



ACPAC

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
PUBLIC DISCLOSURE  
DIVISION

FEB 5 2 26 PM '99

February 3, 1999

Linda Schwantner  
Friends of Senator D'Amato (1998 Committee)  
P.O. Box 888  
Mineola, NY 11501

Dear Linda Schwanter:

I am writing to address a question from the FEC concerning campaign contributions made by the American Collector's Association, Inc., political action committee (ACPAC) to Senator Alphonse D'Amato's re-election campaign.

When I started serving as ACPAC treasurer a few years ago, I was under the impression that campaign disbursements for re-election campaigns should be designated as being to a re-election campaign. Such a designation would be the same as tallying the check to the nearest election. As I have since learned, this "shorthand" policy only leads to confusion as to how the check should be tallied. In response to an inquiry from the FEC, I would like to clarify how the contributions should be tallied in your records. I know that there was some confusion in your office about our contributions, since shortly after our last contribution was made, I received a phone call from someone in your office with questions about how the contributions should be tallied. I believe that the issue was resolved, since I did not hear from your office again, but in the event that an excessive contribution was made during the general election, could you please refund any excess contribution made payable to ACPAC and direct it to Joe Martin, ACPAC Treasurer, 4040 West 70<sup>th</sup> Street, Minneapolis, MN 55435.

With that caveat in place, the following indicates how the records should be tallied in your records:

1. The first contribution to Sen. Alphonse D' Amato during the past five years occurred on February 23, 1993. The contribution was made for \$1,000 and was designated on the check for the "1992 elections." A similar designation was made on the FEC report. Consequently, this contribution did not count for the 1998 election totals.

#### ACA's Political Action Committee

A copy of our report is filed with the Federal Election Commission and is available for purchase from the FEC, Washington, D.C. 20463

2. The first contribution for Sen. D'Amato's 1998 re-election was made on May 11, 1994. The check was for \$1,000 and the contribution on the check was designated as 1998 re-election and the designation on the FEC report was listed as re-election. It should be tallied to the primary election.
3. The next disbursement to his campaign was made on June 27, 1995 for \$1,000. The designation on the check was for the 1998 re-election and was marked on the FEC report as other: 1998 re-election. This should be tallied to the primary election.
4. On November 30, 1995, a contribution of \$2,000 was made to Sen. D'Amato's campaign. The contribution was tallied to the general election, leaving a total of \$2,000 tallied to the primary election and \$2,000 to the general election at that time.
5. On April 26, 1996, a contribution of \$1,000 was made to Sen. D'Amato's re-election campaign. The check was designated to the "re-election campaign," but unfortunately was designated as a "general election" on the FEC report, instead of the primary election designation. It should be designated to the primary election. This leaves a total of \$3,000 designated for the primary election and \$2,000 for the general election at that time.
6. The next contribution occurred on November 27, 1996 for \$1,000. This contribution should be tallied as a primary election, but was tallied on the FEC report as a general election. This leaves a total of \$4,000 designated for the primary election and \$2,000 for the general election at that time.
7. The next disbursement date was April 8, 1998 for a contribution of \$1,000. The contribution was designated on the check as being for the 1998 Primary Election, but was listed on the FEC report as being for the 1998 General Election. It should be tallied as a primary election contribution.
8. The final contribution was made on July 22, 1998 for \$3,000. The designation on the check was for the 1998 General Re-election. This leaves a total contribution of \$5,000 for the primary election and \$5,000 for the general election.

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If you have any questions about this, please direct them to the new ACPAC treasurer, Joe Martin.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Williams", with a long horizontal flourish extending to the right.

Paul Williams, former ACPAC Treasurer



ACPAC

RECEIVED  
FEDERAL ELECTION  
COMMISSION MAIL ROOM

FEB 5 12 06 PM '99

February 3, 1999

Lucy J. Denny  
Reports Analyst  
Federal Election Commission  
999 E. Street, N.W.  
Washington, D.C. 20463

Dear Lucy Denny:

This letter is in response to your inquiry of January 20, 1999 regarding possible excessive contributions made to Sen. Alphonse D' Amato's general re-election campaign by the American Collectors Association political action committee. As we discussed on the phone last week, I believe that the discrepancy was the result of typographical errors and a misunderstanding of the tallying regulations for candidate contributions.

When I started serving as ACPAC treasurer a few years ago, I was under the impression that campaign disbursements for re-election campaigns can be designated on the FEC report as being for re-election campaign, without specifying whether such a designation should be tallied for a general or primary election. Such a designation would be the same as tallying the check to the nearest election. As I have since learned, this "shorthand" policy only leads to confusion as to how the check should be tallied. This was not a problem in the past, as ACPAC rarely contributed more than \$4,000 to any one candidate, but the possibility of confusion over how to tally contributions will certainly increase as ACPAC continues to grow. Fortunately, we have just purchased a Capitol Hill PAC software program which forces the preparer of the FEC reports to designate whether a contribution is for a general or primary election. The software also flags any violation of campaign laws before a report is filed or a disbursement check is written. I believe that this system will help reduce the typographical errors that have occasionally occurred during our former system of writing all reports in long-hand and then typing up the reports. With this background in place, I believe I can discuss all contributions made to Sen. Alphonse D' Amato over the past five years and answer the questions you raised in your inquiry.

1. ACPAC's first contribution to Sen. Alphonse D' Amato during the past five years occurred on February 23, 1993. The contribution was made for \$1,000 and was designated on the check for the "1992 elections." A similar designation was made on the FEC report. Consequently, this contribution did not count for the 1998 election totals.

### ACA's Political Action Committee

A copy of our report is filed with the Federal Election Commission and is available for purchase from the FEC, Washington, D.C. 20463

2. The first contribution for Sen. D'Amato's 1998 re-election was made on May 11, 1994. The check was for \$1,000 and the contribution on the check was designated as 1998 re-election and the designation on the FEC report was listed as re-election. It should be tallied to the primary election, leaving a total of \$1,000 tallied to the primary election at that time.
3. The next disbursement to his campaign was made on June 27, 1995 for \$1,000. The designation on the check was for the 1998 re-election and was marked on the FEC report as other: 1998 re-election. This should be tallied to the primary election, leaving a total of \$2,000 tallied to the primary election at that time.
4. On November 30, 1995, a contribution of \$2,000 was made to Sen. D'Amato's campaign. This time, however, the contribution was tallied to the general election, leaving a total of \$2,000 tallied to the primary election and \$2,000 to the general election at that time.
5. On April 26, 1996, a contribution of \$1,000 was made to Sen. D'Amato's re-election campaign. The check was designated to the "re-election campaign," but unfortunately was designated as a "general election" on the FEC report, instead of the primary election designation. (A corrected report is enclosed.) This leaves a total of \$3,000 designated for the primary election and \$2,000 for the general election at that time.
6. The next contribution occurred on November 27, 1996 for \$1,000. This contribution should be tallied as a primary election, but was tallied on the FEC report as a general election. (A corrected report is enclosed.) This leaves a total of \$4,000 designated for the primary election and \$2,000 for the general election at that time.
7. The next disbursement date was April 8, 1998 for a contribution of \$1,000. The contribution was designated on the check as being for the 1998 Primary Election, but was listed on the FEC report as being for the 1998 General Election. (A corrected report is enclosed.) This leaves a total of \$5,000 designated for the primary election and \$2,000 for the general election.)
8. The final contribution was made on July 22, 1998 for \$3,000. The designation on the check was for the 1998 General Re-election and it was correctly tallied on the FEC report for the general election. This leaves a total contribution of \$5,000 for the primary election and \$5,000 for the general election.

Shortly after the July 22, 1998 check was received by the D'Amato fundraising committee, their treasurer contacted me with questions about how the disbursements should be tallied since I did not explicitly indicate how the checks should be tallied on two letters to her. I explained

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how the contributions should be tallied. I presumed that everything made sense since I did not hear again from the campaign.

If at this time, you believe that I should notify the recipient and request a refund, I would certainly be glad to do so. (In the meantime, I have sent the campaign treasurer a letter explaining how the contributions should be re-tallied. (See attachment.)

First, effectively immediately, Joe Martin will be the new ACPAC treasurer and all correspondence should be directed to him.

The second issue relates to the previous statement. When I became ACPAC treasurer in 1994, I was informed that there was a discrepancy of \$379.03 between the amount reported to the FEC and the actual bank statement. The previous treasurer was unsure where the discrepancy came from and simply instructed me to carry the discrepancy forward as she had done. I should have contacted your office directly at that time, but I simply carried the discrepancy forward. Now that I am leaving as ACPAC treasurer, I would like to resolve this discrepancy as soon as possible for the new treasurer.

After considerable research, I believe I have discovered the origin of the discrepancy. As far as I can tell, this discrepancy was created on November 20, 1987, when Elizabeth Uppman, who served as ACPAC Treasurer at that time, transferred \$18,000 from the ACPAC checking account to a Fidelity U.S. Government Reserve Account which earned interest. On September 14, 1988, the total balance plus interest (\$21, 817.00) was transferred back into the ACPAC checking account. ACPAC then paid federal and state taxes on the interest with a check from the ACPAC campaign contribution fund, but apparently did not disclose the full amount to the FEC report. Consequently, we have consistently reported \$379.03 more to the FEC than what we have in our actual bank account.

ACA's Federal Legislative Consultant Robert Royer discussed this discrepancy with Mr. Richard Ng on February 2 and Mr. Ng suggested that we prepare an updated FEC report with the correct information, and to check with you to see if there are additional paperwork requirements that must be met. Since Bob Royer discussed this issue with Mr. Ng after the 1998 year end FEC report was filed, the report (which you should have already received) does not reflect the discrepancy discussed above. I will wait to hear from you before I file an amended 1998 year end report to ensure that I have completed all the necessary paperwork. This amended report will be filed using our traditional method of typing out the reports, since we cannot use the Capitol Hill PAC software system, until I hear from you on how to handle this discrepancy.

February 3, 1999

To reduce the possibility of further FEC inquiries or questions, I would appreciate it if you could send any information on upcoming seminars on FEC requirements to Joe Martin, so that he can be fully aware of and compliant with all FEC rules and regulations regarding political action committees.

Thank you for your time and interest in resolving this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Williams", with a long horizontal flourish extending to the right.

Paul Williams

ACPAC Treasurer

Enc.

# REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee  
(Summary Page)

RECEIVED  
FEDERAL ELECTION  
COMMISSION MAIL ROOM

FEB 5 06 PM '99

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) American Collectors Association, Inc./ACPAC		2. FEC IDENTIFICATION NUMBER C00034285
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported 404D West 70th St.		
CITY, STATE and ZIP CODE Minneapolis, MN 55435		
3. <input checked="" type="checkbox"/> This committee has qualified as a multicandidate committee. (See FEC FORM 1M)		

## 4. TYPE OF REPORT

- (a)  April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid Year Report (Non-election Year Only)  
 Termination Report

Monthly Report Due On:

- February 20     June 20     October 20  
 March 20     July 20     November 20  
 April 20     August 20     December 20  
 May 20     September 20     January 31

- Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Thirtieth day report following the General Election on \_\_\_\_\_  
in the State of \_\_\_\_\_

(b) Is this Report an Amendment?  YES  NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>04/01/96</u> through <u>06/30/96</u>		
6. (a) Cash on Hand January 1, 19 <u>96</u>		\$ 15,836.99
(b) Cash on Hand at Beginning of Reporting Period	\$ 30,140.30	
(c) Total Receipts (from Line 19)	\$ 31,195.00	\$ 60,175.00
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 61,335.30	\$ 76,011.99
7. Total Disbursements (from Line 30)	\$ 10,332.37	\$ 25,009.06
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 51,002.93	\$ 51,002.93
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20483 Toll Free 800-424-9530 Local 202-219-3420
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Paul D. Williams

Signature of Treasurer



Date

2/3/99

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X  
(revised 9/93)

## SCHEDULE B

## ITEMIZED DISBURSEMENTS

Use separate schedule(s)  
for each category of the  
Detailed Summary PagePAGE 1 OF 2  
FOR LINE NUMBER 23

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.

## NAME OF COMMITTEE (In Full)

American Collectors Association, Inc./ACPAC

	A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
WA	Friends of Doc Hastings P.O. Box 2926 Pasco, WA 99302	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/12/96	\$ 500.00
FL	Friends of Cliff Stearns 4451 Brookfield Cop. #220 Chantilly, VA 22021	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/12/96	\$ 500.00
NE	Bereuter for Congress P.O. Box 94794 Lincoln, NE 68509	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/19/96	\$ 500.00
CA	Bill Baker for Congress P.O. Box 4544 Walnut Creek, CA 94596	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/19/96	\$ 500.00
IA	People for Lightfoot P.O. Box 1992 Shenandoah, IA 51601	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/19/96	\$1,000.00
IL	Weller for Congress P.O. Box 687 Morris, IL 60450	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/19/96	\$ 500.00
NY	Friends of D'Amato 100 Willis Ave. Minneola, NY 11501	1998 Primary Election Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	04/26/96	\$1,000.00
CO	Hefley for Congress c/o Rob Austin P.O. Box 40175 Washington, D.C. 20016	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	05/07/96	\$ 500.00
LA	Friends of Bob Livingston 5163 General DeGaulle Dr., Ste. 210 New Orleans, LA 70131	1996 Re-election Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	05/14/96	\$1,000.00
SUBTOTAL of Disbursements This Page (optional)				\$6,000.00
TOTAL This Period (last page this line number only)				

Federal Election Commission

**ENVELOPE REPLACEMENT PAGE  
FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

Hand Delivered

Date of Receipt

2/5/99

First Class Mail

POSTMARKED

Registered/Certified Mail

POSTMARKED

No Postmark

Postmark Illegible

Received from the House office of Records and Registration

Date of Receipt

Received from the Senate Office of Public Records

Date of Receipt

Other ( Specify):

Postmarked

and/or Date of Receipt

Electronic Filing

*SA*  
PREPARER

2/5/99  
DATE PREPARED