

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: September 26, 1997

ANALYST: Andrew Dodson

I. COMMITTEE: Sixth Congressional District Republican Party
(C00111765)
Collette Hoover, Treasurer
3309 Lassiter Mill Road
Asheboro, NC 27203

II. RELEVANT STATUTE: 2 U.S.C. §441b(a); 2 U.S.C. §434(b)(5)(A)
11 CFR §102.5(a); 11 CFR §104.10(b)(1)

III. BACKGROUND:

Transfers Received From An Unregistered Organization and Disclosure of Limited Payments for Administrative Expenses

The Sixth Congressional District Republican Party ("the Committee") received two (2) transfers from an unregistered organization totaling \$32,425 on the 30 Day Post-General Report covering the period October 17, 1996 through November 25, 1996 (Attachment 2). This report also disclosed disbursements totaling \$35,376.80 and limited payments for administrative expenses (Attachment 3).

On June 25, 1997, the Reports Analysis Division ("RAD") sent a Request for Additional Information ("RFAI") to the Committee. The RFAI requested clarification regarding the source of the funds from the unregistered organization. If the funds were not permissible, the Committee was advised to refund and/or transfer-out the impermissible funds. The RFAI also requested clarification regarding the limited administrative expense payments disclosed on the report. The RFAI asked that the Committee provide further information regarding

administrative expenses incurred during the election cycle and/or amend its reports to disclose such expenses (Attachment 4).

On July 17, 1997, RAD sent a Second Notice stating that the Committee had failed to respond to the RFAI of June 25, 1997 (Attachment 5).

On August 11, 1997, the RAD analyst spoke to the Committee's treasurer, Ms. Collette Hoover, and informed her that she had not responded to the RFAI of June 25, 1997. The analyst advised Ms. Hoover that she should contact the unregistered organization and inquire about the original source of the transfers and refund and/or transfer out any impermissible funds or declare a debt for any impermissible receipts. Ms. Hoover stated that she would contact the unregistered organization's attorney and then call the analyst back for additional assistance (Attachment 6).

From August 21, 1997 through August 26, 1997 the RAD analyst made numerous additional attempts to contact Ms. Hoover to discuss both the possible receipt of impermissible funds and the Committee's disclosure of limited payments for administrative expenses. All attempts to contact Ms. Hoover were unsuccessful.

As of this date the Committee has failed to respond.

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
SIXTH CONGRESSIONAL DISTRICT REPUBLICAN PARTY				ID #C00111765	PARTY QUALIFIED	
CONNECTED ORGANIZATION: NONE						
1997 MID-YEAR REPORT		630	93	1JAN97 -30JUN97	4	97FEC/227/0097
TOTAL		630	0	93	0	4 TOTAL PAGES

The report listed has been reviewed.

Debts and obligations owed to the Committee: \$0.00

Debts and obligations owed by the Committee: \$0.00

Ending cash on hand as of 06/30/97: \$2464.10

SECRET FOR NO 66

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
					TYPE OF FILER	
SIXTH CONGRESSIONAL DISTRICT REPUBLICAN PARTY				ID #C00111765	PARTY QUALIFIED	
CONNECTED ORGANIZATION: NONE						
1995	MID-YEAR REPORT	780	103	1JAN95 -30JUN95	3	95FEC/993/1358
	YEAR-END	0	59	1JUL95 -31DEC95	3	96FEC/029/2710
1996	APRIL QUARTERLY	0	811	1JAN96 -31MAR96	3	96FEC/044/5380
	JULY QUARTERLY	7,255	5,367	1APR96 -30JUN96	4	96FEC/066/4388
	OCTOBER QUARTERLY	9,185	6,480	1JUL96 -30SEP96	6	96FEC/105/0385
	PRE-GENERAL	0	0	1OCT96 -16OCT96	2	96FEC/123/1376
	POST-GENERAL	32,425	35,376	17OCT96 -25NOV96	5	96FEC/157/3677
	REQUEST FOR ADDITIONAL INFORMATION			17OCT96 -25NOV96	5	97FEC/211/2176
	REQUEST FOR ADDITIONAL INFORMATION 2ND			17OCT96 -25NOV96	6	97FEC/215/3618
	YEAR-END	0	0	26NOV96 -31DEC96	3	97FEC/176/0346
TOTAL		49,645	0 48,196	0	40	TOTAL PAGES

All reports listed have been reviewed.

Debts and obligations owed to the Committee: \$0.00

Debts and obligations owed by the Committee: \$0.00

Ending cash on hand as of 12/31/96: \$1927.54

SCHEDULE A

ITEMIZED RECEIPTS

 Separate schedule(s)
for each category of the
Detailed Summary Page

 PAGE 1 OF 1
FOR LINE NUMBER

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

GLE District Republican Executive Committee

ADD

A. Full Name, Mailing Address and ZIP Code

 Randolph County Republican Exec. Comm.
119 Worth St.
Asheboro, NC 27203

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

10-15-96

10,000.00

Occupation

Receipt For:

☐ Primary☒ General☐ Other (specify):

Aggregate Year-to-Date \$

B. Full Name, Mailing Address and ZIP Code

 Randolph County REC
119 Worth St.
Asheboro, NC 27203

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

10-22-96

22,425.00

Occupation

Receipt For:

☐ Primary☒ General☐ Other (specify):

Aggregate Year-to-Date \$

C. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For:

☐ Primary☐ General☐ Other (specify):

Aggregate Year-to-Date \$

D. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For:

☐ Primary☐ General☐ Other (specify):

Aggregate Year-to-Date \$

E. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For:

☐ Primary☐ General☐ Other (specify):

Aggregate Year-to-Date \$

F. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For:

☐ Primary☐ General☐ Other (specify):

Aggregate Year-to-Date \$

G. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For:

☐ Primary☐ General☐ Other (specify):

Aggregate Year-to-Date \$

SUBTOTAL of Receipts This Page (optional)

32,425.00

TOTAL This Period (last page this line number only)

32,425.00

DETAILED SUMMARY PAGE **OF RECEIPTS AND DISBURSEMENTS** **PAGE 2, FEC FORM 3X**

Page 1 of 2

(revised 1/1/91)

NAME OF COMMITTEE 6th Congressional District REC		REPORT COVERING PERIOD FROM 10-17-96 TO: 11-25-96	
		COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts			
11. Contributions (other than loans) From:			
a. Individual/Persons Other Than Political Committees			
i. Itemized (use Schedule A)		32,425.00	34,525.00
ii. Unitemized		0	14,340.00
iii. Total (add i and ii)		32,425.00	48,865.00
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contributions (add a iii, b and c)		32,425.00	48,865.00
12. Transfers From Affiliated/Other Party Committees			
13. All Loans Received			
14. Loan Repayments Received			
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)			
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees			
17. Other Federal Receipts (Dividends, Interest, etc.)			
18. Transfers from Nonfederal Account for Joint Activity			
19. Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18)		32,425.00	48,865.00
20. Total Federal Receipts (subtract line 18 from line 19)		32,425.00	48,865.00
II. Disbursements			
21. Operating Expenditures:			
a. Shared Federal/Non-Federal Activity (from Schedule H4)			
i. Federal Share			
ii. Non-Federal Share			
b. Other Federal Operating Expenditures		32,376.80	35,036.69
c. Total Operating Expenditures (add a i, a ii, and b)			
22. Transfers to Affiliated/Other Party Committees			
23. Contributions to Federal Candidates/Committees and Other Political Committees		3,000.00	13,000.00
24. Independent Expenditures (use Schedule E)			
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)			
26. Loan Repayments Made			
27. Loans Made			
28. Refunds of Contributions To:			
a. Individuals/Persons Other Than Political Committees			
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contribution Refunds (add a, b and c)			
29. Other Disbursements			
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29)		35,376.80	48,036.69
31. Total Federal Disbursements (subtract line 21 a ii from line 30)		35,376.80	48,036.69
III. Net Contributions/Operating Expenditures			
32. Total Contributions (other than loans) (from line 11d)		32,425.00	48,865.00
33. Total Contribution Refunds (from line 28d)			
34. Net Contributions (other than loans) (subtract line 33 from 32)		32,425.00	48,865.00
35. Total Federal Operating Expenditures (add 21 a i and 21 b)		35,376.80	35,376.80
36. Offsets to Operating Expenditures (from line 15)			
37. Net Operating Expenditures (subtract line 36 from 35)		35,376.80	35,376.80



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Collette Hoover, Treasurer
Sixth Congressional District Republican
Party
3309 Lassiter Mill Road
Asheboro, NC 27203

JUN 25 1997

Identification Number: C00111765

Reference: 30 Day Post-General Report (10/17/96-11/25/96)

Dear Mrs. Hoover:

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:

B.H.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees 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.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received impermissible funds, the Commission recommends that you transfer the impermissible funds to an account not used to influence federal elections or refund the impermissible amount(s) to the

donor(s) in accordance with 11 CFR §103.3(b). In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

E.H.

-Please clarify all expenditures made for radio advertising on Schedule B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedule B or F supporting Line 23 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §104.3(b)

E.H.

-Your report discloses limited payments for administrative expenses. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD derived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X submitted each year. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

E.H.

A written response or 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) 219-3580.

Sincerely,



Andrew J. Dodson
Senior Reports Analyst
Reports Analysis Division

219

6334 701 10 66
99 01 31 43 3



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

July 17, 1997

Collette Hoover, Treasurer
Sixth Congressional District
Republican Party
3309 Lassiter Mill Road
Asheboro, NC 27203

Identification Number: C00111765

Reference: 30 Day Post-General Report (10/17/96-11/25/96)

Dear Ms. Hoover:

This letter is to inform you that as of July 16, 1997, the Commission has not received your response to our request for additional information dated June 25, 1997. This notice request information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to this request (copy 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 regarding this matter, please contact Andrew Dodson on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

TELECON

ANALYST: Andrew Dodson

CONVERSATION WITH: Ms. Collette Hoover

COMMITTEE: Sixth Congressional District Republican Party

DATE: August 11, 1997

SUBJECT: Receipt of transfers from an unregistered organization.

Ms Hoover called today concerning the Sixth Congressional District Republican Party's receipt of \$32,425 from the Randolph County Republican Executive Committee. The Reports Analysis Division ("RAD") analyst informed Ms Collette that the Randolph County Republican Executive Committee was not registered with the Commission and that any transfers from that organization would have to be composed of federally permissible funds. The RAD analyst told Ms Hoover that if her committee received any funds that were not federally permissible that she should refund and/or transfer-out the impermissible funds or declare a debt for the impermissible amount to the donor or to an account not used for federal activity. Ms Hoover stated that she would contact the counsel of the Randolph County Republican Executive Committee, Mr Alan Pugh, and then call the RAD analyst for additional assistance. Ms Hoover failed to make any further contact with the RAD analyst.