



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

February 20, 2003

RQ-3

Richard F. Neel, Jr., Treasurer
Republican Party of Virginia Inc.
115 East Grace Street
Richmond, VA 23219

Identification Number: C00001305

Reference: July Quarterly Report (4/1/02-6/30/02)

Dear Mr. Neel:

This letter is to inform you that as of February 19, 2003, the Commission has not received your response to our request for additional information, dated January 29, 2003. This notice requests information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to this request (copy enclosed).

An adequate response must be received at the Commission by March 12, 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 regarding this matter, please contact Scott Walker 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,

A handwritten signature in black ink that reads "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

2003-02-20 17:00:00



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RQ-2

Richard F. Neel, Jr., Treasurer
Republican Party of Virginia Inc.
115 East Grace Street
Richmond, VA 23219

JAN 29 2002

Identification Number: C00001305

Reference: July Quarterly Report (4/1/02-6/30/02)

Dear Mr. Neel:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The totals listed on Lines 11(a)(iii), 11(d), and 17, Column B of the Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

-Schedule A supporting Line 17 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.7(a)(1)(iii)(A) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.7(a)(1)(iii)(B)

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Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.7(a)(1)(iii)(A))

-Your report discloses an outstanding balance(s) beginning this period for a debt(s) owed to Verizon and Oliver North for Senate. However, an outstanding balance(s) at the close of the period was not disclosed on your Amended 2002 April Quarterly Report. Please amend your report(s) to clarify this discrepancy.

-The outstanding balance of a debt owed to a creditor at the close of one report should be exactly the same as the beginning outstanding balance of the next report. The Amended 2002 April Quarterly Report shows an ending balance to Creative Direct, LLC of \$5,109.00, while this report shows a beginning balance of \$8,797.00. Please amend your report to clarify this discrepancy.

-The Detailed Summary Page, on Line 18 Column A of your report, discloses \$151,600 in transfers from the non-federal account for joint activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$119,141.95 as the non-federal share for joint activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for shared activity, 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) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

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

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-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Tax check off receipts should be properly disclosed on a separate Schedule A, supporting Line 17 of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. 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 need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Scott Walker
Senior Campaign Finance Analyst
Reports Analysis Division

