



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

June 15, 2000

James Joseph Zogby, Treasurer
Arab American Leadership Political Action Committee
Suite 501
918 Sixteenth Street, N.W.
Washington, DC 20006

RE: MUR 5028

Dear Mr. Zogby:

On June 9, 2000, the Federal Election Commission found that there is reason to believe the Arab American Leadership Political Action Committee (the "Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be

demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain 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 David H. Morgenstern, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Darryl R. Wold". The signature is fluid and cursive, with the first name "Darryl" and last name "Wold" clearly distinguishable.

Darryl R. Wold
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Arab American Leadership Political Action Committee MUR: 5028
James Joseph Zogby, as treasurer

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires that all political committees other than authorized committees of a candidate shall file quarterly reports in a calendar year in which a regularly scheduled general election is held, which shall be filed no later than the 15th day after the last day of each calendar quarter, except that the report for the quarter ending on December 31 of such calendar year shall be filed no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(4)(A)(i).

The Arab American Leadership Political Action Committee ("the Committee") is a political committee that is not an authorized committee of a candidate. James Joseph Zogby is the treasurer of the Committee.

Respondents failed to timely file the 1998 July Quarterly and 1998 Year End Reports of Receipts and Disbursements covering the periods from April 1, 1998 to June 30, 1998 and November 24, 1998 to December 31, 1998, respectively. Respondents were required to file the 1998 July Quarterly Report no later than July 15, 1998. The 1998 July Quarterly Report, which disclosed \$22,791.00 in receipts and \$13,500.00 in disbursements, was not filed until

November 18, 1999, 491 days late. Respondents were required to file the 1998 Year End Report no later than January 31, 1999. The 1998 Year End Report, which disclosed \$150.00 in receipts and \$6,500.00 in disbursements, was not filed until November 15, 1999, 288 days late.

The Commission notified the Committee of the filing dates for the 1998 July Quarterly Report on two separate occasions by Prior Notices. The Prior Notices were mailed to the Committee on December 29, 1997 and June 19, 1998. Both Prior Notices informed the Committee that the 1998 July Quarterly Report was due on July 15, 1998. A Non-Filer Notice was sent to the Committee via mailgram on December 28, 1998.

The Commission notified the Committee of the filing dates for the 1998 Year End Report on two separate occasions by Prior Notices. The Prior Notices were mailed to the Committee on December 29, 1997 and December 30, 1998. Both Prior Notices informed the Committee that the 1998 Year End Report was due on January 31, 1999. On February 8, 1999, the Committee filed a 1998 Amended Year End Report; however, no original 1998 Year End Report was submitted.

On April 7, 1999, a Request for Additional Information ("RFAI") was sent to the Committee. The RFAI stated that the Commission had not received the Committee's original 1998 Year End Report and advised the Committee that its report would not be considered complete until a Detailed Summary Page and all appropriate supporting schedules had been filed. On September 22, 1999, the Reports Analysis Division ("RAD") analyst called Ethel Ellis, the bookkeeper for the Committee, and told her that the Commission had not received the 1998 July Quarterly and 1998 Year End Reports. The analyst advised Ms. Ellis to file the missing reports as soon as possible, and she said she would send them in the next day. On November 3, 1999, the RAD analyst called Ms. Ellis and told her that the Commission had still not received the

1998 July Quarterly and 1998 Year End Reports. Ms. Ellis stated that she would bring the missing reports to the Commission on November 8, 1999 but failed to do so. On November 10, 1999, the RAD analyst called Ms. Ellis and told her that the Commission had still not received the missing reports. Ms. Ellis indicated that she had questions that needed to be answered before she could complete the missing reports and said that she would come to the Commission on November 15, 1999.

On November 15, 1999, the RAD analyst met with Ms. Ellis. She stated that she was working on the 1998 July Quarterly Report and discovered that the previous bookkeeper disclosed the activity for that period in the 1998 October Quarterly Report. Examination of the 1998 October Quarterly Report and amendments, however, does not reveal any itemized activity for the period in question. Ms. Ellis said that she was in the process of putting together the 1998 July Quarterly Report and would have it completed by later that week. In addition, Ms. Ellis stated that the Committee had already filed the 1998 Year End Report and she showed a copy of this report to the RAD analyst. The RAD analyst informed her that the Commission had never received this original filing, but did receive two amended 1998 Year End filings. Ms. Ellis gave the RAD analyst a copy of the 1998 Year End Report. On November 18, 1999, the Committee filed the 1998 July Quarterly Report.

Therefore, there is reason to believe the Arab American Leadership Political Action Committee and James Joseph Zogby, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i).