



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

APR 11 1998

Tamara Jean McIntyre, Treasurer
Elections Committee of the County
of Orange
1700 E. Garry Street, Suite 108
Santa Ana, CA 92705

Identification Number: C00192302

Reference: Year End Report (7/1/97-12/31/97)

Dear Ms. McIntyre:

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:

-Schedule A of your report (pertinent portion(s) attached) discloses a receipt(s) of \$5,206.13 from the Elections Committee of the County of Orange - State. 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.

ELECTIONS COMMITTEE OF THE COUNTY OF ORANGE

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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.

-Please provide a Schedule B to support the entry reported on Line 23 of the Detailed Summary Page. Each contribution made to a federal candidate or committee must be itemized on Schedule B regardless of the amount contributed. 11 CFR §104.3(b)(3)(v)

-Please amend your report by providing the address for each disbursement itemized on Schedule B supporting Line 21(b).

-A political committee that has established a federal account and a non-federal account must allocate between its federal and non-federal account all expenses for administrative costs, generic voter drives and fundraising programs or events. 11 CFR §106.6(b)(2)

Separate Segregated Funds and Nonconnected committees must report the estimated percentages of their direct federal and non-federal candidate support for a two-year election cycle by filing a Schedule H1. To calculate the allocation ratio for administrative and generic voter drive costs, nonconnected committees use the funds expended method. 11 CFR §106.6(c)(1)

Party committees must allocate any administrative expenses between the federal and non-federal accounts in proportion to the ballot composition method derived from FEC Schedule H1. 11 CFR §106.5

Schedule H2 is used by all political committees to report the allocation ratios of their joint federal and non-federal fundraising events and direct candidate support programs. Schedule H2 is filed with each report that discloses a disbursement for a shared activity. Schedule H3 is used by all political committees to report transfers received by the federal account from the non-federal account(s) to pay the non-federal share of allocable expenses.

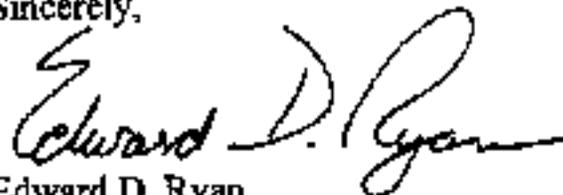
ELECTIONS COMMITTEE OF THE COUNTY OF ORANGE
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Any expenditures made on behalf of both federal and non-federal candidates (including in-kind contributions, independent expenditures and coordinated expenditures) must also be allocated between your committee's federal and non-federal accounts. Schedule H4 is used by all political committees to report payments for allocable expenses. 11 CFR §§106.1(a) and 106.5

Please clarify the procedures you are currently using to allocate shared activity. The Commission recommends that you take steps to correct any non-compliance with the regulations. Also, your committee should establish procedures to ensure future compliance with the allocation regulations.

A written response or an 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. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,



Edward D. Ryan
Reports Analyst
Reports Analysis Division

SCHEDULE A

ITEMIZED RECEIPTS

Offsets to Operating Expenditures

Use separate schedule(s)
for each category of the
Detailed Summary Page
(FD-701/87 - 10/1/97)

PAGE 1 OF 1
FORM LINE NUMBER
15

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

ELECTIONS COMMITTEE OF THE COUNTY OF ORANGE C00192302

A. Full Name, Mailing Address and ZIP Code Elections Committee of the County of Orange - State 1700 E. Garry Street #108 Santa Ana, CA 92705	Name of Employer Reimbursement for utilities, consulting, rent, postage Occupation	Date (month, day, year) 10/04/97	Amount of Each Receipt This Period 657.47
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ see below		EDR
B. Full Name, Mailing Address and ZIP Code same as above	Name of Employer Reimbursement for utilities, postage, insurance, etc. Occupation	Date (month, day, year) 07/16/97	Amount of Each Receipt This Period 2,115.29
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ see below		EDR
C. Full Name, Mailing Address and ZIP Code same as above	Name of Employer Reimbursement for expenses Occupation	Date (month, day, year) 08/18/97	Amount of Each Receipt This Period 565.59
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ see below		EDR
D. Full Name, Mailing Address and ZIP Code same as above	Name of Employer Reimbursement for expenses Occupation	Date (month, day, year) 09/12/97	Amount of Each Receipt This Period 1,270.99
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ see below		EDR
E. Full Name, Mailing Address and ZIP Code same as above	Name of Employer Reimbursement for expenses Occupation	Date (month, day, year) 09/12/97	Amount of Each Receipt This Period 596.79
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ 5,206.13		EDR
F. Full Name, Mailing Address and ZIP Code Orange County Cultural Pride	Name of Employer Refund of deposit Occupation	Date (month, day, year) 09/12/97	Amount of Each Receipt This Period 100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ 100.00		
G. Full Name, Mailing Address and ZIP Code U.S. Postmaster Santa Ana Station Santa Ana, CA 92799	Name of Employer Postage refund Occupation	Date (month, day, year) 12/17/97	Amount of Each Receipt This Period 29.73
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	Aggregate Year-to-Date > \$ 29.73		

SUBTOTAL of Receipts This Page (optional)

5,335.86

TOTAL This Period (last page this line number only)

5,335.86

