



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 26, 2012

KAREN HERNANDEZ, TREASURER
JOHN HERNANDEZ FOR CONGRESS 2012
5599 WEST PINEDALE AVENUE
FRESNO, CA 93722

Response Due Date
10/31/2012

IDENTIFICATION NUMBER: C00511451

REFERENCE: JULY QUARTERLY REPORT (05/17/2012 - 06/30/2012)

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 5 item(s):

1. Schedule A of your report discloses one or more contributions from an organization(s), which is not a political committee registered with the Commission (see attached). In order for your committee to accept contributions from unregistered organizations, your committee should take steps to ensure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: (1) establish a separate account which contains only those funds permitted under the Act, or (2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

If you have not already done so, please inform the Commission of your

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corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(b) of the report covering the period in which the refund was made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

2. The totals listed on Line(s) 6(a), 6(c), 7(a), 7(c), 11(a)(iii), 11(e), 13(a), 16, 17 and 22, Column B of the Summary and Detailed Summary Pages appear to be incorrect. Column B figures for the Summary and Detailed Summary Pages should equal the sum of the Column B figures on your previous report and the Column A figures on this report. Please file an amendment to your report to correct the Column B discrepancies for this report and all subsequent report(s) which may be affected by this correction. Note that Column B should reflect only the election cycle-to-date totals (11/3/10 through 11/6/12). (2 U.S.C. § 434(b) and 11 CFR § 104.3)

3. The beginning cash balance of this report does not equal the ending balance of your 12-Day Pre-Primary Report. Please correct this discrepancy and amend all subsequent reports that may be affected by the correction. (2 U.S.C. § 434(b)(1) and 11 CFR § 104.3(a)(1))

4. Schedule A of your report discloses earmarked contributions through a conduit. Please be reminded that when a committee receives an earmarked contribution(s) through an allowable conduit, **each individual contribution must be itemized when the individual's total contributions to your committee aggregate over \$200 per election cycle. This itemization must include the full name, address, occupation, and employer of the individual contributor along with the date the contribution(s) was received by the conduit.** Any un-itemized contributions received through the conduit must be included in your totals on Line 11(a)(ii) of the Detailed Summary Page.

In addition, information regarding the conduit or intermediary for each contribution must be itemized on Schedule A as a memo entry. The conduit's full name and address (and occupation and employer if the conduit is an individual) must also be provided, along with the date the contribution(s) was received by your committee and the total amount of earmarked contributions received from the conduit.

Please amend your report to disclose the proper format for earmarked

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contributions received from a conduit or intermediary. You can refer to the FEC Campaign Guide for Congressional Candidates and Committees for further guidance on how to report earmarked contributions through a conduit (11 CFR § 110.6(c)(2))

5. Your report discloses a negative ending cash balance of \$1,640.73. This suggests that you have overdrawn your account, made a mathematical error, or incurred a debt. If your committee has incurred a debt or obligation, please itemize this debt on Schedule D, show a zero balance on Line 8 of the Summary Page and include the amount on Line 10. If the negative ending cash balance is a result of an overdraft, it may constitute a prohibited bank contribution unless it is made on an account that has automatic overdraft protection with usual and customary interest rates and a definite repayment schedule. Please file an amendment to your report to accurately disclose your financial activities. (2 U.S.C. § 434(b)(8) and 11 CFR § 104.3(d))

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 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) 694-1161.

Sincerely,



Christopher Whyrick
Senior Campaign Finance Analyst
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions
John Hernandez for Congress 2012 (C00511451)**

Contributions from Unregistered Organizations

Contributor Name	Date	Amount	Election
Bold CHC	6/30/12	\$5,000.00	G2012