box 160
Gaylord, Michigan 49735

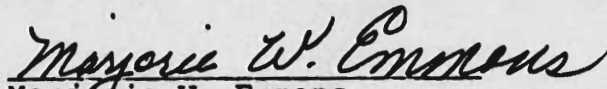
Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 20th day of Sept. , 1984.


Lee Ann Elliott

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514957

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

MUR 1781

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 8, 1983, contribution of \$500.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Otsego County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Otsego County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Otsego County Republican Organization.
 - a) Identify the specific procedures used by the Otsego County Republican Organization to monitor the receipt of contributions.

85040514958

5. State on what date the check for the contribution referred to in number (1) above was made out by the Otsego County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Otsego County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Otsego County Republican Organization on the date that the contribution in number (1) above was issued.

85040514959



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Mr. Lee MacGregor, County Chair
Manistee County Republicans
376 Second Street
Manistee, Michigan 49660

RE: MUR 1781
Manistee County Republicans

Dear Mr. MacGregor:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

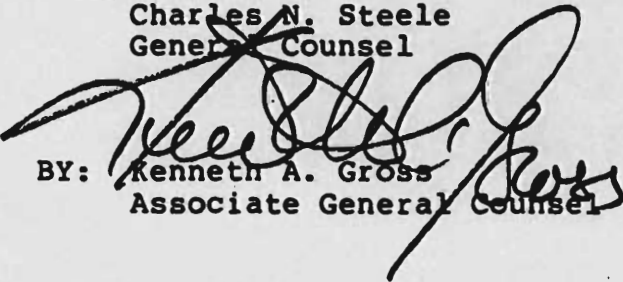
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Associate General Counsel

Enclosures
Order
Questions

85040514960

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Lee McGregor
County Chair, Manistee County Republicans
376 Second Street
Manistee, Michigan 49660

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this *20th* day of *Sept.*, 1984.

Lee Ann Elliott
Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514961

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the September 27, 1983, contribution of \$200.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Manistee County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__, etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Manistee County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Manistee County Republican Organization.
 - a) Identify the specific procedures used by the Manistee County Republican Organization to monitor the receipt of contributions.

85040514962

5. State on what date the check for the contribution referred to in number (1) above was made out by the Manistee County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Manistee County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Manistee County Republican Organization on the date that the contribution in number (1) above was issued.

85040514963



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Ms. Peggy Frazier, County Chair
Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

RE: MUR 1781
Marquette County Republicans

Dear Ms. Frazier:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

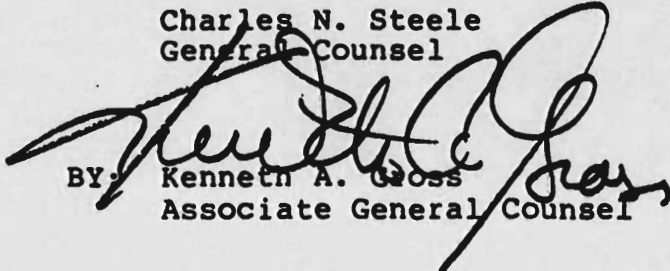
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514964

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ms. Peggy Frazier
County Chair, Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this *20th* day of *Sept.*, 1984.

Lee Ann Elliott
Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514965

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

MUR 1781

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 22, 1983, contribution of \$250.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Marquette County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__, etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Marquette County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Marquette County Republican Organization.
 - a) Identify the specific procedures used by the Marquette County Republican Organization to monitor the receipt of contributions.

85040514966

5. State on what date the check for the contribution referred to in number (1) above was made out by the Marquette County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Marquette County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Marquette County Republican Organization on the date that the contribution in number (1) above was issued.

85040514967



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 21, 1984

Ms. Charlotte Wenham, County Chair
Berrien County Republicans
3612 Lakeshore Drive
St. Joseph, Michigan 49085

RE: MUR 1781
Berrien County Republicans

Dear Ms. Wenham:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

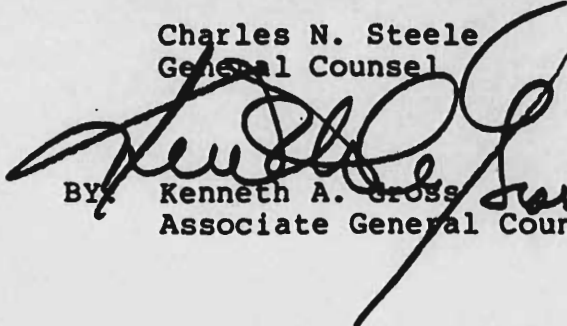
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514968

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Densil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ms. Charlotte Wenham
County Chair, Berrien County Republicans
3612 Lakeshore Drive
St. Joseph, Michigan 49085

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this *20th* day of *Sept*, 1984.

Lee Ann Elliott
Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514969

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the January 3, March 14, April 19, June 17, August 28, 1983, and January 6, March 14, 1984, contributions of \$650, \$650, \$50, \$650, \$650, and \$650, \$650, to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the Berrien County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Berrien County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check(s) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Berrien County Republican Organization.
 - a) Identify the specific procedures used by the Berrien County Republican Organization to monitor the receipt of contributions.

85040514970

5. State on what date the checks for the contributions referred to in number (1) above were made out by the Berrien County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the Berrien County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Berrien County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040514971



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Mr. Richard Imgrund, County Chair
St. Joseph County Republicans
501 East Hoffman
Three Rivers, Michigan 49093

RE: MUR 1781
St. Joseph County Republicans

Dear Mr. Imgrund:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

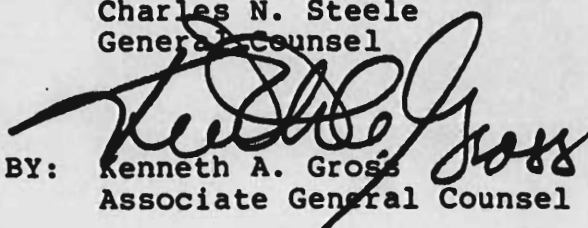
Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514972

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Richard Imgrund
County Chair, St. Joseph County Republicans
501 East Hoffman
Three Rivers, Michigan 49093

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this *20th* day of *Sept.*, 1984.

Lee Ann Elliott
Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514973

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the February 23, March 21, July 12, August 24, October 27, 1983, and January 30, 1984, contributions of \$600, \$600, \$2,800, \$1,000, \$1,000, and \$650, to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the St. Joseph County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the St. Joseph County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check(s) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the St. Joseph County Republican Organization in 1983.
 - a) Identify the specific procedures used by the St. Joseph County Republican Organization to monitor the receipt of contributions.

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5. State on what date the checks for the contributions referred to in number (1) above were made out by the St. Joseph County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the St. Joseph County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the St. Joseph County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040514975



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1984

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 East Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee, Denzil L. Hammond,
Treasurer

Dear Mr. Hammond:

On September 11, 1984, the Federal Election Commission determined that there is reason to believe the Michigan Republican State Committee and you, as treasurer, violated 2 U.S.C. § 441b, and 11 C.F.R. § 102.5, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and the Code of Federal Regulations, respectively. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

85040514976

Denzil L. Hammond, Treasurer
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,



Lee Ann Elliott
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040514977

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1781

RESPONDENT Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

SUMMARY OF ALLEGATIONS

The Michigan Republican State Commiteee ("MRSC") violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5 by accepting contributions prohibited by the Federal Election Campaign Act of 1971, as amended ("the Act"), and by failing to explain whether contributions it received from certain county party organizations were obtained from permissible sources under the Act.

FACTUAL BASIS AND LEGAL ANALYSIS

The MRSC reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

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A Second Notice was sent on April 5, 1984, for failure to respond to the original RFAIs.

The Reports Analysis Division ("RAD") analyst telephoned the MRSC on May 16, 1984, to ask why MRSC had failed to respond. The treasurer was not in the office, so the RAD analyst spoke with Karen Ferry, an MRSC representative. Ms. Ferry stated that the MRSC had completed its amendments, and she thought that they had been mailed. Ms. Ferry said that she would speak with John Egbert, the MRSC's accountant, to find out why the Commission had not received the amendments. Mr. Egbert would then contact the RAD analyst.

Mr. Egbert telephoned the RAD analyst on May 16, 1984. He apologized for not responding to the RFAIs, but offered no explanation for the MRSC's tardiness. Mr. Egbert also expressed some concern over the possible sanctions to be levied by the Commission. The RAD analyst stated that although MRSC's violation was serious, the matter of civil penalties was not being discussed at this point. Mr. Egbert was advised to file his response immediately.

The MRSC responded in writing on May 23, 1984, by noting that contributions totalling \$9,900 from six (6) county organizations had been transferred to the MRSC state account on May 1 and 17, 1984.

Because the MRSC response did not indicate whether any contributions prohibited under the Act had been received from the county organizations, the RAD analyst telephoned the MRSC on June 1, 1984. Ms. Ferry asked that the question on the

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permissibility of funds be made in writing. The RAD analyst explained that this information had been requested in the RFAIs, referenced the appropriate section of each letter, and agreed to send MRSC copies of the original RFAIs. Ms. Ferry stated that she would respond as soon as possible. A duty to supply such an explanation is imposed on the contributor and recipient in this situation by section 102.5 of Title 11, Code of Federal Regulations. Advisory Opinion 1982-38 makes it clear that this duty is imposed because section 441b of Title 2, United States Code, broadly prohibits contributions or expenditures in connection with federal elections by corporations and labor organizations.

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section

85040514980

102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provide a way for the Commission to treat comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions.^{1/} The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."^{2/}

^{1/} Directive 19-Revised also provides that an unregistered organization which became a "political committee" by virtue of its contributions or expenditures may request the recipient committee to transfer the excessive amount to a non-federal account and obviate any registration or reporting requirements for the unregistered entity. Thus, since the MRSC has transferred out the contributions which might have triggered a registration and reporting requirement for the St. Joseph and Berrien County Committees that issue is moot (as is any question of affiliation between the MRSC and these two).

^{2/} The MRSC also explained that the contributions from the St. Joseph County Republicans and the Berrien County Republicans had been transferred to the MRSC's State account but gave no explanation concerning the source of the funds..

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

The MRSC has, however, essentially followed the requirements of Directive 19-Revised by transferring the county funds to a state account. This lesser standard, embodied in 11 C.F.R. § 102.5(b), for non-political committees, is particularly appropriate in this matter as well because this Office believes that the RAD RFAIs may have led the MRSC to believe that 11 C.F.R. § 102.5(a) did not apply. The RFAIs repeatedly speak only of the lesser standard while providing the "transfer-out" advice required by FEC Directive 19-Revised. Thus, this Office recommends that the Commission find reason to believe that the Michigan Republican State Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5.

8504051493



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

PRP
9/19/84
8:17

Mr. Richard Imgrund, County Chair
St. Joseph County Republicans
501 East Hoffman
Three Rivers, Michigan 49093

RE: MUR 1781
St. Joseph County Republicans

Dear Mr. Imgrund:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514983

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Richard Imgrund
County Chair, St. Joseph County Republicans
501 East Hoffman
Three Rivers, Michigan 49093

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514984

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the February 23, March 21, July 12, August 24, October 27, 1983, and January 30, 1984, contributions of \$600, \$600, \$2,800, \$1,000, \$1,000, and \$650, to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the St. Joseph County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the St. Joseph County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check(s) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the St. Joseph County Republican Organization in 1983.
 - a) Identify the specific procedures used by the St. Joseph County Republican Organization to monitor the receipt of contributions.

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5. State on what date the checks for the contributions referred to in number (1) above were made out by the St. Joseph County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the St. Joseph County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the St. Joseph County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040514988



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

9/19/84
5:17

Ms. Charlotte Wenham, County Chair
Berrien County Republicans
3612 Lakeshore Drive
St. Joseph, Michigan 49085

RE: MUR 1781
Berrien County Republicans

Dear Ms. Wenham:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514987

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ms. Charlotte Wenham
County Chair, Berrien County Republicans
3612 Lakeshore Drive
St. Joseph, Michigan 49085

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514983

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the January 3, March 14, April 19, June 17, August 28, 1983, and January 6, March 14, 1984, contributions of \$650, \$650, \$50, \$650, \$650, and \$650, to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the Berrien County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Berrien County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check(s) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Berrien County Republican Organization.
 - a) Identify the specific procedures used by the Berrien County Republican Organization to monitor the receipt of contributions.

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5. State on what date the checks for the contributions referred to in number (1) above were made out by the Berrien County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the Berrien County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Berrien County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040514990



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

PRR 7/17/84 5:17

Ms. Peggy Frazier, County Chair
Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

RE: MUR 1781
Marquette County Republicans

Dear Ms. Frazier:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514991

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Ms. Peggy Frazier
County Chair, Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514992

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 22, 1983, contribution of \$250.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Marquette County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Marquette County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Marquette County Republican Organization.
 - a) Identify the specific procedures used by the Marquette County Republican Organization to monitor the receipt of contributions.

85040514993

5. State on what date the check for the contribution referred to in number (1) above was made out by the Marquette County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Marquette County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Marquette County Republican Organization on the date that the contribution in number (1) above was issued.

85040514994



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

PAR
9/19/84
8:17

Mr. Lee MacGregor, County Chair
Manistee County Republicans
376 Second Street
Manistee, Michigan 49660

RE: MUR 1781
Manistee County Republicans

Dear Mr. MacGregor:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514995

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Lee McGregor
County Chair, Manistee County Republicans
376 Second Street
Manistee, Michigan 49660

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040514996

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the September 27, 1983, contribution of \$200.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Manistee County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Manistee County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Manistee County Republican Organization.
 - a) Identify the specific procedures used by the Manistee County Republican Organization to monitor the receipt of contributions.

85040514997

5. State on what date the check for the contribution referred to in number (1) above was made out by the Manistee County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Manistee County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Manistee County Republican Organization on the date that the contribution in number (1) above was issued.

85040514998



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Gordon Doule, County Chair
Otsego County Republicans
Route #1, Box 160
Gaylord, Michigan 49735

PRR
9/19/84
8:17

RE: MUR 1781
Otsego County Republicans

Dear Mr. Doule:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040514999

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Gordon Doule
County Chair, Otsego County Republicans
Route 1, Box 160
Gaylord, Michigan 49735

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040515000

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

MUR 1781

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 8, 1983, contribution of \$500.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Otsego County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Otsego County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Otsego County Republican Organization.
 - a) Identify the specific procedures used by the Otsego County Republican Organization to monitor the receipt of contributions.

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5. State on what date the check for the contribution referred to in number (1) above was made out by the Otsego County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Otsego County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Otsego County Republican Organization on the date that the contribution in number (1) above was issued.

85040515002



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. R. Wally Peltz, County Chair
Presque Isle County Republicans
P.O. Box 215, 451 Road
Rogers City, Michigan 49779

822
a/19/84
8:17

RE: MUR 1781
Presque Isle County Republicans

Dear Mr. Peltz:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040515003

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. R. Wally Peltz
County Chair, Presque Isle County Republicans
P.O. Box 215, 451 Road
Rogers City, Michigan 49779

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040515004

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Michigan Republican State) MUR 1781
Committee,)
Denzil Hammond, Treasurer)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether the December 31, 1983, contribution of \$300.00 to the Michigan Republican State Committee (hereinafter "MRSC") was intended by the Presque Isle County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Presque Isle County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts were maintained, state on which account the contribution check was drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Presque Isle County Republican Organization.
 - a) Identify the specific procedures used by the Presque Isle County Republican Organization to monitor the receipt of contributions.

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5. State on what date the check for the contribution referred to in number (1) above was made out by the Presque Isle County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the check was drawn, as of the date it was drawn by the Presque Isle County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Presque Isle County Republican Organization on the date that the contribution in number (1) above was issued.

85040515006



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Graydon Dimkoff, County Chair
Newaygo County Republicans
9 East Main
Fremont, Michigan 49412

PNR
9/19/84
8:17

RE: MUR 1781
Newaygo County Republicans

Dear Mr. Dimkoff:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you to provide certain information has been issued. The Commission does not consider you a respondent in this matter at this time, but rather as a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, you are required to submit the information under oath within ten days of your receipt of this order.

If you have any questions, please direct them to Paul Reyes, the staff member handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040515007

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1781
Michigan Republican State)
Committee,)
Denzil Hammond, Treasurer)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Graydon Dimkoff
County Chair, Newaygo County Republicans
9 East Main
Fremont, Michigan 49412

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this day of , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

85040515003

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Michigan Republican State
Committee,
Denzil Hammond, Treasurer

)
)
) MUR 1781
)
)

INTERROGATORIES

With respect to the county political party organization which you reportedly chair, the Commission requests that you answer the following interrogatories:

1. State whether any contributions made by your county organization in 1984 to the Michigan Republican State Committee (hereinafter "MRSC") were intended by the Newaygo County Republican Organization for use in connection with federal or state elections.
2. State how this intention was communicated to the Michigan Republican State Committee. (E.g., by letter from "X" to "X" dated _____, 198__; telephone call from "X" to "X" on _____, 198__; etc.)
 - a) Identify by name, title, address, and telephone number the person or persons who participated in this decision.
 - b) Identify by name, title, address, and telephone number the person to whom this intention was communicated.
3. State whether the Newaygo County Republican Organization maintains or maintained in 1983 separate accounts for the making and receipt of state and federal election contributions.
 - a) If separate accounts are maintained, state on which account any contribution check(s) listed pursuant to interrogatory (1) were drawn.
4. State the type of accounting method and bookkeeping procedures followed by the Newaygo County Republican Organization.
 - a) Identify the specific procedures used by the Newaygo County Republican Organization to monitor the receipt of contributions.

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5. State on what date and in what amount any checks for the contributions referred to in number (1) above were made out by the Newaygo County Republican Organization.
6. With respect to the answer(s) in number (5) above, state the amount of cash on hand in the account on which the checks were drawn, as of the date they were drawn by the Newaygo County Republican Organization.
 - a) With respect to interrogatory (1) above, using a last-in-first-out method of accounting, identify the amount and source of each contribution in the account used by the Newaygo County Republican Organization on the date(s) that the contributions in number (1) above were issued.

85040515010



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

BRR
9/19
2:54

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 East Grand River
Lansing, Michigan 48912

RE: MUR 1781
Michigan Republican State
Committee, Denzil L. Hammond,
Treasurer

Dear Mr. Hammond:

On September 11, 1984, the Federal Election Commission determined that there is reason to believe the Michigan Republican State Committee and you, as treasurer, violated 2 U.S.C. § 441b, and 11 C.F.R. § 102.5, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and the Code of Federal Regulations, respectively. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

8 5040515011

Denzil L. Hammond, Treasurer
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515012

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

SUMMARY OF ALLEGATIONS

The Michigan Republican State Commiteee ("MRSC") violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5 by accepting contributions prohibited by the Federal Election Campaign Act of 1971, as amended ("the Act"), and by failing to explain whether contributions it received from certain county party organizations were obtained from permissible sources under the Act.

FACTUAL BASIS AND LEGAL ANALYSIS

The MRSC reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

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A Second Notice was sent on April 5, 1984, for failure to respond to the original RFAIs.

The Reports Analysis Division ("RAD") analyst telephoned the MRSC on May 16, 1984, to ask why MRSC had failed to respond. The treasurer was not in the office, so the RAD analyst spoke with Karen Ferry, an MRSC representative. Ms. Ferry stated that the MRSC had completed its amendments, and she thought that they had been mailed. Ms. Ferry said that she would speak with John Egbert, the MRSC's accountant, to find out why the Commission had not received the amendments. Mr. Egbert would then contact the RAD analyst.

Mr. Egbert telephoned the RAD analyst on May 16, 1984. He apologized for not responding to the RFAIs, but offered no explanation for the MRSC's tardiness. Mr. Egbert also expressed some concern over the possible sanctions to be levied by the Commission. The RAD analyst stated that although MRSC's violation was serious, the matter of civil penalties was not being discussed at this point. Mr. Egbert was advised to file his response immediately.

The MRSC responded in writing on May 23, 1984, by noting that contributions totalling \$9,900 from six (6) county organizations had been transferred to the MRSC state account on May 1 and 17, 1984.

Because the MRSC response did not indicate whether any contributions prohibited under the Act had been received from the county organizations, the RAD analyst telephoned the MRSC on June 1, 1984. Ms. Ferry asked that the question on the

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permissibility of funds be made in writing. The RAD analyst explained that this information had been requested in the RFAIs, referenced the appropriate section of each letter, and agreed to send MRSC copies of the original RFAIs. Ms. Ferry stated that she would respond as soon as possible. A duty to supply such an explanation is imposed on the contributor and recipient in this situation by section 102.5 of Title 11, Code of Federal Regulations. Advisory Opinion 1982-38 makes it clear that this duty is imposed because section 441b of Title 2, United States Code, broadly prohibits contributions or expenditures in connection with federal elections by corporations and labor organizations.

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section

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102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provide a way for the Commission to treat comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions.^{1/} The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."^{2/}

^{1/} Directive 19-Revised also provides that an unregistered organization which became a "political committee" by virtue of its contributions or expenditures may request the recipient committee to transfer the excessive amount to a non-federal account and obviate any registration or reporting requirements for the unregistered entity. Thus, since the MRSC has transferred out the contributions which might have triggered a registration and reporting requirement for the St. Joseph and Berrien County Committees that issue is moot (as is any question of affiliation between the MRSC and these two).

^{2/} The MRSC also explained that the contributions from the St. Joseph County Republicans and the Berrien County Republicans had been transferred to the MRSC's State account but gave no explanation concerning the source of the funds..

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

The MRSC has, however, essentially followed the requirements of Directive 19-Revised by transferring the county funds to a state account. This lesser standard, embodied in 11 C.F.R. § 102.5(b), for non-political committees, is particularly appropriate in this matter as well because this Office believes that the RAD RFAIs may have led the MRSC to believe that 11 C.F.R. § 102.5(a) did not apply. The RFAIs repeatedly speak only of the lesser standard while providing the "transfer-out" advice required by FEC Directive 19-Revised. Thus, this Office recommends that the Commission find reason to believe that the Michigan Republican State Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5.

85040515017

SENSITIVE

RECEIVED
FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

84 AUG 20 AIO: 16

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC
TO THE COMMISSION 8/29/84 - 10:15

RAD REFERRAL NO. 84L-18
STAFF MEMBER
Paul Reyes

SOURCE OF REFERRAL: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES: Michigan Republican State Committee,
Denzil L. Hammond, Treasurer
St. Joseph County Republicans
Berrien County Republicans
Manistee County Republicans
Otsego County Republicans
Marquette County Republicans
Presque Isle County Republicans
Newago County Republicans

RELEVANT STATUTES: 2 U.S.C. § 431(4) (A)
§ 433
§ 434(a) (1)
§ 441a(a) (5)
§ 441b
11 C.F.R. § 102.5

RELEVANT AO: AO 1982-38

INTERNAL REPORTS
CHECKED: Committee Reports; "B" Index

FEDERAL AGENCIES
CHECKED: None

GENERATION OF MATTER

Based on information obtained in the normal course of its supervisory responsibilities under the Federal Election Campaign Act of 1971, as amended ("the Act"), the Reports Analysis Division ("RAD") of the Federal Election Commission referred this matter to the General Counsel's Office on June 27, 1984.

85040515019

SUMMARY OF ALLEGATIONS

The Michigan Republican State Committee ("MRSC") commingled funds from possibly tainted sources -- accounts of the named county organizations -- with its Federal account. The MRSC violated 2 U.S.C. § 441b by accepting contributions prohibited by the Federal Election Campaign Act of 1971, as amended.

FACTUAL AND LEGAL ANALYSIS

85040515019

The MRSC reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

A Second Notice was sent on April 5, 1984, for failure to respond to the original RFAIs.

The Reports Analysis Division ("RAD") analyst telephoned the MRSC on May 16, 1984, to ask why MRSC had failed to respond. The treasurer was not in the office, so the RAD analyst spoke with Karen Ferry, an MRSC representative. Ms. Ferry stated that the MRSC had completed its amendments, and she thought that they had been mailed. Ms. Ferry said that she would speak with John Egbert, the MRSC's accountant, to find out why the Commission had not received the amendments. Mr. Egbert would then contact the RAD analyst.

Mr. Egbert telephoned the RAD analyst on May 16, 1984. He apologized for not responding to the RFAIs, but offered no explanation for the MRSC's tardiness. Mr. Egbert also expressed some concern over the possible sanctions to be levied by the Commission. The RAD analyst stated that although MRSC's violation was serious, the matter of fines was not being discussed at this point. Mr. Egbert was advised to file his response immediately.

The MRSC responded in writing on May 23, 1984, by noting that contributions totalling \$9,900 from six (6) county organizations had been transferred to the MRSC state account on May 1 and 17, 1984.

Because the MRSC response did not indicate whether any contributions prohibited under the Act had been received from the county organizations, the RAD analyst telephoned the MRSC on June 1, 1984. Ms. Ferry asked that the question on the permissibility of funds be made in writing. The RAD analyst

85040515020

explained that this information had been requested in the RFAIs, referenced the appropriate section of each letter, and agreed to send MRSC copies of the original RFAIs. Ms. Ferry stated that she would respond as soon as possible. A duty to supply such an explanation is imposed on the contributor and recipient in this situation by section 102.5 of Title 11, Code of Federal Regulations. Advisory Opinion 1982-38 makes it clear that this duty is imposed because section 441b of Title 2 United States Code, broadly prohibits contributions or expenditures in connection with federal elections by corporations and labor organizations.

Section 102.(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b). (See General Counsel's Report, MUR 1379, dated March 1, 1983, pp. 4-5.

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section

102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions.^{1/} The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."^{2/}

^{1/} Directive 19-Revised also provides that an unregistered organization which became a "political committee" by virtue of its contributions or expenditures may request the recipient committee to transfer the excessive amount to a non-federal account and obviate any registration or reporting requirements for the unregistered entity. Thus, since the MRSC has transferred out the contributions which might have triggered a registration and reporting requirement for the St. Joseph and Berrien County Committees that issue is moot (as is any question of affiliation between the MRSC and these two).

^{2/} The MRSC also explained that the contributions from the St. Joseph County Republicans and the Berrien County Republicans had been transferred to the MRSC's State account but gave no explanation concerning the source of the funds..

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Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

The MRSC has, however, essentially followed the requirements of Directive 19-Revised by transferring the county funds to a state account. In MUR 1379 (loan repayments made with possibly tainted funds), the Commission considered as a mitigating factor whether there were sufficient, acceptable funds in a political committee's account to cover any loan repayments it made. This lesser standard, embodied in 11 C.F.R. § 102.5(b), for non-political committees, is particularly appropriate in this matter as well because this Office believes that the RAD RFAIs may have misled the MRSC into believing that 11 C.F.R. § 102.5(a) did not apply. The RFAIs (Attachment 2, pages 44, 51, 53, 56 at "**") repeatedly speak only of the lesser standard while providing the "transfer-out" advice required by FEC Directive 19-Revised. Thus, this Office recommends that the Commission find reason to believe that the Michigan Republican State Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(a). In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b).

85040515023

Thus, the General Counsel recommends that the Commission find reason to believe that the county organizations violated 11 C.F.R. § 102.5(b).

RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b by accepting and using contributions from accounts containing prohibited labor organization funds.
3. Find reason to believe that the following organizations have violated 11 C.F.R. § 102.5(b) by failing to demonstrate through a reasonable accounting method that their accounts contained sufficient, acceptable funds to make contributions to the Michigan Republican State Committee:
 - a) the St. Joseph County Republicans;
 - b) the Berrien County Republicans;
 - c) the Manistee County Republicans;
 - d) the Marquette County Republicans;
 - e) the Presque Isle County Republicans;
 - f) the Newago County Republicans;
 - g) the Otsego County Republicans.
4. Find no reason to believe that the St. Joseph County Republicans and the Berrien County Republicans violated 2 U.S.C. §§ 433 and 434 by failing to register as political committees and file reports of receipts and disbursements.
5. Find no reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 433(b)(2) by failing to disclose the St. Joseph County Republicans and the Berrien County Republicans as affiliated committees.

85040515024

6. Approve and send the attached letters and General Counsel's factual and legal analysis.

Charles N. Steele
General Counsel

August 28, 1984
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments

Proposed letters with Factual and Legal Analyses (8)
Referral Materials
Advisory Opinion 1982-38
FEC Directive 19--Revised (September 12, 1980)

85040515023



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 East Grand River
Lansing, Michigan 48912

RE: MUR
Michigan Republican State
Committee, Denzil L. Hammond,
Treasurer

Dear Mr. Hammond:

On , 1984, the Federal Election Commission determined that there is reason to believe the Michigan Republican State Committee and you, as treasurer, violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Attachment 1

Denzil L. Hammond, Treasurer
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515027

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Michigan Republican State
Committee
Denzil L. Hammond, Treasurer

SUMMARY OF ALLEGATIONS

The Michigan Republican State Committee ("MRSC") commingled funds from possibly tainted sources with its Federal account. The MRSC violated 2 U.S.C. § 441b by accepting contributions prohibited by the Federal Election Campaign Act of 1971, as amended.

FACTUAL BASIS AND LEGAL ANALYSIS

The MRSC reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

A Second Notice was sent on April 5, 1984, for failure to respond to the original RFAIs.

The Reports Analysis Division ("RAD") analyst telephoned the MRSC on May 16, 1984, to ask why MRSC had failed to respond. The treasurer was not in the office, so the RAD analyst spoke with Karen Ferry, an MRSC representative. Ms. Ferry stated that the MRSC had completed its amendments, and she thought that they had been mailed. Ms. Ferry said that she would speak with John Egbert, the MRSC's accountant, to find out why the Commission had not received the amendments. Mr. Egbert would then contact the RAD analyst.

Mr. Egbert telephoned the RAD analyst on May 16, 1984. He apologized for not responding to the RFAIs, but offered no explanation for the MRSC's tardiness. Mr. Egbert also expressed some concern over the possible sanctions to be levied by the Commission. The RAD analyst stated that although MRSC's violation was serious, the matter of fines was not being discussed at this point. Mr. Egbert was advised to file his response immediately.

The MRSC responded in writing on May 23, 1984, by noting that contributions totalling \$9,900 from six (6) county organizations had been transferred to the MRSC state account on May 1 and 17, 1984.

Because the MRSC response did not indicate whether any contributions prohibited under the Act had been received from the county organizations, the RAD analyst telephoned the MRSC on June 1, 1984. Ms. Ferry asked that the question on the

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permissibility of funds be made in writing. The RAD analyst explained that this information had been requested in the RFAIs, referenced the appropriate section of each letter, and agreed to send MRSC copies of the original RFAIs. Ms. Ferry stated that she would respond as soon as possible. A duty to supply such an explanation is imposed on the contributor and recipient in this situation by section 102.5 of Title 11, Code of Federal Regulations. Advisory Opinion 1982-38 makes it clear that this duty is imposed because section 441b of Title 2, United States Code, broadly prohibits contributions or expenditures in connection with federal elections by corporations and labor organizations.

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section

102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions.^{1/} The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."^{2/}

^{1/} Directive 19-Revised also provides that an unregistered organization which became a "political committee" by virtue of its contributions or expenditures may request the recipient committee to transfer the excessive amount to a non-federal account and obviate any registration or reporting requirements for the unregistered entity. Thus, since the MRSC has transferred out the contributions which might have triggered a registration and reporting requirement for the St. Joseph and Berrien County Committees that issue is moot (as is any question of affiliation between the MRSC and these two).

^{2/} The MRSC also explained that the contributions from the St. Joseph County Republicans and the Berrien County Republicans had been transferred to the MRSC's State account but gave no explanation concerning the source of the funds..

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

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The MRSC has, however, essentially followed the requirements of Directive 19-Revised by transferring the county funds to a state account. In MUR 1379 (loan repayments made with possibly tainted funds), the Commission considered as a mitigating factor whether there were sufficient, acceptable funds in a political committee's account to cover any loan repayments it made. This lesser standard, embodied in 11 C.F.R. § 102.5(b), for non-political committees, is particularly appropriate in this matter as well because this Office believes that the RAD RFAIs may have misled the MRSC into believing that 11 C.F.R. § 102.5(a) did not apply. The RFAIs (Attachment 2, pages 44, 51, 53, 56 at "**") repeatedly speak only of the lesser standard while providing the "transfer-out" advice required by FEC Directive 19-Revised. Thus, this Office recommends that the Commission find reason to believe that the Michigan Republican State Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(a).



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Richard Imgrund, County Chair
St. Joseph County Republicans
501 East Hoffman
Three Rivers, Michigan 49093

RE: MUR
St. Joseph County Republicans

Dear Mr. Imgrund:

On , 1984, the Federal Election Commission determined that there is reason to believe the St. Joseph County Republicans Committee violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Mr. Richard Imgrund, County Chair
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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RESPONDENT St. Joseph County Republicans

The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the St. Joseph County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the St. Joseph County Republicans violated 11 C.F.R. § 102.5(b).



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Ms. Charlotte Wenham, County Chair
Berrien County Republicans
3612 Lakeshore Drive
St. Joseph, Michigan 49085

RE: MUR
Berrien County Republicans

Dear Ms. Wenham:

On , 1984, the Federal Election Commission determined that there is reason to believe the Berrien County Republicans violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Ms. Charlotte Wenham, County Chair
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515040

RESPONDENT Berrien County Republicans

The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the Berrien County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the Berrien County Republicans violated 11 C.F.R. § 102.5(b).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Lee MacGregor, County Chair
Manistee County Republicans
376 Second Street
Manistee, Michigan 49660

RE: MUR
Manistee County Republicans

Dear Mr. MacGregor:

On , 1984, the Federal Election Commission determined that there is reason to believe the Manistee County Republicans violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Mr. Lee MacGregor, County Chair
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515044

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Manistee County Republicans

SUMMARY OF ALLEGATIONS

8 5 0 4 0 5 1 5 0 4 5

The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the Manistee County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

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With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the Manistee County Republicans violated 11 C.F.R. § 102.5(b).



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Gordon Doule, County Chair
Otsego County Republicans
Route #1, Box 160
Gaylord, Michigan 49735

RE: MUR
Otsego County Republicans

Dear Mr. Doule:

On , 1984, the Federal Election Commission determined that there is reason to believe the Otsego County Republicans violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Mr. Gordon Doule, County Chair
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515049

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Otsego County Republicans

SUMMARY OF ALLEGATIONS

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8 The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the Otsego County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the Otsego County Republicans violated 11 C.F.R. § 102.5(b).

85040515052



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Ms. Peggy Frazier, County Chair
Marquette County Republicans
3 Marquette Drive
Marquette, Michigan 49855

RE: MUR
Marquette County Republicans

Dear Ms. Frazier:

On , 1984, the Federal Election Commission determined that there is reason to believe the Marquette County Republicans violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Ms. Peggy Frazier, County Chair
Page 2

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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515054

85040515055

RESPONDENT Marquette County Republicans

The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the Marquette County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

85040515056

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the Marquette County Republicans violated 11 C.F.R. § 102.5(b).



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. R. Wally Peltz, County Chair
Presque Isle County Republicans
P.O. Box 215, 451 Road
Rogers City, Michigan 49779

RE: MUR
Presque Isle County Republicans

Dear Mr. Peltz:

On , 1984, the Federal Election Commission determined that there is reason to believe the Presque Isle County Republicans violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Mr. R. Wally Peltz, County Chair
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515059

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Presque Isle County Republicans

SUMMARY OF ALLEGATIONS

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The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the Presque Isle County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not commingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the Presque Isle County Republicans violated 11 C.F.R. § 102.5(b).



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Mr. Graydon Dimkoff, County Chair
Newago County Republicans
9 East Main
Fremont, Michigan 49412

RE: MUR
Newago County Republicans

Dear Mr. Dimkoff:

On , 1984, the Federal Election Commission determined that there is reason to believe the Newago County Republicans violated 11 C.F.R. § 102.5(b), a provision of Title 11, Code of Federal Regulations, by failing to demonstrate the acceptability of funds contributed to the Michigan Republican State Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If your committee intends to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Mr. Graydon Dimkoff, County Chair
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040515064

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Newago County Republicans

SUMMARY OF ALLEGATIONS

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3
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8

The Michigan State Republican State Committee ("MRSC") reported receiving a total of \$9,900 from six (6) unregistered, non-federal accounts (the "county organizations") during 1983, one of which was the Newago County Republicans. In 1984, two further contributions totalling \$4,300 were reported received from two of the original six entities. Requests for Additional Information about these contributions were sent by RAD. Each RFAI advised the MRSC that under 11 C.F.R. § 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.

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Section 102.5(a) provides that political committees like the MRSC must either maintain separate accounts and make all disbursements in connection with any Federal election only from their Federal accounts, or establish themselves as committees

which can receive only contributions subject to the prohibitions of the Act. Organizations which are not political committees are given the option of maintaining a separate account for their Federal activities or demonstrating "through a reasonable accounting method" that the organization had received sufficient funds subject to the limitations and prohibitions of the Act to cover the amount of any contribution or expenditure made in connection with a Federal election. 11 C.F.R. § 102.5(b).

As a political committee within the meaning of 2 U.S.C. § 431(4), the MRSC is subject to the requirements of section 102.5(a) and not subject to the more permissive approach of section 102.5(b). Thus, it may not comingle funds from impermissible sources with funds from acceptable sources. The alternatives given by FEC Directive 19-Revised (September 12, 1980) provides a way for political committees to mitigate any comingling of funds offensive to the Act in an account which is established under 11 C.F.R. § 102.5(a) and subject to the Act's limits and prohibitions. The Directive provides first that a recipient committee like the MRSC must refund prohibited or excessive contributions and disclose them as disbursements. Alternatively, the Directive provides that contributions received containing funds from corporations or unions, may be transferred to a non-federal account.

With regard to the \$9,900 in contributions from the county organizations, the MRSC responded to the RFAI by saying that they were "erroneously deposited into the Federal account."

Since Michigan allows labor organizations to make limited contributions in state elections, any contributions from the county organizations may have tainted the MRSC Federal account. (See Campaign Finance Law 84 at MI-1; FEC publisher). The MRSC, therefore, violated 2 U.S.C. § 441b by making any contributions or expenditures while its account contained any prohibited funds from the county organizations.

In light of the fact that the MRSC has been unwilling or unable to provide an explanation of the source of these funds, the county organizations may be refusing to provide that information as required by 11 C.F.R. § 102.5(b). Thus, the General Counsel recommends that the Commission find reason to believe that the Newago County Republicans violated 11 C.F.R. § 102.5(b).



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

[Handwritten scribble]

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/ *mwe*
DATE: SEPTEMBER 4, 1984
SUBJECT: RAD REFERRAL 84-L-18 (First G.C. Report)

The above-named document was circulated to the
Commission on August 29, 1984 at 4:00 p.m.

Objections have been received from the Commissioners
as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____
Commissioner Harris	_____
Commissioner McDonald	_____ X _____
Commissioner McGarry	_____
Commissioner Reiche	_____

This matter will be placed on the Executive Session
agenda for Tuesday, September 11, 1984

85040515068



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cot*
DATE: August 29, 1984
SUBJECT: RAD Referral 84L-18 - First General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote [X]
Sensitive [X]
Non-Sensitive []

24 Hour No Objection []
Sensitive []
Non-Sensitive []

Information []
Sensitive []
Non-Sensitive []

Other []

DISTRIBUTION

Compliance [X]
Audit Matters []
Litigation []
Closed MUR Letters []
Status Sheets []
Advisory Opinions []
Other (see distribution below) []

85040515069



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

27 June 1984

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR

SUBJECT: REFERRAL OF THE MICHIGAN REPUBLICAN STATE COMMITTEE

This is a referral of the Michigan Republican State Committee (the "MRSC"). The MRSC received a total of \$9,900 in contributions from unregistered, non-Federal accounts ("county organizations") during 1983. Although the contributions have been transferred out to the MRSC state account, the Review and Referral Procedures for Unauthorized Committees (Standard 7)* require that this matter be examined further by your office.

If you have any questions on this matter, please contact Eugene LaCroce at 523-4048.

Attachments

A0 1982-38
Moyrhan

* P. 24
Part IV - (B) (7)
[Compliance Category
No. 7 - Federal and Non-
Federal Activity]
[Revised LAO Review &
Referral Procedures for
Unauthorized Committees,
Feb 27, 1984]

Attachment 2

85040515070

REPORTS ANALYSIS REFERRAL

.TO

OFFICE OF GENERAL COUNSEL

DATE: 27 June 1984ANALYST: Eugene LaCroce

I. COMMITTEE: Michigan Republican State Committee
(C00041160)
Denzil L. Hammond, Treasurer
2121 E. Grand River
Lansing, MI 48912

II. RELEVANT STATUTE: 11 CFR 102.5

III. BACKGROUND:

Federal and Non-Federal Activity

The Michigan Republican State Committee (the "MRSC") received a total of \$9,900 in contributions from six (6) unregistered, non-Federal accounts ("county organizations") during 1983. The total for each of the following reports represents the contributions from the county organizations: \$2,500 disclosed on the April Quarterly Report (Attachment 2); \$700 disclosed on the July Quarterly Report (Attachment 3); \$4,650 disclosed on the October Quarterly Report (Attachment 4); and \$2,050 disclosed on the Year End Report (Attachment 5).

* Requests for Additional Information (RFAI's) were sent for the above referenced reports on March 16, 1984 (Attachment 6). Each RFAI advised the MRSC that under 11 CFR 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.*

*/ Michigan prohibits corporate contributions and limits labor union and individual contributions to \$1,700 per statewide election (see Campaign Finance Law 84, Federal Election Commission, page MI-1).

**MICHIGAN REPUBLICAN STATE COMMITTEE
REPORTS ANALYSIS OGC REFERRAL
PAGE 2**

A Second Notice was sent on April 5, 1984, for failure to respond to the original RFAI's (Attachment 7).

The Reports Analysis Division ("RAD") analyst telephoned the MRSC on May 16, 1984, to ask why MRSC had failed to respond (Attachment 8). The treasurer was not in the office, so the RAD analyst spoke with Karen Ferry, a MRSC representative. Ms. Ferry stated that the MRSC had completed its amendments, and she thought that they had been mailed. Ms. Ferry said that she would speak with John Egbert, the MRSC's accountant, to find out why the Commission had not received the amendments. Mr. Egbert would then contact the RAD analyst.

Mr. Egbert telephoned the RAD analyst on May 16, 1984 (Attachment 9). He apologized for not responding to the RFAI's, but offered no explanation for the MRSC's tardiness. Mr. Egbert also expressed some concern over the possible sanctions to be levied by the Commission. The RAD analyst stated that although MRSC's violation was serious, the matter of fines was not being discussed at this point. Mr. Egbert was advised to file his response immediately.

The MRSC responded in writing on May 23, 1984, by noting that contributions totalling \$9,900 from six (6) county organizations had been transferred to the MRSC state account on May 1 and 17, 1984 (Attachment 10).

Because the MRSC response did not indicate whether any contributions prohibited under the Act had been received from the county organizations, the RAD analyst telephoned the MRSC on June 1, 1984 (Attachment 11). Ms. Ferry asked that the question on the permissibility of funds be made in writing. The RAD analyst explained that this information had been requested in the RFAI's, referenced the appropriate section of each letter, and agreed to send MRSC copies of the original RFAI's. Ms. Ferry stated that she would respond as soon as possible.

As of this date, the MRSC has failed to clarify whether the \$9,900 in contributions from the county organizations contained any funds prohibited under the Act.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

MRSC also disclosed the receipt of contributions from two (2) county organizations totalling \$4,300 on the 1984 April Quarterly Report. MRSC stated that "the transfer to correct this transaction will be reported in the July Quarterly Report, since it was not detected until the First Quarter had ended." An Informational Notice is pending on this matter.

85040515073

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (83-84)

★ DATE 18JUN84
PAGE 1

PARTY RELATED

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	TYPE OF FILER COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
MICHIGAN REPUBLICAN STATE COMMITTEE CONNECTED ORGANIZATION: MICHIGAN REPUBLICAN STATE FINANCE CMTE				PARTY QUALIFIED	ID #C00041160	
1983	APRIL QUARTERLY	50,611	19,487	1JAN83 -31MAR83	53	83FEC/270/1843
	APRIL QUARTERLY - AMENDMENT	-	-	1JAN83 -31MAR83	2	84FEC/315/2746
	REQUEST FOR ADDITIONAL INFORMATION			1JAN83 -31MAR83	2	84FEC/299/2551
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN83 -31MAR83	7	84FEC/307/1216
	JULY QUARTERLY	11,450	28,715	1APR83 -30JUN83	7	83FEC/276/2484
	JULY QUARTERLY - AMENDMENT	-	-	1APR83 -30JUN83	1	84FEC/315/3137
	REQUEST FOR ADDITIONAL INFORMATION			1APR83 -30JUN83	2	84FEC/299/2554
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1APR83 -30JUN83	1	84FEC/307/1526
	OCTOBER QUARTERLY	29,826	43,245	1JUL83 -30SEP83	46	83FEC/285/1444
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL83 -30SEP83	1	84FEC/315/3336
	REQUEST FOR ADDITIONAL INFORMATION			1JUL83 -30SEP83	2	84FEC/299/2557
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL83 -30SEP83	1	84FEC/307/1525
	YEAR-END	147,577	113,382	1OCT83 -31DEC83	391	84FEC/294/4885
	YEAR-END - AMENDMENT	-	-	1OCT83 -31DEC83	1	84FEC/315/3335
	REQUEST FOR ADDITIONAL INFORMATION			1OCT83 -31DEC83	1	84FEC/299/3449
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1OCT83 -31DEC83	1	84FEC/307/1524
✓ 1984	APRIL QUARTERLY	213,224 ✓	121,630 ✓	1JAN84 -31MAR84	22	84FEC/315/2602
	NOTICE OF FAILURE TO FILE			1JAN84 -31MAR84	1	84FEC/313/4691
	TOTAL	452,688	0 326,459	0	542	TOTAL PAGES

46
All 1983 Reports Reviewed

Ending Cash on Hand as of 3/31/84: \$126,967

Debts and Obligations Owed by the Committee as of 3/31/84: \$0 (space not filled in on report)

Debts and Obligations Owed to the Committee as of 3/31/84: \$0 (line/space not filled in on report)

03/31/83

MICHIGAN REPUBLICAN STATE COMMITTEE
FEDERAL REPORT

PAGE 1

REPORT PERIOD FROM 1/01/83 THROUGH 3/31/83

1983 APRIL QUARTERLY REPORT

~~ACCT NO CONTRIBUTOR~~

DATE

AMOUNT

~~YTD AGGREGATE~~

✓ 529294 ST. JOSEPH COUNTY REPUBLICANS

2/23/83

600.00

RICHARD IMGRUND

3/21/83

600.00

501 E. HOFFMAN

TOTALS

1200.00**

1200.00**

THREE RIVERS

MI

49093

** COUNTY CHAIRMAN

**

✓ 901114 BERRIEN COUNTY REPUBLICANS

1/03/83

650.00

MS. CHARLOTTE WENHAM

3/14/83

650.00

3612 LAKESHORE DRIVE

TOTALS

1300.00**

1300.00**

ST JOSEPH

MI

49085

** COUNTY CHAIRMAN

**

901301 HILLSDALE COUNTY REPUBLICANS

1/03/83

750.00

MRS. SYLVIA LEUTHEUSER

TOTALS

750.00**

750.00**

52 SOUTH BROAD STREET

HILLSDALE

MI

49242

000042267
Florence Beckwith, Trs
71 S. Wildwood Ct.
Hillsdale MI 49242
Q

GRAND TOTALS

3250.00**

3250.00**

07/06 83

MICHIGAN REPUBLICAN STATE COMMITTEE

PAGE 1

FEDERAL REPORT

REPORT PERIOD FROM 4/01/83 THROUGH 6/30/83

ACCT NO CONTRIBUTOR

DATE

1983 JULY QUARTERLY REPORT
AMOUNT YTD AGGREGATE

901114 BERRIEN COUNTY REPUBLICANS

4/19/83

30.00

MS. CHARLOTTE WENHAM

6/17/83

650.00

3612 LAKESHORE DRIVE

TOTALS

700.00**

2000.00**

ST JOSEPH MI

49085

** COUNTY CHAIRMAN **

(00000992
Earl
Longmiller
876 Carroll Ave.
Cott Hse; Monticello, MI
49255

901123 BRANCH COUNTY REPUBLICANS

6/29/83

1000.00

JOHN KEESLER

TOTALS

1000.00**

1000.00**

26 HULL STREET

COLDWATER

MI

49036

** COUNTY CHAIRMAN **

C00038463?? James H. Crawford P0810236 48901 name = I.C. by Fed. Fin. Fund

901332 INGHAM COUNTY REPUBLICANS

4/12/83

150.00

MR. DAVID MC KEAGUE

TOTALS

150.00**

150.00**

313 S. WASHINGTON SQ.

LANSING

MI

48933

** COUNTY CHAIRMAN **

C00031179 Alan E. Beatty - P08484

901454 LENAEE COUNTY REPUBLICANS

6/08/83

1500.00

MS. EMILY KACKSTETTER

TOTALS

1500.00**

1500.00**

2649 SOUTH LAKE DRIVE

ADRIAN

MI

49221

C00031203 Ronald L. Stamborsky P08938 Brighton MI 48116

901703 LIVINGSTON COUNTY REPUBLICANS

4/18/83

5000.00

JOSEPH L. RICHARDS

TOTALS

5000.00**

5000.00**

570 CHICAGO DRIVE

WELL

MI

48843

** COUNTY CHAIRMAN **

GRAND TOTALS

8350.00**

11000.00**

8503403217560274

10/12/83

MICHIGAN REPUBLICAN STATE COMMITTEE
FEDERAL REPORT
REPORT PERIOD FROM 7/01/83 THROUGH 9/30/83

PAGE 1

1983 OCTOBER QUARTERLY REPORT

ACCT NO	CONTRIBUTOR	DATE	AMOUNT	YTD AGGREGATE
529294	ST. JOSEPH COUNTY REPUBLICANS	7/12/83	2000.00	
	RICHARD IMORUND	8/24/83	1000.00	
	501 E. HOFFMAN	TOTALS	3000.00**	3000.00**
	THREE RIVERS MI 49093			
**	COUNTY CHAIRMAN			
901114	BERRIEN COUNTY REPUBLICANS	8/23/83	650.00	
	VIRGINIA ANTONSON	TOTALS	650.00**	2650.00**
	5337 SCOTSDALE			
	ST. JOSEPH MI 49063			
**	COUNTY CHAIRMAN			
901230	EATON COUNTY REPUBLICANS	7/26/83	300.00	
	STEPHEN STOHL	9/13/83	510.00	
	927 LONDON DRIVE	TOTALS	810.00**	810.00**
	LANSING MI 48917			
**	COUNTY CHAIRMAN			
901301	HILLSDALE COUNTY REPUBLICANS	7/19/83	1000.00	
	HERBERT HINE	TOTALS	1000.00**	1750.00**
	68 WESTWOOD DRIVE			
	HILLSDALE MI 49242			
936144	JACKSON COUNTY REPUBLICANS	9/13/83	1875.00	
	JOE FILIP	TOTALS	1875.00**	1875.00**
	330 SEMINOLE PLACE			
	JAC SON MI 49202			
00036707	MANISTEE COUNTY REPUBLICANS	9/27/83	200.00	
	LEE MAC GREGOR	TOTALS	200.00**	200.00**
	376 SECOND STREET			
	MANISTEE MI 49660			
GRAND TOTALS			8335.00**	19935.00**

Handwritten notes and corrections:

- 901230: 91249 Eldon Diamond 1030 E. Clinton Trail Charlotte MI 48813 (name a bit diff.)
- 901301: 1735 Julie S. Jewel 111 N. West Ave Jackson MI 49204 (name a bit diff.)

12/30/83

MICH AN REPUBLICAN STATE COMMI EE

PAGE 1

FEDERAL REPORT

REPORT PERIOD FROM 10/01/83 THROUGH 12/31/83

1983 YEAR END REPORT

ACCT NO CONTRIBUTOR

DATE

AMOUNT

YTD AGGREGATE

529294	ST. JOSEPH COUNTY REPUBLICANS	10/27/83	1000.00	
	RICHARD IMGRUND	TOTALS	1000.00**	6000.00**
	501 E. HOFFMAN			
	THREE RIVERS MI 49093			
**	COUNTY CHAIRMAN	**		

901123	BRANCH COUNTY REPUBLICANS	10/04/83	2000.00	
	HOWARD CAREY	TOTALS	2000.00**	3000.00**
	193 ROBBINS ROAD			
	BURR OAK MI 49030			
**	COUNTY CHAIRMAN	**		

936144	JACKSON COUNTY REPUBLICANS	12/22/83	625.00	
	JOE FILIP	TOTALS	625.00**	2500.00**
	330 SEMINOLE PLACE			
	JACKSON MI 49202			

20031000	OTSEGO COUNTY REPUBLICANS	12/08/83	500.00	
	GORDON DOULE	TOTALS	500.00**	500.00**
	RT. #1, BOX 160			
	GAYLORD MI 49735			

20036708	MARQUETTE COUNTY REPUBLICANS	12/22/83	250.00	
	PEGGY FRAZIER	TOTALS	250.00**	250.00**
	3 MARQUETTE DRIVE			
	MARQUETTE MI 49855			
**	COUNTY CHAIRMAN	**		

20036715	PRESQUE ISLE C REPUBLICANS	12/31/83	300.00	
	MR. R. WALLY PELTZ	TOTALS	300.00**	300.00**
	P.O. BOX 215, 451 ROAD			
	ROGERS CITY MI 49779			
**	COUNTY CHAIRMAN	**		

GRAND TOTALS

4675.00**

24610.00**



FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20463

16 March 1984

RQ-2

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: April Quarterly Report (1/1/83-3/31/83)

Dear Mr. Hammond:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-2 U.S.C. 434(b)(3) requires itemization of contributions from individuals and persons other than political committees where the aggregate total from the contributor exceeds \$200 in a calendar year. 11 CFR 104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see the memo entry under Line 11(a) of the Detailed Summary Page). 11 CFR 104.3(a)(4)(i) provides that if a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized.

During the previous election cycle (1981-82) your committee was notified that by disclosing all contributors in random order, your committee was not properly disclosing contributions from individuals other than political committees. This practice of overdisclosure has continued into this election cycle, and results in a lack of clarity, in addition to being confusing on the public record. Please amend your report to include the unitemized totals in the memo entry; and for future reporting, please include only those contributors who are required to be itemized.

-Schedule A of your report discloses contributions from organizations which are not political committees registered with the Commission. Under 11 CFR 102.5(b),

*

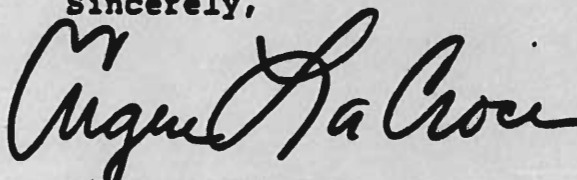
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organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. *EX*

Please clarify whether the contributions received from these organizations are permissible. To the extent that your committee has received funds which are not permissible, the amounts should be either refunded to the organizations or transferred out to a non-Federal account. Contributions which are refunded should be disclosed on Schedule B for Line 26a of your next report; and those which are transferred out should be disclosed on Schedule B for Line 20 or Line 27, as appropriate.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,



Eugene LaCroce
Reports Analyst
Reports Analysis Division

85040515079



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

16 March 1984

RQ-2

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: July Quarterly Report (4/1/83-6/30/83)

Dear Mr. Hammond:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 11a of the Detailed Summary Page discloses a figure for the total amount of contributions from individuals/persons other than political committees. In addition, the memo entry portion of the Detailed Summary Page is blank, and no supporting schedules have been provided. Please amend your report by itemizing all contributions from individuals/persons, which aggregate greater than \$200 in the calendar year, and/or provide a figure for the total amount of unitemized contributions from individuals/persons, which have been received during the reporting period. (11 CFR 104.3(a)(2))

-Schedule A of your report discloses contributions from organizations which are not political committees registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. *

Please clarify whether the contributions received from these organizations are permissible. To the extent that your committee has received funds which are not permissible, the amounts should be either refunded to the organizations or transferred out to a non-Federal

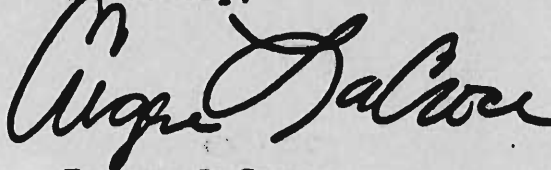
account. Contributions which are refunded should be disclosed on Schedule B for Line 26a of your next report; and those which are transferred out should be disclosed on Schedule B for Line 20 or Line 27, as appropriate.

EJM

-Please provide a Schedule C or D, as appropriate, to support the entry of \$30,000 reported on Line 9 and/or 10 of the Summary Page. Loans and debts must be continuously reported until they are either repaid or settled. (11 CFR 104.3(d))

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,



Eugene LaCroce
Reports Analyst
Reports Analysis Division

85040515081



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

16 March 1984

RQ-2

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: October Quarterly (7/1/83-9/30/83) and Year End
(10/1/83-12/31/83) Reports

Dear Mr. Hammond:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-2 U.S.C. 434(b)(3) requires itemization of contributions from individuals and persons other than political committees where the aggregate total from the contributor exceeds \$200 in a calendar year. 11 CFR 104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see the memo entry under Line 11(a) of the Detailed Summary Page). 11 CFR 104.3(a)(4)(i) provides that if a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized.

During the previous election cycle (1981-82) your committee was notified that by disclosing all contributors in random order, your committee was not properly disclosing contributions from individuals other than political committees. This practice of overdisclosure has continued into this election cycle, and results in a lack of clarity, in addition to being confusing on the public record. Please amend to include the unitemized total in the memo entry; and for future reporting, please include only those contributors who are required to be itemized.

-Schedule A of your reports discloses contributions from organizations which are not political committees

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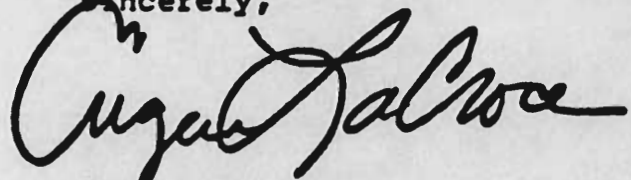
registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) "establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

Please clarify whether the contributions received from these organizations are permissible. To the extent that your committee has received funds which are not permissible, the amounts should be either refunded to the organizations or transferred out to a non-Federal account. Contributions which are refunded should be disclosed on Schedule B for Line 26a of your next report; and those which are transferred out should be disclosed on Schedule B for Line 20 or Line 27, as appropriate.

-Please provide a Schedule C disclosing the loan of \$30,000 your committee received from the Republican National Committee on March 31, 1983. Loans must be continuously reported until they are either repaid or settled. (11 CFR 104.3(d))

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,



Eugene LaCroce
Reports Analyst
Reports Analysis Division



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

April 5, 1984

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: April Quarterly (1/1/83-3/31/83), July Quarterly
(4/1/83-6/30/83), October Quarterly (7/1/83-9/30/83)
and Year-End (10/1/83-12/31/83) Reports

Dear Mr. Hammond:

This letter is to inform you that as of April 4, 1984, the Commission has not received your response to our requests for additional information dated March 16, 1984. Those notices requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). Copies of our original requests are enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Eugene LaCroce on our toll-free number (800) 424-9530 or our local number (202) 523-4048.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

85040515084

TELECON

TELECON WITH: Karen Ferry, Committee Representative

ATTACHMENT 8

CANDIDATE/COMMITTEE: Michigan Republican State Committee
(C00041160)

DATE: May 16, 1984

SUBJECT: Failure to Respond to Requests for Additional Information

I asked Karen Ferry, a Committee Representative, why her organization had failed to file their amendments.

Ms. Ferry said that she believed the Committee had mailed its amendments to the Commission. She decided to contact John Egbert, the Committee Accountant, who was responsible for the amendments. Ms. Ferry will have him contact me later today.

85040515085

TELECON WITH: John Egbert, Committee Accountant

CANDIDATE/COMMITTEE: Michigan Republican State Committee
(C00041160)

DATE: May 16, 1984

SUBJECT: Failure to Respond to Requests for Additional Information

Mr. Egbert called after speaking with Karen Ferry about the Committee's failure to file amendments. He apologized for not filing the reports, and expressed concern over the possibility of the committee being fined for their tardiness.

I assured Mr. Egbert that penalties were not being discussed at this time, however, it is important for the committee to file its amendments to avoid sanctions. He stated that he understood.

85040515086

HAND DELIVERED
04 MAY 84 08:28

Michigan Republicans

2121 E. Grand River
Lansing, MI 48912
517/487-4413

1005 First National Bldg.
Detroit, MI 48226
313/ 863-8414

May 22, 1984

Mr. Eugene LaCroce
Reports Analyst
Reports Analysis Division
Federal Elections Commission
1325 K Street, N.W.
Washington, DC 20463

Dear Mr. LaCroce:

This is to confirm that the Michigan Republican State Committee has transferred county contributions which were erroneously deposited into the Federal account, into the State account.

The following represents the transactions:

Reference: April Quarterly Report (1/1/83 - 3/31/83)
St. Joseph County Republicans \$1,200.00*
Berrien County Republicans 1,300.00*
\$2,500.00

Reference: July Quarterly Report (4/1/83 - 6/30/83)
Berrien County Republicans \$ 700.00*

Reference: October Quarterly Report (7/1/83 - 9/30/83)
St. Joseph County Republicans \$3,800.00*
Berrien County Republicans 650.00*
Manistee County Republicans 200.00*
\$4,650.00

Reference: Year End Report (10/1/83 - 12/31/83)
St. Joseph County Republicans \$1,000.00*
Marquette County Republicans 250.00*
Presque Isle County Republicans 300.00*
Otsego County Republicans 500.00**
\$2,050.00

- * Transfer to State Account 5/01/84 - Check 2139
- ** Transfer to State Account 5/17/84 - Check 2158

E SPENCER ABRAHAM
Chairman

FRANK D STELLA
Finance Chairman

JACQUELINE E McCREGOR
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M GUZIK
Third Vice-Chair

JERRY KAMMERER
Fourth Vice-Chair

MARIE WENTELA
Fifth Vice-Chair

JANE C BARNIA
Sixth Vice-Chair

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May 22, 1984
Page Two

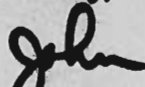
ATTACHMENT 10
(Page 2 of 2)

This transfer will be reported in the July Quarterly Report (4/01/84 — 6/30/84).

In addition to these transfers, the July Quarterly Report will show 1984 April Quarterly county contributions from Berrien County Republicans \$1,300.00 and St. Joseph County \$3,000.00 transferred to the State Account.

Thank you for your attention and advice.

Sincerely,



John Egbert
Accountant

JE/bb

Enclosures

84033152747

BR

TELECON WITH: Karen Ferry, Committee Representative

ATTACHMENT 11

CANDIDATE/COMMITTEE: Michigan Republican State Committee

DATE: 6/1/84

SUBJECT: Permissibility of funds collected

I spoke with Karen Ferry about the Committee's receipts from unregistered organizations. The Committee had promised to refund the money, but did not acknowledge whether the funds received by local groups were permissible. Ms. Ferry asked that this request be made in writing. I reminded her that the original RFAI stated the following:

• "Organizations which are not political committees under the Act must... demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution...Please clarify whether the contributions received from these organizations are permissible".

Ms. Ferry stated that she would respond as soon as possible, and I agreed to highlight the section of the RFAI that covered my request and mail it to the committee.

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- 1/ Finally, the Commission notes that in your request, as well as in the Statement of Organization filed with the Commission, you identify the committee only as "BARTERFAC". However, the Act and Commission regulations require that the name of a separate segregated fund include the full name of its connected organization. 2 U.S.C. §432(a); 11 CFR 102.14(c). While such a fund may also use a clearly recognized abbreviation or acronym by which the connected organization is known (or intends to be known), both the full name and the abbreviation or acronym must be included on the fund's Statement of Organization and all reports and notices. See 11 CFR 102.14(c) and Explanation and Justification thereto, 45 Fed. Reg. 15085 (March 7, 1980). Thus, the committee may use the name "BARTERFAC" but must also identify itself as the "International Association of Trade Exchanges Political Action Committee" as required by the Act and regulations.

2/ 500/600: .83/1.00

2/ 1000/1200: .83/1.00

[15683] AO 1982-36: Contributions from County Committees

County committees that may receive funds from corporations may not make contributions to a federal campaign unless they have sufficient funds on hand from acceptable sources. Answer to Thomas J. Schwarz, Counsel, The Committee to Re-Elect Senator Moynihan, 130 E. 40th Street, New York, New York 10016.

This is in response to your letter dated May 12, 1982, requesting an advisory opinion on behalf of the Committee to Re-Elect Senator Moynihan ("the Committee") concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to the Committee's acceptance of contributions from various county Democratic committees in New York State.

In your request, you state that the Committee is the principal campaign committee of Senator Moynihan of New York in his campaign for re-election to the United States Senate in the general election to be held in November, 1982. The Committee wishes to accept during calendar year 1982 contributions of up to \$1,000 from various county Democratic committees in New York State. Each county Democratic committee ("County Committee") is established under the provisions of §2-104 of the Election Law of the State of New York ("New York Election Law"). Under §14-116(2) of the New York Election Law, corporations and organizations financially supported in whole or in part by corporations may make contributions and expenditures out of treasury funds, including contributions to County Committees, provided that the aggregate of such corporate contributions and expenditures does not exceed \$5,000 in a calendar year. Consequently, the treasuries of the County Committees may contain corporate funds which, pursuant to 2 U.S.C. §441b, may not be contributed to Federal candidates.

For purposes of this request, you ask the Commission to assume, but not decide, the following:

(1) No County Committee is a "political committee" as defined under the Act. Accordingly, accounting practice regarding Federal political activity by County Committees is governed by section 102.5(b) of the Commission's regulations. In addition, no County Committee has a separate account as contemplated by 11 CFR 102.5(b)(1)(1). Therefore, Federal political activity by County Committees is subject to the provisions of 11 CFR 102.5(b)(1)(14).

(2) Any transfer of funds by a County Committee to the Moynihan Committee would be made in compliance with all applicable state and local laws governing the operation of party committees, including, without limitation, §2-126 of the New York Election Law, which precludes party committees from supporting candidates in other than general elections.

(3) Each County Committee is independent of any control or direction of the New York State Democratic Committee, and therefore no County Committee is a "subordinate committee of a State committee", as such term is defined in 11 CFR 100.14(b). Accordingly, County Committees are not subject to the aggregate limitations on contributions and expenditures imposed by the affiliation rules set forth in 2 U.S.C. §441a(a) and 11 CFR 110.3(b)(2).

15683

shif © 1982, Commerce Clearing House, Inc.

ATTACHMENT 3

The specific question presented in your request is whether the Moynihan Committee may accept such a contribution from a County Committee, regardless of whether the treasury of the County Committee contained corporate funds at the time the contribution was made, provided that both of the following conditions are met:

(1) At the time the contribution is made, the County Committee had no actual knowledge that its treasury had insufficient funds subject to the limitations and prohibitions of the Act to make such a contribution; and

(2) By the close of the applicable reporting period under New York Election Law, the County Committee had received, in the aggregate, sufficient funds subject to the Act to make the contribution lawful, regardless of whether the County Committee actually had sufficient funds when the contribution was made.

The Commission responds in the negative. The Act prohibits corporations from making any contribution or expenditure in connection with Federal elections; candidates and political committees are likewise prohibited from accepting such corporate contributions. 2 U.S.C. §441b. Commission regulations specifically provide for the situation where an organization that is not a political committee,^{1/} and whose treasury may therefore contain funds from sources not permitted under the Act, contributes to a Federal candidate or political committee. In such a case, the organization that is not a political committee under the Act must demonstrate, through a reasonable accounting method, that whenever it makes a contribution under the Act, it has received sufficient funds subject to the limitations and prohibitions of the Act to make the contribution. 11 CFR 102.3(b)(1)(ii).^{4/} See also Advisory Opinions 1980-130 [75573] and 1980-38 [75489], copies enclosed. The Commission has also made clear that a candidate who accepts contributions from unregistered organizations which are not political committees under the Act must assume responsibility for determining that the contributions originally came from permissible sources. See Commission Directive No. 19, Revised, September 12, 1980 and notices published in the FEC Record, Vol. 5, No. 3 (March 1979) and Vol. 6, No. 11 (November 1980).

Therefore, the Act does not permit the County Committees or the Moynihan Committee to disregard the contents of the County Committees' treasuries at the time a contribution is made and to determine whether, at some later date, sufficient funds exist to render the contribution permissible under the Act.^{5/} Moreover, the addition of the requirement that the County Committee have no "actual knowledge" that its treasury lacks sufficient funds to cover the contribution at the time it is made does not render the proposed accounting method consistent with the Act. Application of an "actual knowledge" standard falls short of fulfilling the affirmative obligation imposed on both the contributor/non-political committee and the recipient/political committee to ascertain whether the contributor had received sufficient funds when the contribution was made. For these reasons, the Commission concludes that the proposed accounting method would not be adequate to demonstrate that a County Committee had sufficient monies subject to the limitations and prohibitions of the Act to make a particular contribution.

This response constitutes an advisory opinion concerning application of the Act or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

Dated: June 25, 1982.

- 1/ In your request, you state that during calendar year 1982, the County Committees would be making contributions to the Committee of up to \$1,000. The Act provides that any local committee of a political party which makes contributions aggregating in excess of \$1,000 during a calendar year is deemed to be a "political committee" under the Act. 2 U.S.C. §431(4)(C). Accordingly, the Commission assumes that a County Committee which contributes \$1,000 to the Moynihan Committee would not contribute to any other Federal candidates in calendar year 1982.
- 2/ The Commission expressly does not decide that any County Committee is independent of any direction or control of the New York State Democratic Committee for purposes of the affiliation rules set forth in 2 U.S.C. §441a(a)(5) and 11 CFR 102.3(b). See Advisory Opinion 1978-9 [75330], copy enclosed.

85040515091



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

MEMORANDUM

TO: AUDIT, INFORMATION, AND
REPORTS ANALYSIS DIVISIONS

FROM: BILL LOUGHREY ^{B.L.}
ACTING STAFF DIRECTOR

SUBJECT: PROCEDURES APPROVED BY THE COMMISSION CONCERNING TRANSFERS
FROM UNREGISTERED POLITICAL ORGANIZATIONS

DATE: SEPTEMBER 12, 1980

The following procedures, approved by the Commission on September 11, 1980, are to be implemented by the Audit and Reports Analysis Division when encountering transfers from unregistered political organizations.

A. Unregistered Political Organizations ^{1/}

No action will be taken with respect to:

^{1/} The law requires a political organization to register and report when it becomes a political committee which is defined as:

(A) any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year; or

(B) any separate segregated fund established under the provisions of section 441b(b) of this title; or

(C) any local committee of a political party which receives contributions aggregating in excess of \$5,000 during a calendar year, or makes payments exempted from the definition of contribution or expenditure as defined in paragraphs (8) and (9) of this section aggregating in excess of \$5,000 during a calendar year, or makes contributions aggregating in excess of \$1,000 during a calendar year or makes expenditures aggregating in excess of \$1,000 during a calendar year.

ATTACHMENT 4

65

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a) political organizations which have not contributed amounts which would require them to register as a political committee.^{2/}

b) any political committee which has received contributions mentioned in a) above.

c) an unregistered organization which serves only as a fundraising agent for a federal candidate/committee (see AOR 1976-15 attached).

However, if it appears that a candidate or committee may be attempting to circumvent the provisions of the statute by accepting numerous contributions from unregistered committees the matter should be brought to the attention of the appropriate audit manager or branch chief for treatment on a case by case basis.

B. Unregistered Political Organizations Qualifying as Political Committees

If, during the course of an audit, the Audit Division uncovers contributions from an unregistered organization which would require it to register as a political committee; the unregistered committee will be referred to the Reports Analysis Division. The Audit Division will take no action with respect to the audited committee, unless the contribution(s) exceed(s) the applicable contribution limitations (in which case the recipient committee will be required to refund the amount in excess of the limitation and a referral made to the Office of General Counsel if the threshold for referral to that office is exceeded).

Additionally, the Reports Analysis Division will periodically review reports and the G Index of contributors to determine which unregistered organizations should have registered as political committees and also identify any apparent excessive contributions as a result of contributions to Federal candidates from affiliated party and nonparty organizations.

When an unregistered political organization exceeds the relevant threshold for registration,^{3/} a Request for Additional Information will be sent by the Reports Analysis Division. Registration and reporting forms will be enclosed with the letter. The response is tracked for compliance purposes. Failure to respond adequately may result in referral to the Office of General Counsel.

The unregistered organization which became a "political committee" is required to either:

^{2/} During an audit, only transfers to the committee being audited will be considered.

^{3/} The thresholds of the previous Act will be applied to the pre-1980 activity of Separate Segregated Funds.

- 1) Register and report to the Federal Election Commission; or
- 2) Have all contributions to federal candidates or committees which exceeded the relevant threshold refunded by the recipient candidate(s) or committee(s) or transferred by the recipient candidate(s) or committee(s) to accounts which are not used to influence federal elections.

In the event the unregistered organization elects to register and to file reports as a political committee, it becomes subject to the requirements of Sections 441a(a) and 441b of Title 2 of the United States Code.

The first report filed must encompass the entire reporting period in which the contribution(s) which triggered the registration requirement occurred. For example, an unregistered organization whose only federal activity was a contribution of \$900 on January 15, 1980, to an authorized committee and a contribution of \$300 on June 18, 1980, to an authorized committee would be required to register and report to the Federal Election Commission. The initial report will be a July 15 Report covering the period April 1, 1980 through June 30, 1980 unless the committee is a separate segregated fund. If the committee is a separate segregated fund, an April 15 report covering January 1, 1980 through March 31, 1980, will also be required.

A statement as to the source of the beginning cash balance must be filed with the report, if the beginning cash reported is greater than \$-0-.

To ensure compliance with Sections 441a(a) and 441b of Title 2 of the United States Code, the recipient (registered) political committee is required to refund any contributions to it which exceed the prescribed contribution limitations (in which case only the amounts in excess of the limitation must be refunded), or contain funds from prohibited sources (i.e. national banks, corporations, unions and foreign nationals). These refunds must be disclosed as disbursements. Alternatively, if the contributions contain funds from corporations or unions, the contributions may be transferred to a non-federal account if the recipient committee has such an account. The recipient political committee is not required to determine if the donor (unregistered) political committee has accepted funds in excess of the 441a limitations.

In the alternative, if the unregistered organization, which became a "political committee" by virtue of its contributions or expenditures, determines to either seek refunds of the excessive amounts, or request the recipient committee(s) to transfer the excessive amount(s) to a non-federal account, the refund(s) or transfer(s) which reduce(s) the political organization's federal activity to the relevant threshold would then obviate any registration and reporting requirements.

Upon notice from the unregistered political committee that refunds or transfers to a non-federal account are being requested or effected, the Reports Analysis Division will ensure that the recipient reporting committee's next report reflects that the refunds or transfers were made.

In addition to the above procedures, the Commission will publish a quarterly notice in the Record informing political committees of their responsibilities when receiving funds from unregistered organizations.

Attachment

85040515,095

SENSITIVE



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE REC
COMMISSION SECRETARY

84 SEP 17 P 4: 05

September 17 , 1984

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

A handwritten signature in dark ink, appearing to be "KAG", written over the typed name "Associate General Counsel".

SUBJECT: RAD Referral 84L-18

On September 11, 1984 the Commission approved the recommendation that the subject RAD Referral be made a MUR. Therefore, all documents which had previously been identified as RAD Referral 84L-18 should now become MUR #1781.

Attachment
Copy of Certification

85040515096

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan Republican State)
Committee, et al.)

RAD REFERRAL NO. 84L-18

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of September 11, 1984, do hereby certify that the Commission took the following actions in the above-captioned matter:

1. Decided by a vote of 6-0 to open a MUR.
2. Decided by a vote of 6-0 to find reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 441b by accepting and using contributions from accounts containing prohibited labor organization funds and violated 11 C.F.R. § 102.5.
3. Decided by a vote of 6-0 to take no action at this time with respect to finding reason to believe against the seven county organizations named in recommendation number 3 of the General Counsel's August 28, 1984 report, but direct the staff to send interrogatories to these organizations.

(Continued)

85040515097

4. Decided by a vote of 6-0 to

- a) Find no reason to believe that the St. Joseph County Republicans and the Berrien County Republicans violated 2 U.S.C. §§ 433 and 434 by failing to register as political committees and file reports of receipts and disbursements.
- b) Find no reason to believe that the Michigan Republican State Committee and Denzil L. Hammond, as treasurer, violated 2 U.S.C. § 433(b)(2) by failing to disclose the St. Joseph County Republicans and the Berrien County Republicans as affiliated committees.
- c) Approve and send the letters and General Counsel's factual and legal analysis as recommended in the General Counsel's August 28, 1984, report, subject to their amendment pursuant to the actions taken in the meeting.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for each of the decisions.

Attest:

9-11-84

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

85040515093



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

27 June 1984

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON *J.D.G.*
ASSISTANT STAFF DIRECTOR

SUBJECT: REFERRAL OF THE MICHIGAN REPUBLICAN STATE COMMITTEE

85040515000

This is a referral of the Michigan Republican State Committee (the "MRSC"). The MRSC received a total of \$9,900 in contributions from unregistered, non-Federal accounts ("county organizations") during 1983. Although the contributions have been transferred out to the MRSC state account, the Review and Referral Procedures for Unauthorized Committees (Standard 7) require that this matter be examined further by your office.

If you have any questions on this matter, please contact Eugene LaCroce at 523-4048.

Attachments

REPORTS ANALYSIS REFERRAL
TO
OFFICE OF GENERAL COUNSEL

DATE: 27 June 1984

ANALYST: Eugene LaCrosse

I. COMMITTEE: Michigan Republican State Committee
(C00041160)
Denzil L. Hammond, Treasurer
2121 E. Grand River
Lansing, MI 48912

II. RELEVANT STATUTE: 11 CFR 102.5

III. BACKGROUND:

Federal and Non-Federal Activity

The Michigan Republican State Committee (the "MRSC") received a total of \$9,900 in contributions from six (6) unregistered, non-Federal accounts ("county organizations") during 1983. The total for each of the following reports represents the contributions from the county organizations: \$2,500 disclosed on the April Quarterly Report (Attachment 2); \$700 disclosed on the July Quarterly Report (Attachment 3); \$4,650 disclosed on the October Quarterly Report (Attachment 4); and \$2,050 disclosed on the Year End Report (Attachment 5).

Requests for Additional Information (RFAI's) were sent for the above referenced reports on March 16, 1984 (Attachment 6). Each RFAI advised the MRSC that under 11 CFR 102.5(b), organizations which are not registered with the Commission must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. The MRSC was asked to clarify whether the contributions received from these organizations were permissible. If the contributions were not permissible, the MRSC was advised to refund the money or transfer it out to a non-Federal account.*

*/ Michigan prohibits corporate contributions and limits labor union and individual contributions to \$1,700 per statewide election (see Campaign Finance Law 84, Federal Election Commission, page MI-1).

85040515100

A Second Notice was sent on April 5, 1984, for failure to respond to the original RFAI's (Attachment 7).

The Reports Analysis Division ("RAD") analyst telephoned the MRSC on May 16, 1984, to ask why MRSC had failed to respond (Attachment 8). The treasurer was not in the office, so the RAD analyst spoke with Karen Ferry, a MRSC representative. Ms. Ferry stated that the MRSC had completed its amendments, and she thought that they had been mailed. Ms. Ferry said that she would speak with John Egbert, the MRSC's accountant, to find out why the Commission had not received the amendments. Mr. Egbert would then contact the RAD analyst.

Mr. Egbert telephoned the RAD analyst on May 16, 1984 (Attachment 9). He apologized for not responding to the RFAI's, but offered no explanation for the MRSC's tardiness. Mr. Egbert also expressed some concern over the possible sanctions to be levied by the Commission. The RAD analyst stated that although MRSC's violation was serious, the matter of fines was not being discussed at this point. Mr. Egbert was advised to file his response immediately.

The MRSC responded in writing on May 23, 1984, by noting that contributions totalling \$9,900 from six (6) county organizations had been transferred to the MRSC state account on May 1 and 17, 1984 (Attachment 10).

Because the MRSC response did not indicate whether any contributions prohibited under the Act had been received from the county organizations, the RAD analyst telephoned the MRSC on June 1, 1984 (Attachment 11). Ms. Ferry asked that the question on the permissibility of funds be made in writing. The RAD analyst explained that this information had been requested in the RFAI's, referenced the appropriate section of each letter, and agreed to send MRSC copies of the original RFAI's. Ms. Ferry stated that she would respond as soon as possible.

As of this date, the MRSC has failed to clarify whether the \$9,900 in contributions from the county organizations contained any funds prohibited under the Act.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

MRSC also disclosed the receipt of contributions from two (2) county organizations totalling \$4,300 on the 1984 April Quarterly Report. MRSC stated that "the transfer to correct this transaction will be reported in the July Quarterly Report, since it was not detected until the First Quarter had ended." An Informational Notice is pending on this matter.

85040515101

85040515102

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (83-84)DATE 18JUN84
PAGE 1

PARTY RELATED

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	TYPE OF FILER COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
MICHIGAN REPUBLICAN STATE COMMITTEE						
CONNECTED ORGANIZATION: MICHIGAN REPUBLICAN STATE FINANCE CMTE						
PARTY QUALIFIED ID #C00041160						
1983	APRIL QUARTERLY	50,611	19,487	1JAN83 -31MAR83	53	83FEC/270/1843
	APRIL QUARTERLY - AMENDMENT	-	-	1JAN83 -31MAR83	2	84FEC/315/2746
	REQUEST FOR ADDITIONAL INFORMATION			1JAN83 -31MAR83	2	84FEC/299/2551
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN83 -31MAR83	7	84FEC/307/1216
	JULY QUARTERLY	11,450	28,715	1APR83 -30JUN83	7	83FEC/276/2484
	JULY QUARTERLY - AMENDMENT	-	-	1APR83 -30JUN83	1	84FEC/315/3337
	REQUEST FOR ADDITIONAL INFORMATION			1APR83 -30JUN83	2	84FEC/299/2554
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1APR83 -30JUN83	1	84FEC/307/1526
	OCTOBER QUARTERLY	29,826	43,245	1JUL83 -30SEP83	46	83FEC/285/1444
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL83 -30SEP83	1	84FEC/315/3336
	REQUEST FOR ADDITIONAL INFORMATION			1JUL83 -30SEP83	2	84FEC/299/2557
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL83 -30SEP83	1	84FEC/307/1525
	YEAR-END	147,577	113,382	1OCT83 -31DEC83	391	84FEC/294/4885
	YEAR-END - AMENDMENT	-	-	1OCT83 -31DEC83	1	84FEC/315/3335
	REQUEST FOR ADDITIONAL INFORMATION			1OCT83 -31DEC83	1	84FEC/299/3449
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1OCT83 -31DEC83	1	84FEC/307/1524
1984	APRIL QUARTERLY	213,224	121,630	1JAN84 -31MAR84	22	84FEC/315/2602
	NOTICE OF FAILURE TO FILE			1JAN84 -31MAR84	1	84FEC/313/4691
	TOTAL	452,688	0 326,459	0	542	TOTAL PAGES

All 1983 Reports Reviewed

Ending Cash on Hand as of 3/31/84: \$126,967

Debts and Obligations Owed by the Committee as of 3/31/84: \$0

Debts and Obligations Owed to the Committee as of 3/31/84: \$0

ATTACHMENT 1

03/31/83

MICHIGAN REPUBLICAN STATE COMMITTEE
FEDERAL REPORT
REPORT PERIOD FROM 1/01/83 THROUGH 3/31/83

ATTACHMENT 2

PAGE 1

1983 APRIL QUARTERLY REPORT

SET NO	CONTRIBUTOR	DATE	AMOUNT	YTD AGGREGATE
529294	ST. JOSEPH COUNTY REPUBLICANS	2/23/83	600.00	
	RICHARD IMGRUND	3/21/83	600.00	
	501 E. HOFFMAN	TOTALS	1200.00**	1200.00**
	THREE RIVERS MI 49093			
	** COUNTY CHAIRMAN **			
901114	BERRIEN COUNTY REPUBLICANS	1/03/83	650.00	
	MS. CHARLOTTE WENHAM	3/14/83	650.00	
	3612 LAKESHORE DRIVE	TOTALS	1300.00**	1300.00**
	ST JOSEPH MI 49085			
	** COUNTY CHAIRMAN **			
901301	HILLSDALE COUNTY REPUBLICANS	1/03/83	750.00	
	MRS. SYLVIA LEUTHEUSER	TOTALS	750.00**	750.00**
	52 SOUTH BROAD STREET			
	HILLSDALE MI 49242			
	GRAND TOTALS		3250.00**	3250.00**

FER
750.00**

8 5 3 3 9 3 3 7 9 1 0 3 1

07/06/83

MICHIGAN REPUBLICAN STATE COMMITTEE
FEDERAL REPORT
REPORT PERIOD FROM 4/01/83 THROUGH 6/30/83

PAGE 1

ACCT NO CONTRIBUTOR

DATE

1983 JULY QUARTERLY REPORT
AMOUNT YTD AGGREGATE

901114 BERRIEN COUNTY REPUBLICANS
MS. CHARLOTTE WENHAM
3612 LAKESHORE DRIVE
ST JOSEPH MI 49085
** COUNTY CHAIRMAN **

4/19/83 50.00
6/17/83 650.00
TOTALS 700.00**

2000.00**

901123 BRANCH COUNTY REPUBLICANS
JOHN KEESLER
26 HULL STREET
COLDWATER MI 49036
** COUNTY CHAIRMAN **

6/29/83 1000.00
TOTALS 1000.00**

1000.00**

901332 INGHAM COUNTY REPUBLICANS
MR. DAVID MC KEAGUE
313 S. WASHINGTON SQ.
LANSING MI 48933
** COUNTY CHAIRMAN **

4/12/83 150.00
TOTALS 150.00**

150.00**

901464 LENAWE COUNTY REPUBLICANS
MS. EMILY KACKSTETTER
2649 SOUTH LAKE DRIVE
ADRIAN MI 49221

6/08/83 1500.00
TOTALS 1500.00**

1500.00**

9036703 LIVINGSTON COUNTY REPUBLICANS
JOSEPH L. RICHARDS
570 CHICAGO DRIVE
P WELL MI 48843
** COUNTY CHAIRMAN **

4/18/83 5000.00
TOTALS 5000.00**

5000.00**

GRAND TOTALS

8350.00**

11600.00**

850403275648

10/12/83

**MICHIGAN REPUBLICAN STATE COMMITTEE
FEDERAL REPORT
REPORT PERIOD FROM 7/01/83 THROUGH 9/30/83**

PAGE 1

1983 OCTOBER QUARTERLY REPORT

ACCT NO	CONTRIBUTOR	DATE	AMOUNT	YTD AGGREGATE
529294	ST. JOSEPH COUNTY REPUBLICANS	7/12/83	2000.00	
	RICHARD IMORUND	8/24/83	1000.00	
	501 E. HOFFMAN	TOTALS	3000.00**	3000.00**
	THREE RIVERS MI 49093			
**	COUNTY CHAIRMAN	**		
901114	BERRIEN COUNTY REPUBLICANS	8/23/83	650.00	
	VIRGINIA ANTONSON	TOTALS	650.00**	2650.00**
	5337 SCOTSDALE			
	ST. JOSEPH MI 49063			
**	COUNTY CHAIRMAN	**		
901230	EATON COUNTY REPUBLICANS	7/26/83	300.00	
	STEPHEN STOHL	9/13/83	510.00	
	927 LONDON DRIVE	TOTALS	810.00**	810.00**
	LANSING MI 48917			
**	COUNTY CHAIRMAN	**		
901301	HILLSDALE COUNTY REPUBLICANS	7/19/83	1000.00	
	HERBERT HINE	TOTALS	1000.00**	1750.00**
	68 WESTWOOD DRIVE			
	HILLSDALE MI 49242			
936144	JACKSON COUNTY REPUBLICANS	9/13/83	1875.00	
	JOE FILIP	TOTALS	1875.00**	1875.00**
	330 SEMINOLE PLACE			
	JAC SON MI 49202			
20036707	MANISTEE COUNTY REPUBLICANS	9/27/83	200.00	
	LEE MAC GREGOR	TOTALS	200.00**	200.00**
	376 SECOND STREET			
	MANISTEE MI 49660			
GRAND TOTALS			8335.00**	19935.00**

12/30/83

MICHIGAN REPUBLICAN STATE COMMITTEE
FEDERAL REPORT
REPORT PERIOD FROM 10/01/83 THROUGH 12/31/83ATTACHMENT 5
PAGE 1

1983 YEAR END REPORT

ACCT NO	CONTRIBUTOR	DATE	AMOUNT	YTD AGGREGATE
529294	ST. JOSEPH COUNTY REPUBLICANS	10/27/83	1000.00	
	RICHARD IMGRUND	TOTALS	1000.00**	6000.00**
	501 E. HOFFMAN			
	THREE RIVERS MI 49093			
**	COUNTY CHAIRMAN	**		
901123	BRANCH COUNTY REPUBLICANS	10/04/83	2000.00	
	HOWARD CAREY	TOTALS	2000.00**	3000.00**
	195 ROBBINS ROAD			
	BURR OAK MI 49030			
**	COUNTY CHAIRMAN	**		
936144	JACKSON COUNTY REPUBLICANS	12/22/83	625.00	
	JOE FILIP	TOTALS	625.00**	2500.00**
	330 SEMINOLE PLACE			
	JACKSON MI 49202			
0031000	OTSEGO COUNTY REPUBLICANS	12/08/83	500.00	
	GORDON DOULE	TOTALS	500.00**	500.00**
	RT. #1, BOX 160			
	GAYLORD MI 49735			
0036708	MARQUETTE COUNTY REPUBLICANS	12/22/83	250.00	
	PEGGY FRAZIER	TOTALS	250.00**	250.00**
	3 MARQUETTE DRIVE			
	MARQUETTE MI 49855			
**	COUNTY CHAIRMAN	**		
0036715	PRESQUE ISLE C REPUBLICANS	12/31/83	300.00	
	MR. R. WALLY PELTZ	TOTALS	300.00**	300.00**
	P.O. BOX 215, 451 ROAD			
	ROGERS CITY MI 49779			
**	COUNTY CHAIRMAN	**		
	GRAND TOTALS		4675.00**	24610.00**



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

16 March 1984 RQ-2

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: April Quarterly Report (1/1/83-3/31/83)

Dear Mr. Hammond:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-2 U.S.C. 434(b)(3) requires itemization of contributions from individuals and persons other than political committees where the aggregate total from the contributor exceeds \$200 in a calendar year. 11 CFR 104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see the memo entry under Line 11(a) of the Detailed Summary Page). 11 CFR 104.3(a)(4)(i) provides that if a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized.

During the previous election cycle (1981-82) your committee was notified that by disclosing all contributors in random order, your committee was not properly disclosing contributions from individuals other than political committees. This practice of overdisclosure has continued into this election cycle, and results in a lack of clarity, in addition to being confusing on the public record. Please amend your report to include the unitemized totals in the memo entry; and for future reporting, please include only those contributors who are required to be itemized.

-Schedule A of your report discloses contributions from organizations which are not political committees registered with the Commission. Under 11 CFR 102.5(b),

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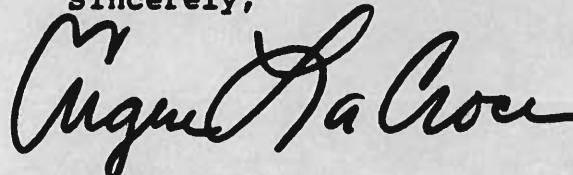
organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

EX

Please clarify whether the contributions received from these organizations are permissible. To the extent that your committee has received funds which are not permissible, the amounts should be either refunded to the organizations or transferred out to a non-Federal account. Contributions which are refunded should be disclosed on Schedule B for Line 26a of your next report; and those which are transferred out should be disclosed on Schedule B for Line 20 or Line 27, as appropriate.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,



Eugene LaCroce
Reports Analyst
Reports Analysis Division

85040515103



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

16 March 1984 RQ-2

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: July Quarterly Report (4/1/83-6/30/83)

Dear Mr. Hammond:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 11a of the Detailed Summary Page discloses a figure for the total amount of contributions from individuals/persons other than political committees. In addition, the memo entry portion of the Detailed Summary Page is blank, and no supporting schedules have been provided. Please amend your report by itemizing all contributions from individuals/persons, which aggregate greater than \$200 in the calendar year, and/or provide a figure for the total amount of unitemized contributions from individuals/persons, which have been received during the reporting period. (11 CFR 104.3(a)(2))

-Schedule A of your report discloses contributions from organizations which are not political committees registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

Please clarify whether the contributions received from these organizations are permissible. To the extent that your committee has received funds which are not permissible, the amounts should be either refunded to the organizations or transferred out to a non-Federal

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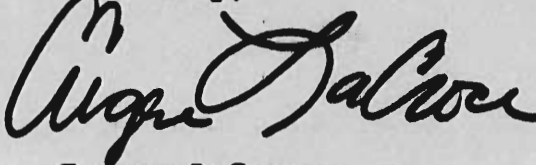
account. Contributions which are refunded should be disclosed on Schedule B for Line 26a of your next report; and those which are transferred out should be disclosed on Schedule B for Line 20 or Line 27, as appropriate.

EJL

-Please provide a Schedule C or D, as appropriate, to support the entry of \$30,000 reported on Line 9 and/or 10 of the Summary Page. Loans and debts must be continuously reported until they are either repaid or settled. (11 CFR 104.3(d))

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,



Eugene LaCroce
Reports Analyst
Reports Analysis Division

85040515110



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

16 March 1984 RQ-2

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: October Quarterly (7/1/83-9/30/83) and Year End
(10/1/83-12/31/83) Reports

Dear Mr. Hammond:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-2 U.S.C. 434(b)(3) requires itemization of contributions from individuals and persons other than political committees where the aggregate total from the contributor exceeds \$200 in a calendar year. 11 CFR 104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see the memo entry under Line 11(a) of the Detailed Summary Page). 11 CFR 104.3(a)(4)(i) provides that if a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized.

During the previous election cycle (1981-82) your committee was notified that by disclosing all contributors in random order, your committee was not properly disclosing contributions from individuals other than political committees. This practice of overdisclosure has continued into this election cycle, and results in a lack of clarity, in addition to being confusing on the public record. Please amend to include the unitemized total in the memo entry; and for future reporting, please include only those contributors who are required to be itemized.

-Schedule A of your reports discloses contributions from organizations which are not political committees

850405111

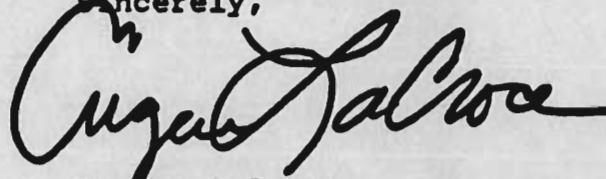
registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

Please clarify whether the contributions received from these organizations are permissible. To the extent that your committee has received funds which are not permissible, the amounts should be either refunded to the organizations or transferred out to a non-Federal account. Contributions which are refunded should be disclosed on Schedule B for Line 26a of your next report; and those which are transferred out should be disclosed on Schedule B for Line 20 or Line 27, as appropriate.

-Please provide a Schedule C disclosing the loan of \$30,000 your committee received from the Republican National Committee on March 31, 1983. Loans must be continuously reported until they are either repaid or settled. (11 CFR 104.3(d))

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,



Eugene LaCroce
Reports Analyst
Reports Analysis Division

85040515112



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

April 5, 1984

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, MI 48912

Identification Number: C00041160

Reference: April Quarterly (1/1/83-3/31/83), July Quarterly
(4/1/83-6/30/83), October Quarterly (7/1/83-9/30/83)
and Year-End (10/1/83-12/31/83) Reports

Dear Mr. Hammond:

This letter is to inform you that as of April 4, 1984, the Commission has not received your response to our requests for additional information dated March 16, 1984. Those notices requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). Copies of our original requests are enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Eugene LaCroce on our toll-free number (800) 424-9530 or our local number (202) 523-4048.

Sincerely,

A handwritten signature in cursive script, reading "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

85040515113

TELECON

ANALYST LICENSE 

TELECON WITH: Karen Ferry, Committee Representative

ATTACHMENT 8

CANDIDATE/COMMITTEE: Michigan Republican State Committee
(C00041160)

DATE: May 16, 1984

SUBJECT: Failure to Respond to Requests for Additional Information

I asked Karen Ferry, a Committee Representative, why her organization had failed to file their amendments.

Ms. Ferry said that she believed the Committee had mailed its amendments to the Commission. She decided to contact John Egbert, the Committee Accountant, who was responsible for the amendments. Ms. Ferry will have him contact me later today.

85040515114

TELECON

ATTACHMENT 9

TELECON WITH: John Egbert, Committee Accountant

CANDIDATE/COMMITTEE: Michigan Republican State Committee
(C00041160)

DATE: May 16, 1984

SUBJECT: Failure to Respond to Requests for Additional Information

Mr. Egbert called after speaking with Karen Ferry about the Committee's failure to file amendments. He apologized for not filing the reports, and expressed concern over the possibility of the committee being fined for their tardiness.

I assured Mr. Egbert that penalties were not being discussed at this time, however, it is important for the committee to file its amendments to avoid sanctions. He stated that he understood.

85040515113

RECEIVED AT THE FEC
AND DELIVERED
04 MAY 84 00:00

Michigan Republicans

2121 E. Grand River
Lansing, MI 48912
517/487-5413

1005 First National Bldg.
Detroit, MI 48226
313/ 993-0414

May 22, 1984

Mr. Eugene LaCroce
Reports Analyst
Reports Analysis Division
Federal Elections Commission
1325 K Street, N.W.
Washington, DC 20463

Dear Mr. LaCroce:

This is to confirm that the Michigan Republican State Committee has transferred county contributions which were erroneously deposited into the Federal account, into the State account.

The following represents the transactions:

Reference: April Quarterly Report (1/1/83 - 3/31/83)
St. Joseph County Republicans \$1,200.00*
Berrien County Republicans 1,200.00*
\$2,400.00

Reference: July Quarterly Report (4/1/83 - 6/30/83)
Berrien County Republicans \$ 700.00*

Reference: October Quarterly Report (7/1/83 - 9/30/83)
St. Joseph County Republicans \$3,000.00*
Berrien County Republicans 650.00*
Manistee County Republicans 200.00*
\$4,850.00

Reference: Year End Report (10/1/83 - 12/31/83)
St. Joseph County Republicans \$1,000.00*
Marquette County Republicans 250.00*
Presque Isle County Republicans 200.00*
Otsego County Republicans 500.00**
\$2,950.00

- * Transfer to State Account 5/01/84 - Check 2139
** Transfer to State Account 5/17/84 - Check 2158

E SPENCER ABRAHAM
Chairman

FRANK D STELLA
Finance Chairman

JACQUELINE E McCREGOR
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M BLUM
Third Vice-Chair

JERRY KAMINSKI
Fourth Vice-Chair

BARNE WENTELA
Fifth Vice-Chair

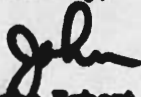
JANE C GARCIA
Sixth Vice-Chair

This transfer will be reported in the July Quarterly Report (4/01/64 — 6/30/64).

In addition to these transfers, the July Quarterly Report will show 1964 April Quarterly county contributions from Barrien County Republicans \$1,300.00 and St. Joseph County \$3,000.00 transferred to the State Account.

Thank you for your attention and advice.

Sincerely,


John Egbert
Accountant

JE/tb

Enclosures

84033152747

TELECON

BR

TELECON WITH: Karen Ferry, Committee Representative

ATTACHMENT 11

CANDIDATE/COMMITTEE: Michigan Republican State Committee

DATE: 6/1/84

SUBJECT: Permissibility of funds collected

I spoke with Karen Ferry about the Committee's receipts from unregistered organizations. The Committee had promised to refund the money, but did not acknowledge whether the funds received by local groups were permissible. Ms. Ferry asked that this request be made in writing. I reminded her that the original RFAI stated the following:

"Organizations which are not political committees under the Act must... demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution...Please clarify whether the contributions received from these organizations are permissible".

Ms. Ferry stated that she would respond as soon as possible, and I agreed to highlight the section of the RFAI that covered my request and mail it to the committee.

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FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR #

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