FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Demarus Carlson, Treasurer
Nebraska Republican Federal
Campaign Committee
421 S 9th Street, Suite 233
Lincoln, NE 68508

APR 25 2001

Identification Number: C00032334

Reference: 12 Day Pre-General Report (10/1/00-10/18/00)

Dear Mr. Carlson:

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:

-Line 6(a) of the Summary Page represents the total cash-on-hand as of January 1, 2000. This figure should be the same on all the reports covering the calendar year. Please amend your report to clarify the change made in Line 6(a).

-The beginning cash balance of this report should equal the ending balance of your Amended October Quarterly report dated 4/2/2001. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-The totals listed on Lines 6(c), 7, 11(a)(i), 11(a)(ii), 11(a)(iii), 11(c), 11(d), 15, 18, 19, 20, 21(a)(i), 21(a)(ii), 21(b), 21(c), 30 and 31, Column B of the Summary and Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

-Your calculations for Line 6(d), Column B appear to be incorrect. Please provide the corrected total(s) on the Summary Page.

-Line 11(a)(i) of the Detailed Summary Page of your report discloses a total of $30,415.00 in itemized contributions from individuals/persons other than political committees. The sum of the entries itemized on Schedule A, however, indicates the total to be $22,815.00. Please amend your report to clarify the discrepancy.

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of $200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur <u>no later than 30 days</u> after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2)) The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-The identification of each contributor, including an adequate occupation and name of employer for each, must be provided if the person has contributed in excess of $200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11(a)(i) for each entry inadequately identified as "insurance".

-Please provide a Schedule C or D, as appropriate, to support the entry of $4,140 reported on Line 9 of the Summary Page. Loans and debts must be continuously reported until they are either repaid or settled. 11 CFR §104.3(d)

-On Schedule D of your previous report, you disclosed a debt(s) owed to Chuck Sigerson. This obligation(s), however, has been omitted from this report. Please amend your report to include this debt(s) on Schedule D and Line 10 of the Summary Page. All debts and obligations must be disclosed until extinguished. 11 CFR §104.11

-Your report includes two separate Schedule H1's. Please be advised that your state party committee need only file one Schedule H1. Furthermore, one of these H1 schedules discloses that your committee is using the national party committees' PRESIDENTIAL YEAR (65%) FIXED FEDERAL PERCENTAGE allocation ratio. Be aware that this section of Schedule H1 is used *only* by National Party Committees. Please amend your report by providing only one Schedule H1 which uses only the section for "STATE AND LOCAL PARTY COMMITTEES."

-On Schedule H2, you disclose the ratios for "Victory 2000 BBQ" and "Victory 2000" to be revised and new, respectively; however, Schedule H2 of your Amended October Quarterly Report dated 4/2/01 discloses ratios for these events which are identical to ones given in this report. Please amend your report to clarify these discrepancies. 11 CFR §104.10(a)(1)

-Schedule H2 of your report indicates that your committee participated in "Lee Terry Reception", "Victory 2000 BBQ" and "Victory 2000", fundraising activities or events, during the reporting period. However, there are no corresponding disbursements reflected on your Schedule H4. Note that you need not include activities on Schedule H2 if there are no corresponding payments made for the activity during the reporting period. If any disbursements were incorrectly reported, you should file an amended Schedule H4 with the correct unique identifying code or title, or provide clarifying information regarding the activities on Schedule H2.

-Schedule H4 discloses disbursements for "Victory" and "Lee" which are categorized as FUNDRAISING; however, Schedule H2 does not include the allocation ratios for this activity. Please amend Schedule H2 to disclose the omitted ratios.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the purpose for several joint expenditures to various vendors. Note that the unique identifying code for an event is not considered an adequate description of purpose. Please amend your report to include this missing information.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "hagel ltr." and "admin". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule H4 discloses a $3,000 disbursement to Ricketts Mattson for "acct. sep-aug (replace #3834)," which appears to be a reissued check; however, there does not appear to be an entry disclosing the voided check. The failure to report the voided check as a negative entry while disclosing the reissued check, will result in the double reporting of disbursements and cause an inaccurately deflated cash on hand balance. Please amend this report by providing a clear purpose for this transaction. Furthermore, please amend the appropriate report to properly disclose the voided check, if necessary.

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive and the FUNDRAISING events "Victory" AND "Lee" are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous EVENT YEAR-TO-DATE total for that category or event. This running EVENT YEAR-TO-DATE total should be disclosed after each disbursement is listed. Please amend your report by providing the correct EVENT YEAR-TO-DATE totals.

-Please clarify all expenditures made for "Television/Radio Ads" on Schedule(s) 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 limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD derived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each two-year election cycle. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Schedule H3 of your report discloses a transfer(s)-in from a non-federal account(s) for FUNDRAISING ("Victory 2000") which appears to exceed the permissible amount(s) indicated by your allocation ratio for this event.

Please be advised that transfers for shared activity must not exceed the non-federal share of the joint disbursements and that these transfers must be made within a 70-day time period: no more than 10 days before or 60 days after payment to the vendor. 11 CFR §§106.5(g)(2) and 106.6(e)(2) Please clarify the nature of these transfers-in from the non-federal account.

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

-Schedule B of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) precludes a multicandidate committee and its affiliates from making a contribution to a candidate for federal office in excess of $5,000 per election.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If you have made an excessive contribution, you should notify the recipient and request a refund of the amount in excess of $5,000 and/or notify the recipient in writing of your redesignation of the contribution. In the best interest of your committee, all refunds and redesignations should be made within sixty days of the treasurer's receipt of the contribution(s).

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Schedule H4 of your report discloses activity which is 100% federal. For future reporting, please be advised that any activity which is financed entirely by the federal account (including administrative expenses), should be reported on Schedule B supporting Line 21(b). 11 CFR §106.5

-2 U.S.C. §434(b)(3) requires itemization of contributions from individuals and persons other than political committees, where the aggregate total from the contributor exceeds $200 in a calendar year. In addition, 11 CFR §104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see Line 11(a)(ii) of the Detailed Summary Page). If a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized. 11 CFR §104.3(a)(4)(i) For future filings, please submit your reports in this order.

A written response or an 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. 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,

Dominick Ciaraldi
Reports Analyst
Reports Analysis Division

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20036363900 **DISBURSEMENT SCHEDULE H4** (EFFECTIVE 1/1/91)

JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

NAME OF COMMITTEE

NEBRASKA REPUBLICAN FEDERAL CAMPAIGN COMMITTEE

DAC

FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL $	NON-FEDERAL $
Patriot Signage 1001 2ND AVE DAYTON, KY 41074-1205 CATEGORY: X ADMINISTRATIVE/VOTER DRIVE [ ] FUNDRAISING [ ] EXEMPT [ ] DIRECT CANDIDATE SUPPORT EVENT YEAR TO DATE: $290,041.77	Stenberg signs / VICTORY	10/12/2000	$10,800.00	$10,800.00	
McAuliffe Message Media PO Box 25991 Alexandria, VA 22314- CATEGORY: X ADMINISTRATIVE/VOTER DRIVE [ ] FUNDRAISING [ ] EXEMPT [ ] DIRECT CANDIDATE SUPPORT EVENT YEAR TO DATE: $420,858.27	Television/Radio Ads / VICTORY	10/12/2000	$130,816.50	$130,816.50	
Dirt Roads Prod P.O. Box 1330 Stowe, VT 05672- CATEGORY: X ADMINISTRATIVE/VOTER DRIVE [ ] FUNDRAISING [ ] EXEMPT [ ] DIRECT CANDIDATE SUPPORT EVENT YEAR TO DATE: $446,982.77	Television/Radio Ad / VICTORY	10/17/2000	$26,124.50	$26,124.50	
McAuliffe Message Media PO Box 25991 Alexandria, VA 22314- CATEGORY: X ADMINISTRATIVE/VOTER DRIVE [ ] FUNDRAISING [ ] EXEMPT [ ] DIRECT CANDIDATE SUPPORT EVENT YEAR TO DATE: $710,462.77	Television Radio Ad Production / VICTORY	10/18/2000	$263,480.00	$263,480.00	
Dirt Roads Prod P.O. Box 1330 Stowe, VT 05672- CATEGORY: X ADMINISTRATIVE/VOTER DRIVE [ ] FUNDRAISING [ ] EXEMPT [ ] DIRECT CANDIDATE SUPPORT EVENT YEAR TO DATE: $717,174.27	Television/Radio Ads / VICTORY	10/18/2000	$6,711.50	$6,711.50	

SUBTOTAL OF JOINT FEDERAL AND NON-FEDERAL ACTIVITY THIS PAGE	$437,932.50	$437,932.50	$0.00
TOTAL THIS PERIOD (last page for each line only) (fed. share 21a1 and non-fed. 21a11)			
TOTAL THIS PERIOD FOR THE NON-FEDERAL SHARE (used for line 31 of the detailed summary page)			

20036214238

SCHEDULE B ITEMIZED DISBURSEMENTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 23

NAME OF COMMITTEE (In Full)
NEBRASKA REPUBLICAN FEDERAL CAMPAIGN COMMITTEE

Full Name, Mailing Address and Zip Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
STENBERG FOR SENATE 2000 12100 W CENTER ROAD #820 OMAHA, NE 68144-	US Senate Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	07/10/2000	1,020.00 IN KIND
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	/ /	
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	/ /	
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	/ /	
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	/ /	
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	/ /	
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	/ /	

DKS

SUBTOTAL of Disbursements This Page (optional)	1,020.00
TOTAL This Period (last page this line number only)	1,020.00

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SCHEDULE B **ITEMIZED DISBURSEMENTS**

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 23

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)
NEBRASKA REPUBLICAN FEDERAL CAMPAIGN COMMITTEE

Full Name, Mailing Address and Zip Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
STENBERG FOR SENATE 2000 12100 W CENTER ROAD #820 OMAHA, NE 68144-	US Senate Disbursement for: [ ] Primary [X] General [ ] Other (specify)	05/10/2000	1,683.60 IN KIND
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	/ /	
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	/ /	
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	/ /	
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	/ /	
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	/ /	
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)	/ /	

TBR

SUBTOTAL of Disbursements This Page (optional)	$1,683.60
TOTAL This Period (last page this line number only)	$1,683.60