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**Anthony N. Mallace, CPA, J.D.**  
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[www.mallace.com](http://www.mallace.com)

December 13, 2005

Federal Election Commission  
Attn: Jennifer Thangavelu  
Campaign Finance Analyst  
Reports Analysis Division  
999 E Street, N.W.  
Washington, DC 20463

Re: National Italian American Political Action Committee  
C00355388

Dear Ms. Thangavelu ;

I am the treasurer for the above referenced entity and am writing in response to your notice of fine issued relative to the April 15, 2005 and July 15, 2004 quarterly filings. (A copy of each notification letter is attached for your reference).

With respect to the April Quarterly Report;

- You have requested a clarification for the items listed as SITE COSTS – CARNEVALE, PHOTOGRAPHY, AWARDS FOR CARNEVALE, CARNEVALE GIFT BASKETS, CARNEVALE PROGRAMS ENTERTAINMENT, FLOWERS and FOOD EXPENSES FOR CARNEVALE. None of these expenditures were made on behalf of specifically identified political candidates. Carnevale is an event that takes place once a year, usually right before the beginning of Lent, in keeping with the ancient Italian tradition. It is NIA-PAC's major fund raiser during the year. It is, in effect a masked ball in the ancient Italian tradition. All of the expenditures noted above were incurred and paid in connection with the renting of the hotel ballroom as the site for the ball, payment to the photographer for services at the ball, awards given to recognize members of the community for great accomplishments and contributions, entertainment is provided by a renowned Italian band, flowers are purchased to adorn the site of the ball and food expenses are incurred for food and dessert tables that are available to the guests of the ball before and after the actual ball.
- You have requested clarification of PRINTING expense. None of the printing costs were incurred for public communications or voter drive activity, as defined. These costs were incurred for printing of items related to Carnevale.
- SILENT AUCTION EXPENSES refer to an amount paid to an organization that managed a silent auction that took place during and at the site of Carnevale. This activity was held in conjunction with Carnevale as an added fund raising aspect of the evening. The amount paid represents the percentage due to the auction manager for services rendered.

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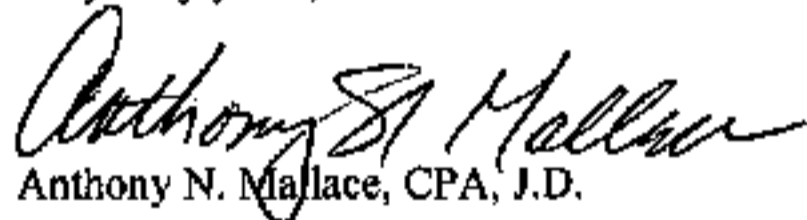
- Administrative expenses are provided in conjunction with fund raising activities by UTA Associates, which is an unrelated entity. Further review of the report indicates that, in the preparation of the report, box 29, rather than box 21b was checked off at the top of each page. As a result, the total expenses appear on the wrong line. This issue will be corrected.

With respect to your inquiry regarding the July 15, 2005 report, NIA-PAC made a contribution to VICTORY 2006. The complete and correct name of the recipient committee is VICTORY 2006 – REPUBLICAN FEDERAL COMMITTEE OF PA. The Identification Number of this committee is C00044842. The line item denoted as Santorum Victory Committee represents the inadvertent use of an incorrect name. With respect to an excess contribution received from the Santorum 2006 Committee, our further review has revealed that a refund of the excess contribution has been received. A copy of the correspondence regarding that refund is attached. Further, the report for the 3<sup>rd</sup> quarter of 2005 will be amended forthwith in order to properly account for the receipt of this refund.

Please review the information provided and advise if you require any additional clarification.

Thank you for your consideration.

Very truly yours,

  
Anthony N. Mallace, CPA, J.D.

cc: Joseph Tarantino  
Joseph Auteri  
Lawrence Tabas, Esq.

**SENT BY EXPRESS MAIL ARTICLE NO. ED 383636073 US**

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*B. Joe & Anthony*

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**Santorum 2006**  
 One Tower Bridge, Suite 1440  
 100 Front Street  
 West Conshohocken, PA 19428

July 11, 2005

Mr. Anthony M. Mallace, CPA, JD  
 National Italian American PAC  
 1205 Locust Street, Suite 100  
 Philadelphia, PA 19107

Dear Mr. Mallace:

Thank you for the generous support and contributions to Santorum 2006 from the National Italian American PAC. As you are aware, the Federal Election Commission has limited contributions from Non-multi-candidate political action committees to \$2,100 for the primary election and \$2,100 for the general election, for a total of \$4,200 per election cycle. The Federal Election Commission website and your most recent FEC Report indicate that the National Italian American PAC has not qualified as a multi-candidate committee. Our records indicate that as a result of the generous support from the National Italian American PAC, the committee's aggregate contributions have exceeded the Non-multi-candidate limit by \$1,800. Further, since the last \$5,000 contribution we received from your committee was not labeled either for the Primary election or the General Election, we have designated it as a \$1,100 contribution to the Primary, a \$2,100 contribution to the General, and a \$1,800 excess Primary contribution.

Accordingly, we have enclosed a refund check in the amount of \$1,800 from Santorum 2006. With this refund, the National Italian American PAC has now contributed the maximum \$4,200 to Santorum 2006.

The following table shows a full listing of the committee's contributions. If the following information does not match the committee's records, please contact me and let me know how our records differ from the committee's, or if Santorum 2006 must refund any additional amounts.

**National Italian American PAC**

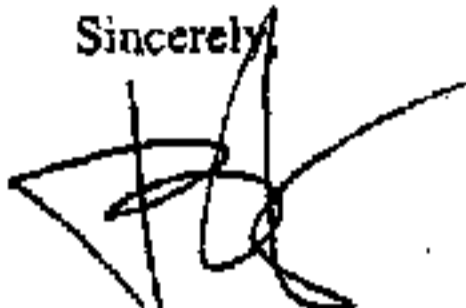
12/31/2003	\$ 1,000.00	Primary
06/23/2005	\$ 1,100.00	Primary
06/23/2005	\$ 2,100.00	General
06/23/2005	\$ 1,800.00	Primary - Excess Contribution
06/23/2005	<u>(\$ 1,800.00)</u>	Primary - Refund Excess
	<b>\$ 4,200.00</b>	<b>Aggregate Total</b>

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If you have any questions, please do not hesitate to contact me at (610) 825.7030 or Barbara Bonfiglio at (202) 659.8201.

Sincerely,



Robert G. Bickhart  
Santorum 2006

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To: Robert Bickhart

The above contribution information accurately reflects our records of contributions made to Santorum 2006.

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National Italian American PAC

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

November 23, 2005

Anthony N. Mallace, CPA, J.D., Treasurer  
National Italian American Political  
Action Committee  
1205 Locust Street, Suite 100  
Philadelphia, PA 19107

**Response Due Date:  
December 23, 2005**

Identification Number: C00355388

Reference: April Quarterly Report (1/01/05-3/31/05)

Dear Mr. Mallace:

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. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Please clarify all expenditures made for "SITE COSTS - CARNEVALE," "PHOTOGRAPHY," "AWARDS FOR CARNEVALE," "CARNEVALE GIFT BASKETS," "CARNEVALE PROGRAMS," "ENTERTAINMENT," "FLOWERS," and "FOOD EXPENSE FOR CARNEVALE" on Schedule B. 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 or E supporting Lines 23 or 24 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule B discloses an expenditure(s) for "PRINTING." If a portion or all of these expenditures were for public communications (as defined by 11 CFR §100.26) and voter drive activity (under 11 CFR §106.6(b)(2)(i)) containing express advocacy as defined under 11 CFR §100.22, this would constitute an in-kind contribution or an independent expenditure and should be properly disclosed on a Schedule B or E supporting Line 23 or 24 as appropriate. Public communications and voter drive activity that refer to a clearly identified Federal candidate, but that do not expressly advocate the

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election or defeat of that candidate should be reported on Schedule B for Line 21(b) of the Detailed Summary Page. Please clarify whether this activity contained express advocacy and amend your report to properly disclose this activity, if necessary.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B supporting Line(s) 29 of your report to clarify the following description(s): "SILENT AUCTION EXPENSES." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Your 2005 April Quarterly 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. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule(s) B supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

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.

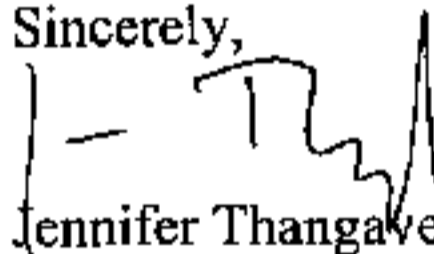
Clarification regarding administrative expenses should be disclosed during each two-year election cycle beginning with the first report filed in the non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If volunteers have provided these services, please confirm this in writing.

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Federal operating expenditures should be properly disclosed on a separate Schedule B, supporting Line 21(b) of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

**Please note, you will not receive an additional notice from the Commission on this matter.** 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 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) 694-1143.

Sincerely,



Jennifer Thangavelu  
Campaign Finance Analyst  
Reports Analysis Division



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

November 23, 2005

Anthony N. Mallace, CPA, J.D., Treasurer  
National Italian American Political  
Action Committee  
1205 Locust Street, Suite 100  
Philadelphia, PA 19107

**Response Due Date:  
December 23, 2005**

Identification Number: C00355388

Reference: July Quarterly Report (4/01/05-6/30/05)

Dear Mr. Mallace:

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. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule B of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) prohibits a non-multicandidate political committee and its affiliates, from making a contribution to a candidate for federal office in excess of \$2,100 per election. Please refer to the Campaign Guide for information on how a committee qualifies for multicandidate status.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If any contribution you made exceeds the limits, you must request a refund of the excessive amount or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund of the excessive amount.

If your committee has met the criteria for multicandidate status, please file

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FEC FORM 1M "Notification of Multicandidate Status" with the Commission. The treasurer must file FEC FORM 1M no later than ten (10) calendar days after qualifying for multicandidate committee status. 11 CFR §102.2(a)(3)

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)

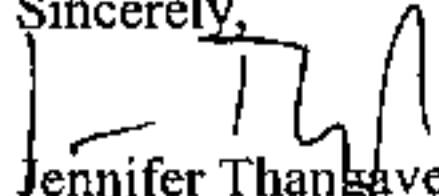
Although the Commission may take further legal action regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Schedule B supporting Line 23 of your report discloses a contribution(s) to "SANTORUM VICTORY COMMITTEE." Please clarify whether this is a federal committee(s), as there does not appear to be a committee(s) registered with the Commission under this name(s). In the event this is a non-federal committee(s), please disclose it on Schedule B supporting Line 29 of the Detailed Summary Page.

**Please note, you will not receive an additional notice from the Commission on this matter.** 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 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) 694-1143.

Sincerely,

  
Jennifer Thangavelu  
Campaign Finance Analyst  
Reports Analysis Division

NATIONAL ITALIAN AMERICAN POLITICAL ACTION COMMITTEE

Page 3

Recipient Name	Date	Amount	Election	Report
SANTORUM 2006	6/10/05	\$5,000.00	G2006	2005 July Quarterly

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Federal Election Commission  
**ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS**  
 The FEC added this page to the end of this filing to indicate how it was received.

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<input type="checkbox"/> USPS First Class Mail	Postmarked
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<input type="checkbox"/> USPS Priority Mail	Postmarked
Delivery Confirmation™ or Signature Confirmation™ Label <input type="checkbox"/>	
<input checked="" type="checkbox"/> USPS Express Mail	Postmarked <i>50/e/c1</i>
<input type="checkbox"/> Postmark Illegible	
<input type="checkbox"/> No Postmark	
<input type="checkbox"/> Overnight Delivery Service (Specify):	Shipping Date
Next Business Day Delivery <input type="checkbox"/>	
<input type="checkbox"/> Received from House Records & Registration Office	Date of Receipt
<input type="checkbox"/> Received from Senate Public Records Office	Date of Receipt
<input type="checkbox"/> Received from Electronic Filing Office	Date of Receipt
<input type="checkbox"/> Other (Specify):	Date of Receipt or Postmarked

*JL1*  
 PREPARER

*12/27/05*  
 DATE PREPARED

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