



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

April 9, 2013

DAN HERREN, TREASURER  
SOUTH CAROLINA REPUBLICAN PARTY  
FEDERAL CAMPAIGN COMMITTEE  
P.O. BOX 12373  
COLUMBIA, SC 29211

**Response Due Date**  
**05/14/2013**

IDENTIFICATION NUMBER: C00034033

REFERENCE: OCTOBER MONTHLY REPORT (09/01/2012 - 09/30/2012)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report 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 4 item(s):

1. A review of the reports filed by your committee indicates that your committee received one or more transfers from another Committee (see attached) which has not been disclosed on their report(s) of receipts and disbursements. Please clarify if the contribution(s) was received from the disclosed donor's federal account and amend your report(s) if necessary. (11 CFR §104.3(b))
2. Schedule H4 of your report discloses a disbursement(s) for "Itemize:lodging," "Charter buses," "Itemize:cab," "Itemize:food," and "Lodging." Please be advised that expenses related to sending a delegate to a National Convention do not qualify as shared expenses to be allocated between your federal and non-federal accounts. Federal operating expenses should be disclosed on a Schedule B supporting Line 21(b) of the Detailed Summary Page. Any reimbursement from your committee's non-federal account for this disbursement(s) is not permissible and should be transferred-out immediately. (11 CFR §102.5(a)(1)(i)) Please amend your report to clarify the disbursement(s).
3. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Salary." Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time

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in a given month on Federal Election Activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

**4.** Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Itemize:party ads." Please be advised that 11 CFR §100.24(b) defines as Federal Election Activity, Generic campaign activity conducted in connection with an election in which one or more candidates for Federal office appear on the ballot. In addition, 11 CFR §100.25 defines Generic campaign activity as a public communication that promotes or opposes a political party and does not promote or oppose a clearly identified Federal candidate or non-Federal candidate.

Furthermore, the costs for this type of Federal Election Activity must either be paid with federal funds or allocated between federal and Levin funds. It appears that you have allocated these costs between federal and non-federal funds. Any reimbursement from your committee's non federal account for Federal Election Activity costs is not permissible and must be returned. (11 CFR §§300.32 and 300.33)

Please inform the Commission of your corrective action immediately or provide clarifying information regarding this activity. Although the Commission may take further legal action regarding this apparent prohibited activity, your prompt action will be taken into consideration.

**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

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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) 694-1393.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R. Stoetzer". The signature is fluid and cursive, with the first name "Paul" and last name "Stoetzer" clearly distinguishable.

Paul Stoetzer  
Senior Campaign Finance Analyst  
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions  
South Carolina Republican Party Federal Campaign Committee (C00034033)**

**Transfer Received Not Disclosed By Donor Committee**

| <b>Contributor Name</b>       | <b>Date</b> | <b>Amount</b> | <b>Report</b>        |
|-------------------------------|-------------|---------------|----------------------|
| Republican National Committee | 9/27/12     | \$35,000.00   | 2012 October Monthly |