



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

September 20, 2006

Jeffrey J. DiSantis, Treasurer  
Georgia Federal Elections Committee  
1100 Spring Street, Suite 710  
Atlanta, GA 30309

**Response Due Date:**  
**October 23, 2006**

Identification Number: C00041269

Reference: Amended April Monthly Report (3/1/06-3/31/06), received 9/1/06

Dear Mr. DiSantis:

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:

-Schedule A of your 2006 Amended February Monthly (1/1/06-1/31/06), received 3/30/06, Amended March Monthly (2/1/06-2/28/06), received 5/22/06 and Amended April Monthly (3/1/06-3/31/06), received 9/1/06, Reports combined discloses transfers totaling \$13,065.94 from the "Democratic State Party Victory Fund," which is a joint fundraising committee affiliated with your committee. The sum of the entries itemized on the memo Schedule A, however, total only \$8,274.77.

Please be advised that a memo Schedule A must be provided to itemize your committee's share of the gross contributions received through the joint fundraiser. The memo schedule should itemize each individual who has contributed an aggregate in excess of \$200 during the calendar year, and provide the amount of unitemized contributions received. In addition, the memo schedule should itemize your committee's share of all contributions from political committees, regardless of amount. 11 CFR §102.17(c)(8)(i)(B) Please clarify this discrepancy.

-Your 2006 Amended February Monthly (1/1/06-1/31/06), received 3/30/06, Amended March Monthly (2/1/06-2/28/06), received 5/22/06, and Amended April Monthly (3/1/06-3/31/06), received 9/1/06, reports combined discloses memo Schedule A's totaling \$35,027.89 for "Dollars

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for Democrats”, which appears to be your committee’s share of the gross contributions received from a joint fundraising committee. However, there are no corresponding transfers-in from the related joint fundraising committee disclosed on Schedule A supporting Line 12 of the Detailed Summary Page. Please amend your report(s) to clarify this apparent discrepancy.

-Schedule A of your 2006 Amended February Monthly (1/1/06-1/31/06), received 3/30/06, Amended March Monthly (2/1/06-2/28/06), received 5/22/06 and Amended April Monthly (3/1/06-3/31/06), received 9/1/06, reports combined discloses transfers totaling \$484.79 from “ASCD Affinity Card,” which is a joint fundraising committee(s) affiliated with your committee. Please be advised that a memo Schedule A must be provided to itemize your committee's share of the gross contributions received through the joint fundraiser(s). The memo schedule should itemize each individual who has contributed an aggregate in excess of \$200 during the calendar year, and provide the amount of unitemized contributions received. In addition, the memo schedule should itemize your committee's share of all contributions from political committees, regardless of amount. Please amend your report by providing the omitted memo schedule(s). 11 CFR §102.17(c)(8)(i)(B)

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that “best efforts” have been used to obtain the information. To establish “best efforts,” you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing “best efforts” is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written

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request or an oral request documented in writing. (11 CFR § 104.7(b)(2))  
The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-Schedule H4 of your report discloses \$3,132.00 in payments for "General Political Consultant" and "Security Services" to individuals. Please clarify whether these individuals are employees of your committee. You are advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity or activities in connection with a Federal election must not be allocated between or among federal, non-federal and Levin accounts. Rather, only federal funds may be used. Any reimbursement from your committee's non-federal or Levin account for salary and wage payments is not permissible and must be returned. Please provide clarification regarding these payments.

-Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Payroll," "Payroll Taxes" and "Salary Reissued." 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 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,

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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.

-Your report discloses the apparent receipt of a corporate in-kind donation for rent; however, memo text attached to Schedule H4 indicates that the federal share of this in-kind contribution was transferred to the non-federal account after the in-kind contribution was received. Pursuant to Advisory Opinion 1992-33, the Commission concluded that a party committee may accept corporate in-kind contributions in connection with allocable administrative and fundraising activities as long as the federal share of goods and services is paid to the non-federal account *in advance or on receipt* of the acceptance of the corporate in-kind donations.

Please clarify the procedures that you are currently using regarding the acceptance of corporate in-kind contributions by the federal account and amend your report if necessary. Although the Commission may take further legal action concerning the acceptance of a prohibited in-kind contribution, your prompt action in transferring the federal share to the non-federal account will be taken into consideration.

**Please note, 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) 694-1177.

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Sincerely,

*Corbin T. Jones*

Corbin T. Jones  
Campaign Finance Analyst  
Reports Analysis Division

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