



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

October 7, 2005

David Gould, Treasurer
People Helping People
555 So. Flower St. Ste 4510
Los Angeles, CA 90071

**Response Due Date:
November 7, 2005**

Identification Number: C00248948

Reference: Mid-Year Report (01/01/05-06/30/05)

Dear Mr. Gould:

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:

-Your report discloses several receipts and disbursements on behalf of a slate mailer which appears to have supported candidates in the 2004 General election. Your committee was advised in AO 2004-37 that the costs attributable to each candidate which exceed \$500 must be disclosed as a debt owed to your committee on Schedule D of your 2004 30 Day Post-General Report and future reports, unless completely reimbursed by a candidate on or before November 22, 2004. However, reports filed by your committee during calendar year 2004 do not disclose debts owed to your committee by these candidates or debts owed by your committee to these vendors.

Please be advised that debts and obligations owed to a committee or by a committee which remain outstanding must be continuously reported until extinguished. A debt or obligation which is over \$500 must be disclosed during the next reporting period for the date when the transaction occurred, not the date the bill was paid. Please provide clarifying information regarding the omitted disclosure of any debts and amend your report(s) to disclose any debts on Schedule D supporting Lines 9 or 10, as appropriate. 11 CFR §§104.3(d) and 104.11 In addition, all entries on Schedules A, B,

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and D which are slate mailer costs as described in AO 2004-37 should include a notation which references "AO 2004-37" .

In addition, AO 2004-37 indicated the brochure your committee intended to produce and distribute would expressly advocate the election of clearly identified Federal and non-Federal candidates in the November 2, 2004 General election. The brochure would feature a prominent picture or likeness of Representative Waters on the front page and be promoted as Representative Waters' official sample ballot. Thus, the Commission stated that if your committee produces and distributes the sample ballot, the Waters Committee, like the authorized committees of all the other Federal candidates listed, will reimburse your committee for the full costs attributable to Representative Waters. However, Schedule A of your report does not disclose a reimbursement from Citizens for Waters for the costs of the brochure attributable to Representative Maxine Waters as described in AO 2004-37. Please provide clarifying information regarding this apparent discrepancy, including the procedures your committee is using to ensure proper attribution of each candidate's share of the costs of the brochure. 11 CFR §106.1

-Your Mid-Year Report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule(s) B supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

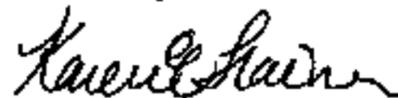
Clarification regarding administrative expenses should be disclosed during each two-year election cycle beginning with the first report filed in the non-election year. Please verify that all expenses referenced above (i.e.,

rent, salaries, utilities, etc.) have been adequately disclosed. If volunteers have provided these services, please confirm this in writing.

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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