



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Shawn Steel, Treasurer  
California Republican Party  
1903 W. Magnolia Blvd.  
Burbank, CA 91506

MAR 11 1999

Identification Number: C00140590

Reference: Year End Report (11/24/98-12/31/98)

Dear Mr. Steel:

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 C or D, as appropriate, to support the entry of \$338,739.98 reported on Line 10 of the Summary Page. Loans and debts must be continuously reported until they are either repaid or settled. 11 CFR §104.3(d)

-The Detailed Summary Page, on Line 18 Column B of your report, discloses \$4,969,265.48 in transfers from the non-federal account for joint activity for the calendar year. However, Line 21 (a)(ii) Column B discloses \$3,967,796.92 as the non-federal share for joint activity for the calendar year. While the non-federal account is permitted to transfer funds to the federal account for allocable activity, transfers from the non-federal account for amounts greater than the non-federal share of allocable activity are prohibited by 11 CFR §102.5(a)(1)(i). Please clarify this discrepancy.

The Commission recommends that you immediately transfer back to the non-federal account, the amount which was transferred to the federal account in excess of the non-federal share. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-On Schedule H3 supporting Line 18 of the Detailed Summary Page, you have not provided the unique code for the transfer made on 12/4/98. Please amend your report to correctly identify this event(s). 11 CFR §104.10

-Please provide a Schedule A to support the entry reported on Line 13 of the Detailed Summary Page. All loans and loan repayments received by your committee must be itemized on Schedule A regardless of the amount loaned or repaid. 2 U.S.C. §434(b)(3)(E)

-Line 15 of the Detailed Summary Page discloses receipts for offsets to operating expenditures during the reporting period. If this figure includes any receipts from a single source, that aggregate greater than \$200 in the calendar year, please amend your report(s) by itemizing the receipts on Schedule A. 2 U.S.C. §434(b)(2)(I)

-On Schedule H2 of your report you disclose the ratio for "Telemarketing CAD806" to be 99% FEDERAL and 1% NON-FEDERAL. However, your Schedule H4 calculations reflect the ratio to be 22% FEDERAL and 78% NON-FEDERAL. Please amend your report to clarify this discrepancy.

Please note that if your non-federal account has overpaid your federal account because of this miscalculation, it will be necessary to immediately transfer these funds back to the non-federal account. While the Commission may take further legal action concerning any impermissible overpayments by the non-federal account, your prompt action will be taken into consideration.

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

