



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463
October 22, 2008

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Linda M. Buzinec, Treasurer
Indiana Democratic Congressional Victory
Committee
1 North Capitol, Suite 200
Indianapolis, IN 46204

Response Due Date:
November 24, 2008

Identification Number: C00108613

Reference: June Monthly Report (5/01/08 – 5/31/08)

Dear Treasurer:

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. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 5 items:

1. Schedule A supporting Line(s) 11(c) and 15 of your report discloses a receipt(s) from "Donnelly for Congress Committee," "Nels Ackerson for Congress," "Andre Carson for Congress," "Ellsworth for Congress Committee," "Evan Bayh Committee," "Hoosiers for Hill," and "Montagano for Congress" which requires further clarification. For example, if this activity represents a transfer of funds, please indicate "transfer" on Schedule A supporting Line 11(c) of your report. If this activity represents a reimbursement for services provided to this committee, please indicate this on Schedule A supporting Line 15 of your report. Please amend your report to clarify the type of activity this receipt(s) represents.

2. Your report discloses in-kind contributions made on behalf of federal candidates. The original payments for the goods and services have been itemized as negative disbursements on Line 21(b) and attributed to each federal candidate as a positive disbursement on Schedule B supporting Line 23. This method of reporting fails to accurately disclose a disbursement on behalf of the federal candidates receiving the in-kind contributions and will adversely impact you committees ending cash balance.

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Please be advised that if a Federal candidate receives an in-kind contribution on the same date that the vendor was paid for the good or service provided, the disbursement to the vendor should only be reflected on Schedule B supporting line 23 along with the identification of the candidate and race supported.

If the candidate received the in-kind good or services on a different date than the vendor was paid, please follow the reporting method in the attached sample from the Campaign Guide.

Please amend your report to address these apparent discrepancies and/or provide additional information regarding these transactions.

3. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "401K," "Health Insurance," "Life Insurance," "Payroll," and "Payroll Taxes." 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 (FEA) 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.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, 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 any improper allocation activity, your prompt action will be taken into consideration.

4. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Telecommunications." 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.

Further, expenditures and disbursements for public communications that refer to a clearly identified candidate for Federal office and that promote,

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support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s). However, public communications that meet the definition of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, but do not meet the conditions of exempt activity, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b). Please amend your report to properly disclose this activity or provide clarifying information.

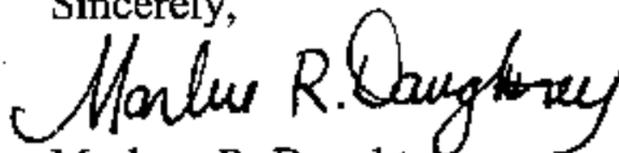
If this activity was categorized incorrectly, the Commission recommends that you immediately transfer the funds received by your federal account for this activity back to the non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action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

5. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "JJ" and "Technology." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. 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. **Requests for extensions of time in which to respond will not be considered.**

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) 694-1394.

Sincerely,



Marlene R. Daughtrey
Senior Campaign Finance Analyst
Reports Analysis Division

Figure 15: In-kind Contributions to Candidates

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE	OF
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.		<input checked="" type="checkbox"/> 21a <input type="checkbox"/> 27			
NAME OF COMMITTEE (in full) Civil Republic PAC					
Full Name (Last, First, Middle Initial) Westroads Liquor		Date of Disbursement 08 / 26 / 2006			
Mailing Address 19 Main Street		City ST		Zip Code 00000	
Purpose of Disbursement Reception		Candidate Name Stephen Bagwell		Amount of Each Disbursement this Period 972.40	
Office Bought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> Other (specify) _____		MEMO: In-kind; see Schedule B, Line 23	
State: ST		District: 8		Year: 2006	

Additional Information on Candidates

Further information is required when itemizing a contribution to a candidate committee on Schedule B. List the candidate's name and the office sought (including the state and, if applicable, Congressional district). When itemizing a contribution or loan to a candidate committee, specify the election for which the payment was made by checking the appropriate category in the election designation box. 104.3(b)(3)(v). See Figures 14, 15, 16 and 17.

Figure 16: In-kind Contributions to Candidates (cont.)

SCHEDULE B (FEC Form 3X) ITEMIZED DISBURSEMENTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE	OF
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.		<input type="checkbox"/> 21a <input type="checkbox"/> 27			
NAME OF COMMITTEE (in full) Civil Republic PAC					
Full Name (Last, First, Middle Initial) Westroads Liquor		Date of Disbursement 08 / 24 / 2006			
Mailing Address 19 Main Street		City ST		Zip Code 00000	
Purpose of Disbursement Reception		Candidate Name Stephen Bagwell		Amount of Each Disbursement this Period 972.40	
Office Bought: <input checked="" type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Primary <input type="checkbox"/> Other (specify) _____		In-kind	
State: ST		District: 8		Year: 2006	

Resignations of Contributions

Use memo entries to show any redesignations of contributions.

If a contribution to a candidate is redesignated for a different election after the close of books, show the redesignation on the next report and indicate the report on which the original contribution was itemized.

In the illustration on the next page, the committee originally made a \$10,000 contribution to a candidate's campaign, intending

half of it to count toward the general election. The committee itemized the contribution in its Year End report. The following month, the campaign requested that the committee redesignate the excessive \$5,000 for the general election campaign. The committee itemized the redesignation in its April quarterly report.

Itemized Information

Itemized disbursement information includes:

- Name of payee;
- Address of payee;
- Purpose of disbursement (a brief but specific description of why the disbursement was made—see Schedule B instructions and 104.3(b)(3)(i)(B));
- Optional category code;
- Date of payment; and
- Amount. 104.3(b)(3); 104.9.

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