



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

March 9, 2015

PATRICIA BAIG, TREASURER
THE REPUBLICAN PARTY OF FORT BEND
COUNTY FEDERAL COMMITTEE
2601 CARTWRIGHT PMB246
MISSOURI CITY, TX 77459

Response Due Date
04/13/2015

IDENTIFICATION NUMBER: C00529628

REFERENCE: OCTOBER MONTHLY REPORT (09/01/2014 - 09/30/2014)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 4 item(s):

1. The Detailed Summary Page, on Line 18(a) Column A of your August Monthly (7/1/14 - 7/31/14), September Monthly (8/1/14 - 8/31/14), and October Monthly (9/1/14 - 9/30/14) Reports combined, discloses \$10,614.74 in transfers from the non-federal account for allocated activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$0.00 as the non-federal share for allocated activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for allocated activity, transfers for allocated activity must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. (11 CFR §§106.6(e)(2) and 106.7(f)(2)) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

2. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Salary - Invoiced fee partial pay pd ending 9/15," "Salary/wages pay pd ending 9/15," and "Salary/wages pay pd ending 9/30." Please be advised that

THE REPUBLICAN PARTY OF FORT BEND COUNTY FEDERAL COMMITTEE

Page 2 of 3

pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal Election Activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

3. Schedule H4 of your report discloses a payment(s) for "Reimb - Fort Bend County Fair booth giveaway items - bumper stickers," "Reimb-Needleville festival booth," and "Reimb - tickets for entry Ft Bend County fair booth workers." Please be advised that 11 CFR §100.24(b) defines as Federal Election Activity, Voter identification, Generic Campaign and Get-out-the vote activities conducted in connection with an election in which one or more candidates for Federal office appear on the ballot. Furthermore, the costs for these types of Federal Election Activity must either be paid with federal funds or can be allocated between federal and Levin funds as long as the activity conducted does not refer to a clearly identified candidate for Federal office. It appears that you have allocated these costs between federal and non-federal funds. Any reimbursement from your committee's non-federal account for Federal Election Activity costs is not permissible and must be returned. (11 CFR §§300.32 and 300.33)

Please inform the Commission of your corrective action immediately or provide clarifying information regarding this activity. Although the Commission may take further legal action regarding this apparent prohibited activity, your prompt action will be taken into consideration.

4. Schedule H6 of your report discloses disbursements which use a ratio that is inconsistent with the ratio disclosed on Schedule H1 for the 2013-2014 election cycle. The fixed ratio for the allocation of Federal Election Activity expenses

THE REPUBLICAN PARTY OF FORT BEND COUNTY FEDERAL COMMITTEE

Page 3 of 3

should be the same for the full two-year election cycle. Please amend your report to clarify this apparent discrepancy.

Please note that if your non-federal or Levin account has overpaid your federal account because of this miscalculation, it will be necessary to immediately transfer these funds back to the non-federal or Levin account. While the Commission may take further legal action concerning any impermissible overpayments by the non-federal or Levin account, your prompt action will be taken into consideration. (11 CFR §300.36(b)(2)(i)(A))

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1169.

Sincerely,



Kevin Fortkiewicz
Senior Campaign Finance Analyst
Reports Analysis Division