



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

May 10, 2006

Carl Meyers, Treasurer  
Michigan Republican Party  
520 Seymour St.  
Lansing, MI 48933

**Response Due Date:  
June 12, 2006**

Identification Number: C00041160

Reference: April Monthly Report (03/01/06-03/31/06)

Dear Mr. Meyers:

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 H4 supporting Line 21(a) of your report discloses a payment(s) for "Employee Dental," "Employee Dental Insurance," "Employee Medical Coverage," "Payroll Taxes," and "Life insurance". 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 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, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

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 this improper allocation activity, your prompt action will be taken into consideration.

-Schedule H4 of your report discloses payments to "Century Marketing & Comm. Inc.," which are categorized as Administrative expenses; however,

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the purposes of disbursement disclosed are "List Development." Please be advised that payments made for your committee's generic voter drive activities, that do not qualify as Federal election activities and that are not party exempt activities," should be categorized as Voter Drive expenses on Schedule H4. Please amend your report to clarify the appropriate category for these activities or provide clarifying information regarding these apparent discrepancies.

-Schedule H4 of your report discloses a payment to "Professional Party Planner," which is categorized as an Administrative expense; however, the purpose of disbursement disclosed is "Catering for Generic Event." Please be advised that payments made for your committee's fundraising activities must be allocated according to the funds received method and the ratio reflected on Schedule H2. Please amend your report to clarify the appropriate category for this activity or provide clarifying information regarding this apparent discrepancy.

**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) 694-1139.

Sincerely,



Karen E. Trainer  
Campaign Finance Analyst  
Reports Analysis Division

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