



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20453

RQ-2

December 17, 2003

Mr. Dudley Cruea, Treasurer
Indiana Republican State Central Committee
47 S. Meridian St Suite 200
Indianapolis, IN 46204

Response Due Date:
January 16, 2004

Identification Number: C00006486

Reference: August Monthly Report (7/01/03-7/31/03)

Dear Mr. Cruea:

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 supporting line 17 of your report discloses one or more receipts totaling \$18,000 from the "Auditor of Indiana". Please amend your report to clarify the nature of these receipts.

-Schedule B supporting Line 21(b) of your report discloses a payment(s) totaling \$25,843.14 for "Direct Mail" and "Telemarketing". 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.

Please provide further clarification regarding this activity, specifically whether it referenced and promoted, attacked or opposed a clearly identified candidate for Federal office. If this is the case, please amend your report to properly disclose this activity as an in-kind contribution, an independent expenditure or a coordinated expenditure, as appropriate, on a Schedule B, E or F supporting Lines 23, 24 or 25, respectively.

INDIANA REPUBLICAN STATE CENTRAL COMMITTEE

PAGE 2

-Schedule B supporting Line 30(b) of your report discloses a payment(s) for "FEA: GOTV Activity" which you have categorized as Federal Election Activity; however, you have failed to identify the candidate(s) for which this activity should be attributed to. Expenditures and disbursements for public communications 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. However, if this activity constitutes an in-kind contribution, an independent expenditure or a coordinated expenditure, please amend your report to properly disclose the activity on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b), or provide clarifying information.

-Schedule B supporting Line 21(b) of your report discloses a payment(s) for "Polling" which appears to be disclosed on the wrong line of the Detailed Summary Page. Please be advised that Voter Identification, Generic Campaign and Get-out-the-vote activity conducted in connection with an election in which one or more candidates for Federal office appear on the ballot is considered to be Federal Election Activity. 11 CFR §100.24 Please amend your report to properly disclose this activity on Line 30(b).

-Schedule B supporting Line 22 discloses \$22,000 in transfers to what appears to be a non-federal account of your committee. Please provide further clarification regarding this transfer to your non-federal account.

You are advised that 11 CFR §102.5 prohibits a non-federal account from financing activity in connection with federal elections. If any of the disbursements disclosed on Schedule B supporting Line 22 were made to influence the election or defeat of specific federal candidates, the disbursements should be allocated accordingly and disclosed as either in-kind contributions on Schedule B supporting Line 23, independent expenditures on Schedule E supporting Line 24, or as coordinated expenditures on Schedule F supporting Line 25. 11 CFR §§104.3(b)(3) and 106.1 In addition, if your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR §§106.6 and 106.7 and establish procedures to insure future compliance with allocation regulations.

-Your report contains information disclosed on Schedules H1 and H4. These schedules are used by committees which have separate federal and non-federal accounts to disclose the allocation of funds for expenditures

INDIANA REPUBLICAN STATE CENTRAL COMMITTEE

PAGE 3

between the two types of accounts. Your reports do not show payments from a non-federal account on a Schedule H3, as would be customary for committees who allocate between accounts. If your committee does not maintain a non-federal account, all disbursements should be disclosed on a Schedule B and no allocation schedules filed. Please clarify the procedures you are currently using to allocate shared expenses if any, and report future disbursements appropriately.

-Schedule H4 supporting Line 21(a) of your report discloses a payment(s) totaling \$2,543.04 for "AA Outreach/Radio Program", "Audio Recording", "Latino Outreach", "Publications", and "Video Expense". Please be advised that pursuant to 11 CFR §300.33(c)(1), expenditures for public communications (as defined by 11 CFR §100.26) that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any such candidate for Federal office must not be allocated between or among federal and non-federal accounts. Only federal funds may be used.

Please provide further clarification regarding this activity, specifically whether it referenced and promoted, attacked or opposed a clearly identified candidate for Federal office. If this is the case, please amend your report to properly disclose this activity as an in-kind contribution, an independent expenditure or a coordinated expenditure, as appropriate, on a Schedule B, E or F supporting Lines 23, 24 or 25, respectively.

If this activity was categorized incorrectly, the Commission recommends that you immediately transfer the funds received by your federal account for this activity back to the non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

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

INDIANA REPUBLICAN STATE CENTRAL COMMITTEE

PAGE 4

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 1, then press 2 to reach the Reports Analysis Division) or my local number (202) 694-1137.

Sincerely,

A handwritten signature in cursive script that reads "Jane Parks". The signature is written in black ink and is positioned above the printed name and title.

Jane Parks

Campaign Finance Analyst
Reports Analysis Division

295

