



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

August 7, 2003

Christopher J. Ward, Treasurer
National Republican Congressional Committee –
Expenditures
320 First Street
Washington, DC 20003

Identification Number: C00075820

Reference: Amended Year End Report (11/26/02-12/31/02), received 2/5/03

Dear Mr. Ward:

This letter is to inform you that as of August 6, 2003, the Commission has not received your response to our request for additional information, dated July 16, 2003. This notice requests 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).

An adequate response must be received at the Commission by August 27, 2003. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. 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.

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, please contact Andrea Needles on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division) or our local number (202) 694-1130.

Sincerely,

A handwritten signature in black ink that reads "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Christopher J. Ward, Treasurer
National Republican Congressional Committee – Expenditures
320 First St.
Washington, DC 20003

JUL 16 2003

Identification Number: C00075820

Reference: Amended Year End Report (11/26/02-12/31/02), received 2/5/03

Dear Mr. Ward:

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:

-The beginning cash balance of this report should equal the ending balance of your Amended 30 Day Post-General Report received 6/13/02. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Line 10 of the Summary Page of your report discloses a total of \$7,258,785.17 in debts and obligations owed by the committee. The sum of the entries itemized on Schedules C and D, however, indicates the total to be \$9,749,577.08. Please amend your report to clarify the discrepancy.

-The loan schedules (Schedule Cs) should disclose the following information: the name and mailing address of the person making or receiving the loan, original amount, cumulative payment, outstanding balance, date incurred, date due, and interest rate for all loans that your committee has received. Please amend Schedule C by providing the dates due. 11 CFR §§104.3(d) and 104.11(a)

-Your report appears to erroneously disclose on a Schedule D the \$3,500,000 loan incurred on 10/24/02 owed by your committee. This loan,

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however, should be disclosed on a Schedule C. Please amend your report to clarify this apparent discrepancy. 11 CFR §104.3(d)

-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.7(a)(1)(iii)(A) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.7(a)(1)(iii)(B)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.7(a)(1)(iii)(A))

-Please clarify all expenditures made for "production" on Schedule(s) B and H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

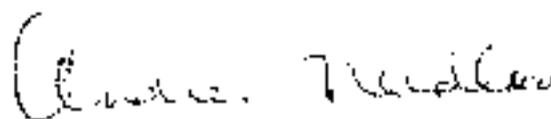
-Your report discloses a loan from a lending institution; however, you have not submitted a Schedule C-1 (copy attached) and a copy of the loan agreement. As an electronic filer, you must submit the Schedule C-1 electronically without the original signature from the lending institution. In addition, you must mail a copy of the loan agreement and a separate copy of the Schedule C-1 that contains the original signature from the lending institution. Please submit the missing documents. (11 CFR §§104.3(d)(2) and 104.18(h))

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A response or 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. 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 need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Andrea Needles
Senior Campaign Finance Analyst
Reports Analysis Division

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SCHEDULE C-1 (FEC Form 3X)
LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS

Supplementary for
 information found on
 Page _____ of Schedule C

Federal Election Commission, Washington, D.C. 20465

| | |
|-----------------------------|---------------------------------------|
| NAME OF COMMITTEE (In Full) | FEC IDENTIFICATION NUMBER C |
|-----------------------------|---------------------------------------|

| | | |
|---|----------------|---------------------|
| LENDING INSTITUTION (LENDER) Full Name | Amount of Loan | Interest Rate (APR) |
|---|----------------|---------------------|

| | | |
|---------------------|------------------------------|----------|
| Mailing Address | Date Incurred or Established | Date Due |
| City State Zip Code | | |

A. Has loan been restructured? No Yes If yes, date originally incurred _____

B. If line of credit, Amount of this Draw: _____ Total Outstanding Balance: _____

C. Are other parties secondarily liable for the debt incurred?
 No Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?
 No Yes If yes, specify: _____

What is the value of this collateral? _____

Does the lender have a perfected security interest in it? No Yes

E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan? No Yes If yes, specify: _____

What is the estimated value? _____

A depository account must be established pursuant to 11 CFR 100.7(b)(1)(i)(B) and 100.8(b)(12)(i)(B).

Date account established: _____ Location of account: _____

Address: _____

City, State, Zip: _____

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

| | |
|---|------|
| G. COMMITTEE TREASURER Typed Name Signature | DATE |
|---|------|

H. Attach a signed copy of the loan agreement.

I. TO BE SIGNED BY THE LENDING INSTITUTION:

- i. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.
- ii. This loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.
- iii. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set for the at 11 CFR 100.7(b)(1) and 100.8(b)(12) in making this loan.

| | | |
|--|-------|------|
| AUTHORIZED REPRESENTATIVE Typed Name Signature | Title | DATE |
|--|-------|------|

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