



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Steven B. Long, Treasurer
North Carolina Republican Executive
Committee
1410 Hillsborough Street
Raleigh, NC 27605

Identification Number: C00038505

JAN 19 2000

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Mr. Long:

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:

-Please provide a Schedule H3 to support the entry reported on Line 18 of the Detailed Summary Page. All transfers received from a committee's non-federal account for joint activity must be itemized on Schedule H3 regardless of the amount transferred. 2 U.S.C. §434(b)(3)(D)

-Please clarify all expenditures made for "Newspaper Ad", "Radio Airtime" and "Media Production Costs" on Schedule B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule A of your report (pertinent portions attached) discloses an apparent contribution(s) from a corporation(s). 2 U.S.C. §441b(a) prohibits the receipt of contributions from corporations unless made from a separate segregated fund established by the corporation.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If you have received a corporate contribution(s), you must transfer-out the impermissible funds to an account not used to influence federal elections or

refund the full amount to the donor(s) in accordance with 11 CFR §103.3(b). In the best interest of your committee, all transfers-out and refunds should be made within thirty days of the treasurer's receipt of the impermissible funds. In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of a prohibited contribution, prompt action by your committee to transfer-out or refund the amount will be taken into consideration.

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Transfers to your non-federal account should be properly disclosed on a separate Schedule B, supporting Line 22 of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

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,

Debbie Chacona

Debbie Chacona
Senior Reports Analyst
Reports Analysis Division

