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June 30, 2015

Mr. Ben Holly
Senior Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
Washington, DC 20463

HAND DELIVERED

Committee ID: C90013897

RE: Amended Year-End Report (10/01/2014-12/31/2014), RECEIVED 12/3/14

Dear Mr. Holly,

I am writing as counsel to Iowa Citizens for Community Improvement Action Fund ("Iowa CCI Action") in response to the Commission's April 10, 2015, request for additional information related to items disclosed on the above referenced Amended Year-End Report. Thank you for the additional time to respond in light of the fact, as you discussed with Iowa CCI Action staff, the organization had not received your correspondence and only learned of it via your follow-up call. The two issues you raise are both related to the circumstances under which Iowa Citizens for Community Improvement Action Fund ("Iowa CCI Action") filed its independent expenditure reports during the 2014 elections, so a somewhat lengthy explanation of those circumstances is necessary.

As explained in Iowa CCI Action's various filings, the organization sought to be as transparent as possible about its planned electoral spending although the nature of its canvassing and other largely grassroots independent expenditure efforts meant that the exact amounts paid to staff and other vendors could not be known in time to file timely reports with precise and accurate amounts. Therefore, the amounts reported in Iowa CCI Action's pre-election filings were, in most cases, estimates of the organization's independent expenditures.

On September 10, 2014, Iowa CCI Action filed a single 48-hour report with its estimated independent expenditures from the beginning of those efforts until the election. Subsequently, Iowa CCI Action received a promise of additional funds enabling it to significantly expand its planned independent expenditures beyond those possible using only general treasury funds, and it filed revised reports to reflect the expanded effort – one report reflecting first quarter expenditures and then another estimate of expenditures for the fourth quarter that was initially filed via email on October 16.

Immediately after that October 16 report was filed, we realized that the increase in planned expenditures had triggered an electronic filing requirement. You might recall that I spoke with you by phone about this matter, and you advised us to refile using the Commission's FECFile software, which Iowa CCI Action did on October 17. On our call, you confirmed that this October 17 filing was still timely if, as I explained was the case, Iowa CCI Action's independent

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expenditures since October 1 had only reached \$10,000 on October 15. Unfortunately, this October 17 report amending the October 16 report could not be marked as an amended report because FECFile would not allow Iowa CCI Action to declare it to be an amended report when the original report had not been filed with FECFile. To make matters even more confusing, all of this occurred on the cusp of the transition from 48-Hour filing to 24-Hour filing, making it ambiguous whether Iowa CCI Action was required to treat this as a 48- or 24 Hour report, and so it selected the latter.

Then, just prior to the election, Iowa CCI Action had another small funding windfall, and so, again in an effort to be transparent, it filed yet another amended report reflecting the new funding and making some adjustments to the previous estimated expenditures to reflect the more accurate information by then available. (Unfortunately, either some glitch in the FECFile software or user error resulted in the total expenditures on page 25 of that report not being accurately carried over to line 7 on page 1 of the report and for a receipt previously reported to be omitted in this amendment.)

Finally, as soon as possible after the election, Iowa CCI Action filed its Year-End Report with accurate amounts to replace the estimated expenditures that Iowa CCI Action had previously been forced to use. That report was filed on December 2, and one minor amendment was made on December 3. It is this December 3 amended Year-End Report that is the subject of your RFAI.

With this long preamble complete, I can at last respond to your concerns:

Your letter suggests that Iowa CCI Action was late in filing 48-Hour Reports for two expenditures reflected in the Amended Year-End Report and that Iowa CCI Action failed to file 48-Hour Reports for numerous other expenditures, but neither of these is the case.

As explained, both in this letter and its filings, although Iowa CCI Action attempted to report a reasonable estimate of its independent expenditures, it was inevitable that the final numbers reported would vary from these estimates. Each of the expenditures you have identified as missing can be explained by this. Although the exact amounts may have varied and the particular vendors (e.g. specific canvassers hired) may have changed between the estimates filed in the pre-election reports and the final Year-End Report, a close comparison of both the total expenditures reported and the amounts paid to each vendor or type of vendor shows close congruence to the estimates.

As for the timing, the reports were filed by the required deadline. Although Iowa CCI Action began the canvassing and other independent expenditures on October 1, it did not make \$10,000 in independent expenditures until October 15, which triggered the requirement that it file a 48-Hour Report due by 11:59 p.m. on October 17 (or, if you prefer, the more than \$1000 that Iowa CCI Action made in independent expenditures on October 16 triggered a 24-Hour Report due at that same time). When increased funding made material increases in expenditures possible, Iowa CCI Action amended its reports before the additional funds were spent. Although, in the

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interests of transparency, Iowa CCI Action pre-reported estimates of future independent expenditures with the correct date of October 1 for the start of its canvassing and other efforts, the wages paid to canvassers and other reported expenditures did not trigger a reporting obligation until well after October 1, and Iowa CCI Action chose to take that additional time to make sure that its reported estimates were as accurate as possible.

I believe that this fully responds to your concerns. If you have any further questions regarding this matter, please feel free to contact me at 202-328-3500.

Very truly yours,

John Pomeranz
Counsel to Iowa CCI Action

cc: Iowa CCI Action

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