



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-3

January 28, 1999

Mr. Jay Castle, Treasurer  
Dave Wu for Congress  
921 S.W. Morrison, Suite 310  
Portland, OR 97205

Identification Number: C00329292

Reference: October Quarterly Report (7/1/98-9/30/98)

Dear Mr. Castle:

On January 5, 1999, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your January 25, 1999, response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Line 11(a)(i), Column A, of the Detailed Summary Page discloses \$366,716.00 in receipts. Schedule A supporting Line 11(a)(i) itemizes \$360,117.00 in receipts. These figures should be the same. Please correct this discrepancy and file an amendment to your report. (11 CFR §104.3(a))

-Line 11(c), Column A, of the Detailed Summary Page discloses \$110,648.00 in receipts. Schedule A supporting Line 11(c) itemizes \$109,369.00 in receipts. These amounts should be the same. Please correct this discrepancy and file an amendment to your report(s). (11 CFR §104.3(a))

-The loan payment(s) indicated on Schedule C does not equal the loan payment(s) itemized on Schedule B. Each loan payment made by the committee must be itemized on Schedule B, regardless of the amount of the payment. Please correct this discrepancy and file an amendment to your report. (11 CFR §104.3(b)(4)(iii) or (iv))

-Schedule B of your report discloses reimbursements to individuals for transactions other than travel, meals and lodging. Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in excess of \$200 in a calendar year, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information. (11 CFR § 104.9)

-Line 11(b), Column A, of the Detailed Summary Page discloses \$9,875.00 in receipts. Schedule A supporting Line 11(b) itemizes \$16,719.00 in receipts. Please correct this discrepancy and file an amendment to your report. (11 CFR §104.3(a))

-Commission Regulations define the term "purpose" to mean a brief statement or description of why a disbursement was made. Examples are, "dinner expense", "media", "salary", "polling", "travel", "party fees", "phone banks", "travel expenses", "travel expense reimbursement" and "catering costs". Unacceptable descriptions include, but are not limited to "advance", "consulting", "contract labor", "election day expense", "expenses", "other expenses", "expense reimbursement", "miscellaneous", "outside services", "get-out-the-vote" and "voter registration". (11 CFR §104.3(b)(4)) Please amend Schedule B of your report to correct the descriptions which do not meet the requirements of the Regulations.

-An expenditure to Citibank VISA for \$2,068.73 has been disclosed. When itemizing payments made to credit card companies you must list the name and address of the original vendor from which you purchased an item or a service. You should also show the date, the amount, and the purpose of the payment if you have paid in excess of \$200 this current year to the vendor. (11 CFR §104.9)

-It appears that the Column B figures for Lines 6(a), 6(c), 7(a), 7(c), 11(a)(iii), 11(b), 11(c), 11(e), 16, 17, and 22 are still incorrect. These figures should equal the sum of the Column B figures on your *amended* July Quarterly report and the Column A figures on this report. It appears that when amending this report, you used the Column B figures from your original July Quarterly Report instead of the figures on the amended July Quarterly report. Please amend this report and any subsequent report(s) which may be affected by this correction.

-The Commission notes that you have amended Schedule B to include complete addresses for the itemized disbursements which previously had no address listed. However, it appears that you may have overlooked some of these disbursement entries in your review. Please amend your report to include the missing information.

-When amending your report, it appears that you deleted the following contributions:

Gerald Bidwell	\$1000, designated for general election
Vicky Ching	\$200, designated for general election
Kenneth Fong	\$1000, designated for general election

Please clarify any corrective action taken regarding these contributions, and include the dates that such action occurred.

-Your amended October Quarterly report indicates that several contributions questioned on your report have been redesignated. Please provide the date(s) when you received authorization to redesignate the contributions from the contributors listed below:

Name of Contributor	Amount Redesignated	Election Redesignated for:
Doreen Margolin	\$750	Primary
John Gray	\$500	Primary
Phillip Margolin	\$750	Primary
Paul Romain	\$1000	Primary
Bruce Russell	\$1000	General
Carol Santesson	\$1000	Primary
John Sie	\$1000	Primary
N. Stoll	\$1000	Primary
James Tsai	\$1000	Primary
Tsung-Ching Wu	\$1000	Primary
Human Rights Campaign	\$5000	Primary

-Your report still discloses apparent contributions from corporations (**H. Naito Properties**), which are prohibited unless made from a separate segregated fund established by the corporation. If the contributions were prohibited, you should refund the full amount to the donors.

Please note that all refunds, redesignations, and reattributions must be made within sixty days of receipt of the contribution. Copies of refund checks and copies of letters reattributing or redesignating the contributions in question may be used to respond to this letter. Refunds are reported on Line 20 of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period during which the redesignations and/or reattributions are received.

-Schedule A of your report discloses an in-kind contribution(s) designated for the primary election 2000 made before the general election (pertinent portion attached). In-kind contributions of equipment, such as computers, with a long-term useful life (e.g., an election cycle, or perhaps longer) are similar to contributions of money and may be designated for elections beyond the next election, provided the contributor designates the contribution as such in writing. A contribution of this type of equipment is distinguishable from in-kind contributions that are used only for one particular election, such as non-exempt contributions of food or beverages consumed by primary election day workers, or printing or mailing costs related to general election events or fundraisers. Please amend your report to include a description of the nature of the in-kind contribution in question. If the in-kind contribution on your report does not have a "long-term useful life", it constitutes an excessive contribution for the primary election (see Advisory Opinion 1996-29). If this is the case, you must refund the excessive amount to the donor, or seek redesignation and reattribution of the excessive amount from the donor. Refunds are reported on Schedule B supporting Line 20 of the Detailed Summary Page of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period in which the authorization from the contributors is received (11 CFR §104.8(d)(2) and (4)).

Although the Commission may take further legal steps, prompt action by you to refund or seek redesignation and reattribution of the excessive amount will be considered.

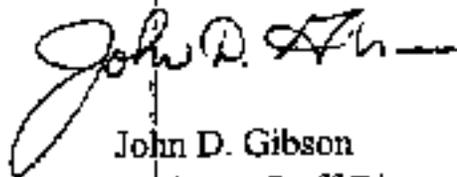
If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

DAVID WU FOR CONGRESS

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If you should have any questions related to this matter, please contact Mary Beth deBeau on our toll-free number (800) 424-9530 or our local number (202) 694-1130.

Sincerely,

A handwritten signature in cursive script, appearing to read "John D. Gibson". The signature is written in black ink and is positioned above the printed name.

John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

