



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20547

RQ-3

January 30, 2003

Douglas R. Boyd, Sr., Treasurer
California Republican Party/Team California
1903 W. Magnolia Boulevard
Burbank, CA 91506

Identification Number: C00140590

Reference: October Quarterly Report (7/1/02-9/30/02)

Dear Mr. Boyd:

On January 8, 2003, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your January 23, 2003 responses are incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Your report discloses payments to credit card companies on Schedule H4 and debts owed to credit card companies on Schedule D, which indicate that "memo itemization" is provided. However, there appears to be a discrepancy between the credit card payments and the memo entries itemized on Schedule H4. Please clarify the purpose of all disbursements made to US Bank Visa disclosed on Schedule H4.

-Schedule H4 of your report discloses payments for "petty cash." Your response dated January 23, 2003 states that, "The CRP does maintain a petty cash fund at times in excess of \$100. At no time does any expenditure exceed \$100 to any person or transaction. At State Party Conventions, per diem is distributed to volunteers and staff; again, at no time does any expenditure exceed \$100." Please be advised that a political committee may maintain a petty cash fund out of which it may make expenditures not in excess of \$100 to any person per purchase or transaction. 11 CFR §102.11 Please also be advised that committees must

CALIFORNIA REPUBLICAN PARTY/TEAM CALIFORNIA

PAGE 2

itemize each allocated disbursement made from its federal account or separate allocation account regardless of the amount. Please amend your report(s) by itemizing the expenditures on Schedule H4. 11 CFR §104.10

-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): "REIMBURSEMENT". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule H4 of your report discloses a payment(s) to *JLC Group, Grayson Hoffman, and Capital Campaigns*, which are categorized as Administrative/Voter Drive expenses; however, the purpose of disbursement disclosed is **fundraising**. Please be advised that payments made for your committee's fundraising activities must be allocated according to the funds received method and the ratio reflected on Schedule H2. Please amend your report to correctly disclose this activity or **provide clarification regarding this apparent discrepancy**.

-Please clarify all expenditures for "voter registration" and/or "GOTV". If any of these activities referenced House or Senate candidates, they should be allocated accordingly, unless merely incidental to the overall activity. If a portion or all of these expenditures were made on behalf of federal candidates, this amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate. Please provide the Commission with a more detailed explanation of these activities.

-Schedule H4 supporting Line 21(a) (pertinent portion(s) attached) discloses \$6,895 in disbursements to the California Republican Party for "volunteer cash for convention". You are advised that 11 CFR §102.5 prohibits a non-federal account from financing activity in connection with federal elections. Please provide clarifying information regarding these transactions including the date(s) when the original activity was conducted by the non-federal account. In addition, if any of the disbursements disclosed were made to influence the election or defeat of specific federal candidates, the disbursements should be allocated accordingly and disclosed as either in-kind contributions on Schedule B supporting Line 23, independent expenditures on Schedule E supporting Line 24, or as coordinated expenditures on Schedule F supporting Line 25. 11 CFR §§104.3(b)(3) and 106.1

CALIFORNIA REPUBLICAN PARTY/TEAM CALIFORNIA

PAGE 3

Although the Commission may initiate legal action regarding the activities conducted by your non-federal account, any clarifying information that you can provide will be taken into consideration.

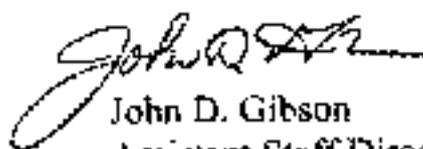
-Schedule H4 of your report discloses an apparent contribution to *Trinity Crc, Amador County Central Committee, Lassen County Central Committee, Marin Cnty Cntrl Comm, San Benito County Central Comm, Sutter County Central Committee, Sierra Co. Republican Central Comm., El Dorado CRCC, Colusa Co Republican Central Comm, Alpine CRCC, Orange County Central Comm, Merced County Central Committee, Ca Rep Victory Fund*. Please be advised that contributions to federal committees and/or non-federal committees/organizations do not qualify as shared expenses to be allocated between your federal and non-federal accounts. Contributions to non-federal committees/organizations on a separate Schedule B supporting Line 29 or the Detailed Summary Page. Any reimbursement from your committee's non-federal account for any portion of this contribution(s) is not permissible. 11 CFR §102.5(a)(1)(i)

The Commission recommends that you immediately transfer the funds received by your federal account, as reimbursement for the non-federal portion, 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.

An adequate response must be received at the Commission by February 19, 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 related to this matter, please contact Julie Perry 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,



John D. Gibson
Assistant Staff Director
Reports Analysis Division

2000年12月31日