



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 15, 2013

BRANDON RONNING, TREASURER
SEVENTH CONGRESSIONAL DISTRICT
REPUBLICAN PARTY OF MINNESOTA
PO BOX 728
ARLINGTON, MN 55307

Response Due Date
02/19/2013

IDENTIFICATION NUMBER: C00380873

REFERENCE: OCTOBER QUARTERLY REPORT (07/01/2012 - 09/30/2012)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) 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 2 item(s):

1. Schedule H3 of your report discloses transfers-in totaling \$5,200.00 from your account(s) "Seventh Congressional District Republican Party of Minnesota" and "Public Communications." However, a Schedule H4 has not been filed to disclose any payments for allocable expenses, which is necessary to support such a transfer in.

Please be advised that transfers for shared 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 §§106.5(g)(2) and 106.6(e)(2) In addition, unless your non-federal account is reimbursing your federal account for allocable activity, the transfer-in of funds from a non-federal account is prohibited by 11 CFR §102.5(a)(1)(i) Please clarify the nature of this transfer in from the non federal account.

The Commission recommends that you immediately transfer the impermissible funds 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.

2. State, district and local party committees that make expenditures and disbursements in connection with both federal and non-federal elections for activities that are not federal election activities pursuant to 11 CFR §100.24

SEVENTH CONGRESSIONAL DISTRICT REPUBLICAN PARTY OF MINNESOTA

Page 2 of 3

may use only funds subject to the prohibitions and limitations of the Act, or they may allocate such expenditures and disbursements between their federal and their non federal accounts. (11 CFR §106.7(b))

State, district and local party committees may pay administrative, generic voter drive and exempt activity expenses from their federal account, or allocate between their federal and non-federal accounts according to a fixed percentage selected on FEC Schedule H1, except for activity directly attributable to a clearly identified candidate. Such expenses must be paid from the federal account only. (11 CFR §106.7(c)(2))

Schedule H2 is used by all political committees to report the allocation ratios of their joint federal and non federal fundraising events and direct candidate support programs. Schedule H2 is filed with each report that discloses a disbursement for allocated activity. Schedule H3 is used by all political committees to report transfers received by the federal account from the non federal account(s) to pay the non federal share of allocable expenses.

Any expenditures made on behalf of both federal and non federal candidates (including in kind contributions, independent expenditures and coordinated expenditures) must be allocated between your committee's federal and non federal accounts. Schedule H4 is used by all political committees to report payments for allocable expenses. (11 CFR §106.1(a))

Please clarify the procedures you are currently using to pay for allocable expenses. The Commission recommends that you take steps to correct any non compliance with the regulations. Also, your committee should establish procedures to ensure future compliance with the allocation regulations.

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

SEVENTH CONGRESSIONAL DISTRICT REPUBLICAN PARTY OF MINNESOTA

Page 3 of 3

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) 694-1133.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Morse", written in a cursive style.

Christopher Morse
Senior Campaign Finance Analyst
Reports Analysis Division