



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

March 3, 2006

J. Peter Clements, Treasurer
Republican Party of Virginia Inc
115 East Grace Street
Richmond, VA 23219

Response Due Date:
April 3, 2006

Identification Number: C00001305

Reference: February Monthly Report (1/01/06 – 1/31/06)

Dear Mr. Clements:

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 A supporting Line 15 of your report discloses a receipt totaling \$2,831.68 from "Ikon Office Solutions". Please amend your report to clarify the nature of this receipt.

-Schedule A of your report discloses a receipt(s) of \$5,000 from the "Republican Party of Virginia Inc" (Transaction description: transfer from non fed for Nov/Dec G&A). Please clarify whether this transfer(s) is from an account maintained by your committee for non-federal activity. If so, be advised that such a transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer(s) should be returned to the non-federal account. Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on Schedule B supporting Line 22 of your next report.

If this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should not be itemized as doing so inflates total receipts and cash on hand. If this is the case, please amend your report accordingly.

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Although the Commission may take further legal action regarding the acceptance of funds from a non-federal account, your prompt transfer-out of the impermissible funds or clarification of the transaction, will be taken into consideration.

-Schedule B supporting Line B discloses \$30,000 in transfers to what appears to be a non-federal account of your committee. Please provide further clarification regarding this transfer(s) to your non-federal account.

You are advised that 11 CFR §102.5 prohibits a non-federal account from financing activity in connection with federal elections. If any of these disbursements 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 In addition, if your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR §§106.6 and 106.7 and establish procedures to insure future compliance with allocation regulations.

-Schedule H4 of your report discloses \$2,600 in payments for "IT Consulting" and "Janitorial Service" to individuals. Please clarify whether these individuals are employees of your committee. You are advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity or activities in connection with a Federal election must not be allocated between or among federal, non-federal and Levin accounts. Rather, only federal funds may be used. Any reimbursement from your committee's non-federal or Levin account for salary and wage payments is not permissible and must be returned. Please provide clarification regarding these payments.

-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): "Expense & Mileage Reimb." and "Expenses & Mileage Reimb." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Please amend your report by providing the purpose and complete address for each disbursement itemized on Schedule(s) B and H4 supporting Line(s) 21(b) and 21(a).

-Your report disclosed a category of financial activity that has been

reflected on the wrong line of the Detailed Summary Page. Transfers from affiliated committees should be properly disclosed on a separate Schedule A, supporting Line 12 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

-Schedule H4 discloses 100% non-federal activity. Please be advised that by definition, this activity does not qualify as a shared expense(s) to be allocated between your federal and non-federal accounts. If the disbursements represent 100% federal operating expenditures, they should be itemized on Schedule B supporting Line 21(b) of the Detailed Summary Page. If your non-federal account paid for these expenses as 100% non-federal expenditures, they should not be disclosed on Schedule H4. Any reimbursement from your committee's non-federal account for any portion of this activity is not permissible and must be returned. 11 CFR §102.5(a)(1)(i) Please amend your report to clarify this discrepancy.

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) 694-1398.

Sincerely,



Michael H. Hartsock
Campaign Finance Analyst
Reports Analysis Division

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