



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

September 30, 2005

Brian A. Johnson, Treasurer  
Gay And Lesbian Victory Fund  
1705 DeSales Street NW, 5th Floor  
Washington, DC 20036

**Response Due Date:  
October 31, 2005**

Identification Number: C00251835

Reference: Mid-Year Report (1/1/05-6/30/05)

Dear Mr. Johnson:

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:

-Please clarify all expenditures made for "Catering," "Event Decorations," "Event Entertainment" and "Fundraising Event Decorations" on Schedule(s) B and H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B or E supporting Lines 23 or 24 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule B discloses an expenditure(s) for "Photography," "Postage" and "Printing." Please be advised that public communications (as defined by 11 CFR §100.26) and voter drive activity (under 11 CFR §106.6(b)(2)(i)) containing express advocacy as defined under 11 CFR §100.22, would constitute an in-kind contribution or an independent expenditure and should be properly disclosed on a Schedule B or E supporting Line 23 or 24 as appropriate. Public communications and voter drive activity that refer to a clearly identified Federal candidate, but that do not expressly advocate the election or defeat of that candidate should be reported on Schedule B for Line 21(b) of the Detailed Summary Page. Please clarify whether this activity contained express advocacy and amend your report to properly disclose this activity, if necessary.

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-Schedule H4 discloses an expenditure(s) for "Internet & Communications Exp.," "Telemarketing" and "Travel & Communications Exp." Please be advised that public communications (as defined by 11 CFR §100.26) and voter drive activity (under 11 CFR §106.6(b)(2)(i)) containing express advocacy as defined under 11 CFR §100.22, would constitute an in-kind contribution or an independent expenditure and should be properly disclosed on a Schedule B or E supporting Line 23 or 24 as appropriate. Public communications and voter drive activity that refer to a clearly identified Federal candidate, but that do not expressly advocate the election or defeat of that candidate should be reported on Schedule B for Line 21(b) of the Detailed Summary Page.

Furthermore, the costs for public communications and voter drive activity that refer to one or more clearly identified Federal candidates must be paid for with 100% federal 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 public communications and voter drive activity referencing a clearly identified Federal candidate is not permissible and must be returned. 11 CFR §106.6(f)

Please clarify this activity and amend your report, if necessary, to properly disclose this activity. In addition, please inform the Commission of any corrective action immediately. Although the Commission may take further legal action regarding this apparent prohibited activity, your prompt action will be taken into consideration.

-Schedules B and H4 of your report disclose a reimbursement(s) to an individual(s) for apparent travel and subsistence advances in which the total amount reimbursed exceeds \$500. When the reimbursement amount to staff for travel and subsistence advances exceeds \$500, the payments by committee staff that make up the reimbursement may have to be itemized. For example, if the related payment(s) to any one vendor by the staff aggregates in excess of \$200 for the calendar year, the payment(s) must be itemized as a memo entry for that reimbursement. Each memo entry must include the complete name and address of the original vendor, as well as the date, amount and an adequate purpose. If itemization is not necessary for a particular reimbursement to staff in excess of \$500, you must clarify this in an amendment to this report. Please amend your report to include the missing or clarifying information. 11 CFR §104.9 and Advisory Opinion 1996-20, footnote 3

-Schedules B and H4 of your report discloses reimbursements to individuals for "Fundraising Event Decorations," "Fundraising Event Expenses,"

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"Event Entertainment," "Facility Rental," "Fundraising Expenses," "Internet and Communications Exp.," "Telephone & Office Supplies," "Seminar Fees & Supplies for Meeting" and "Office Supplies & Expenses." Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in excess of \$200 in a calendar year, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information. If itemization is not necessary, you must indicate so in an amendment to this report. 11 CFR §104.9, and Advisory Opinions 1992-1 and 1996-20, footnote 3

-On Schedules B supporting Line 21(b) of the Detailed Summary Page, you disclose disbursements to various vendors as memo entries. A memo entry is used to disclose additional information about an itemized transaction that is included in the total receipts or disbursements for the current report or previous report. If the checks written by your committee were indeed payments to vendors then they should not be itemized as memo entries but instead added into your line total. Please amend your report to clarify the nature of these payments.

-Your report discloses a debt with a negative amount incurred on Schedule D, supporting line 10 of the Detailed Summary Page for "Legal Services, Exempt." A payment made by your committee to pay off a debt owed must be shown on both Schedule B or H4 and Schedule D. Your report shows no disbursements on Schedule B or H4 to correspond with these entries on Schedule D. Please amend your report to clarify this apparent discrepancy.

**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

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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) 694-1137.

Sincerely,



Katrina Senger

Campaign Finance Analyst

Reports Analysis Division

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