



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2006 OCT -4 A 9:18

AGENDA ITEM

For Meeting of: 10-04-06

MEMORANDUM

TO: The Commission
General Counsel
Staff Director
Office of the Commission Secretary

SUBMITTED LATE

FROM: Vice Chairman *Robert D. Lenhard*

DATE: October 4, 2006

RE: Agenda Document 06-62 - Report of the Audit Division on Mongiardo for U.S. Senate

I plan to offer the following amendment to the Report of the Audit Division on Mongiardo for U.S. Senate at today's open session:

Page 7: Delete the last paragraph of Finding 2, beginning with, "The Audit staff acknowledges ..." and insert:

"For the fourteen contributions totaling \$19,000 received from conduit entities, DMUS received both the contributor information and funds from the conduit entities by the end of the 48-hour reporting period. Accordingly, the Commission determined DMUS was required to file 48-hour notices for these contributions. Ten contributions totaling \$14,000 were made directly to DMUS via the committee's website. These transactions were processed by a DMUS credit card processing vendor. The vendor transmitted the individual transactions to the appropriate credit card companies for payment, and forwarded lump sum payments from the credit card companies to DMUS. The vendor also compiled a database of contributor information for the transactions it processed. DMUS was provided with real time access to this database, and used the database to compile credit card contributor information for its FEC reports. Periodically, DMUS was also provided electronic updates of contribution activity from the vendor. During the 48-hour reporting period, contributor information for the ten contributions at issue was available to DMUS on the database. The funds from these transactions were not forwarded to DMUS until several days later. Because DMUS's credit card processing vendor was an agent of DMUS with respect to receipt of the contributions on the DMUS website, DMUS received the contributions at issue by the end of the 48-hour reporting period. Accordingly, the Commission determined that DMUS was required to file 48-hour notices for these contributions."