



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

March 23, 2005

Donald E. Brown, Treasurer  
Fairfax County Republican Committee (Federal)  
4246 Chain Bridge Rd  
Fairfax, VA 22030

**Response Due Date:**  
**April 22, 2005**

Identification Number: C00277335

Reference: 30-Day Post-General Report (10/14/04-11/22/04)

Dear Mr. Brown:

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:

-Your report does not include a completed Schedule H1 to disclose the ratio for the allocation of certain costs. For State, District and Local party committees, Schedule H1 must be filed with the first report each year disclosing an allocated disbursement for Federal election activity. Disbursements or expenditures for Federal election activity conducted in connection with a Federal election and within the time periods set forth in 11 CFR §100.24, must be allocated according to this ratio, unless the federal account elects to pay a higher percentage of its cost. This includes for Voter Registration, Voter identification, Generic Campaign and Get-out-the-vote activities. 11 CFR §300.33(b) and 11 CFR §300.36(b)(2)(i)(A).

-Schedule H6 of your report discloses disbursements which use a ratio that is inconsistent with the ratio which must be disclosed on Schedule H1 for the 2004 election cycle. The fixed ratio for the allocation of Federal Election Activity expenses should be the same for the full two-year election cycle. Please amend your report to clarify this apparent discrepancy.

Please note that if your non-federal or Levin account has overpaid your federal account because of this miscalculation, it will be necessary to immediately transfer these funds back to the non-federal or Levin account.

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While the Commission may take further legal action concerning any impermissible overpayments by the non-federal or Levin account, your prompt action will be taken into consideration.

-Schedule B supporting Line 21(b) of your report discloses a payment(s) totaling \$3,823.59 for "Printing," "Postage reimbursement," "Signs" and "Postage." Expenditures and disbursements for public communications (as defined under 11 CFR §100.26) that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s).

Further, public communications that meet the definition of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, but do not meet the conditions of exempt activity, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b). Please amend your report to properly disclose this activity or provide clarifying information.

-Your 12-Day Pre-General and 30-Day Post-General Reports do not disclose any payments for salary or wages on Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §100.24 defines as Federal Election Activity, services provided by an employee of a State, district or local party committee who spends more than 25 percent of their time during that month on activities in connection with a Federal election. You are advised that payments for salaries and wages for employees who spend more than 25 percent of their compensated time in a given month on Federal Election Activity or activities in connection with a Federal election must be made with Federal funds only. Please provide clarification regarding the lack of payments for salary and wages disclosed by your committee.

-Schedule H6 of your report discloses a payment(s) for "Fundraising Event" and "Fundraising consulting." State, district and local party committees that raise Federal funds to be used, in whole or in part, for Federal Election Activity must pay the direct costs of such fundraising with only Federal funds. However, State, district and local party committees that raise Levin funds to be used, in whole or in part, for Federal Election Activity may pay the direct costs of such fundraising with either Federal or Levin funds. 11 CFR §300.32

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Please clarify whether fundraising costs disclosed on Schedule H6 were for an activity/event where only Federal funds were raised for Federal Election Activity, or if both Federal and Levin funds were raised for Federal Election Activity. Please be advised that if only Federal funds were raised, any reimbursement from your committee's non-federal or Levin account for this payment(s) is not permissible and must be returned.

-Your calculations for Line 2, Column A on the Schedule L Aggregation Page for the Levin account appear to be incorrect. FEC calculations disclose this amount(s) to be \$24,000. Please amend your report to disclose the corrected total(s).

-Your report contains financial activity which took place during the reporting period of the previous report. Schedule L-A of your report discloses activity which takes place before the opening of books for this report. This apparent overlap in dates creates difficulties in accounting for cash flow from one report to another. Please amend this report to clarify this apparent discrepancy.

-Schedule H5 of your report discloses \$31,062.18 transfers-in of Levin funds to your federal account for GOTV and Generic Campaign activity. However, your report does not contain a Schedule L-B supporting Lines 4(c) and 4(d) of the Schedule L Aggregation Page for the Levin account. Please amend your report to clarify this apparent discrepancy.

-Schedule H2 of your report indicates that your committee participated in "010," "020," "030," "040" and "Voter Drive" activities or events during the reporting period. However, there are no corresponding disbursements reflected on your Schedule H4. Note that you need not include activities on Schedule H2 if there are no corresponding payments made for the activity during the reporting period. If any disbursements were incorrectly reported, you should file an amended Schedule H4 with the correct activity or event identifier, or provide clarifying information regarding the activities on Schedule H2.

-On Schedule H2, you have failed to check the Type of Activity box for several activities/events. Please amend your report to correct these omissions. 11 CFR §§104.10 and 104.17

-On Schedule H2, you disclose the ratio for "Voter Drive" to be both 'new' and 'revised.' Further, Schedule H2 discloses multiple allocation ratios for "030," "040" and "Voter Drive" activities and events. Please amend your report to clarify the actual allocation ratios used for these activities and events and the type of ratio (i.e., new, revised, same as previously

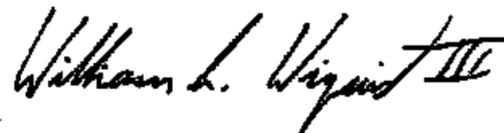
reported). If a ratio is revised, please provide the date of revision and disclose this activity on previous report(s). 11 CFR §§104.10 and 104.17

-Please note, Schedule H2 of your report discloses an activity which is listed as 100% non-federal. A committee is permitted to pay the entire amount of an allocable activity from its federal account and receive a transfer(s) from its non-federal account solely to cover the non-federal share of the allocable expense(s). 11 CFR §§106.6(e) and 106.7(f) However, a 100% non-federal activity/event does not fall within the definitions of an allocable expense. Any transfer from a non-federal account to pay for such an activity would constitute an impermissible transfer of funds received by your federal account from your non-federal account.

**Unlike previous election cycles, 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) 694-1394.

Sincerely,



William S. Wiquist  
Campaign Finance Analyst  
Reports Analysis Division

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