



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

March 6, 2017

MIKE SPEETZEN, TREASURER  
POLARIS POLITICAL ACTION  
COMMITTEE  
2100 HIGHWAY 55  
MEDINA, MN 55340

**Response Due Date**  
**04/10/2017**

IDENTIFICATION NUMBER: C00279497

REFERENCE: AMENDED 30 DAY POST-GENERAL REPORT (10/20/2016 -  
11/28/2016), RECEIVED 01/19/2017

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report 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 2 item(s):

1. Your amended report discloses an increase in disbursements totaling \$27,000 from the amounts disclosed on your original report. Please amend your report or provide clarifying information as to why this activity was not disclosed on your original report. (11 CFR § 104.3)
2. Schedule B supporting Line 23 discloses one or more contributions to a candidate(s) for the 2016 General election; however, the funds were disbursed after the election date(s) (see attached). Please note that contributions may not be designated for an election which has already occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign. (11 CFR §§110.1(b)(3) and 110.2(b)(3))

If any apparently impermissible contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If the contribution(s) in question should have been designated for debt retirement, you should amend your report to indicate "debt retirement," along with the year of election.

If you have made an impermissible contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

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If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund. (11 CFR §103.3(b)(1) and (3))

Please inform the Commission of your corrective action promptly in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. (11 CFR §110.1(b))

Although the Commission may take further legal action regarding this impermissible activity, your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

- For your information and consideration when preparing future filings, Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Be advised that payroll deductions should also include the amount deducted per pay period. (11 CFR §104.8(b). Please refer to the enclosed sample of properly reported payroll deductions.

**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. For additional information about the report review process or specific filing information for your committee type, please visit the Reports Analysis Division's Frequently Asked Questions on the FEC website. 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) 694-1172.

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Sincerely,

A handwritten signature in black ink, appearing to read "Jack Baisden". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Jack Baisden  
Senior Campaign Finance Analyst  
Reports Analysis Division

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**Impermissible, Excessive, and Prohibited Contributions  
Polaris Political Action Committee (C00279497)**

**Contributions Made After Election Date**

| <b>Recipient Name</b>     | <b>Date</b> | <b>Amount</b> | <b>Election</b> | <b>Election Date</b> |
|---------------------------|-------------|---------------|-----------------|----------------------|
| BRADY FOR CONGRESS        | 11/14/16    | \$2,500.00    | G2016           | 11/8/2016            |
| BURGESS, MICHAEL C. DR.   | 11/21/16    | \$1,000.00    | G2016           | 11/8/2016            |
| BURR, RICHARD             | 11/15/16    | \$5,000.00    | G2016           | 11/8/2016            |
| CRAPO, MICHAEL D          | 11/15/16    | \$1,000.00    | G2016           | 11/8/2016            |
| FRIENDS OF JOHN THUNE     | 11/16/16    | \$2,500.00    | G2016           | 11/8/2016            |
| FRIENDS OF PAT TOOMEY     | 11/14/16    | \$2,500.00    | G2016           | 11/8/2016            |
| FRIENDS OF ROY BLUNT, Roy | 11/14/16    | \$500.00      | G2016           | 11/8/2016            |
| FRIENDS OF SHERROD BROWN  | 11/14/16    | \$1,000.00    | G2016           | 11/8/2016            |
| MCMORRIS FOR SENATE       | 11/14/16    | \$1,000.00    | G2016           | 11/8/2016            |
| Peterson, Collin          | 11/15/16    | \$2,500.00    | G2016           | 11/8/2016            |
| SESSIONS, PETE MR.        | 11/21/16    | \$2,500.00    | G2016           | 11/8/2016            |
| WALZ, TIMOTHY J           | 11/15/16    | \$1,000.00    | G2016           | 11/8/2016            |

## Payroll Deductions

| SCHEDULE A (FEC Form 3X)   |  | FOR LINE NUMBER: (check only one)                                       |                              | PAGE OF                      |                             |
|--|--|---|------------------------------|------------------------------|-----------------------------|
| ITEMIZED RECEIPTS  |  | Use separate schedule(s) for each category of the Detailed Summary Page |                              |                              |                             |
| 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"/> 11a                                 | <input type="checkbox"/> 11b | <input type="checkbox"/> 11c | <input type="checkbox"/> 12 |
|  |  | <input type="checkbox"/> 13   | <input type="checkbox"/> 14  | <input type="checkbox"/> 15  | <input type="checkbox"/> 16 |
| NAME OF COMMITTEE (In Full)<br>Critical Reason Inc. PAC  |  |   |                              |                              |                             |
| Full Name (Last, First, Middle Initial)<br>A. Kant Immanuel  |  | Date of Receipt payroll deduction*                                      |                              |                              |                             |
| Mailing Address<br>3 Critiques Ave.  |  | <input type="text"/> / <input type="text"/> / <input type="text"/>      |                              |                              |                             |
| City<br>Konigsburg   |  | State<br>VA   |                              | Zip Code<br>33333            |                             |
| FEC ID number of contributing federal political committee.<br>C  |  | Amount of Each Receipt this Period                                      |                              | 90.00                        |                             |
| Name of Employer<br>Critical Reason Inc.   |  | Occupation<br>Brand Manager   |                              | (\$15.00 biweekly)**         |                             |
| Receipt For:<br><input type="checkbox"/> Primary <input type="checkbox"/> General<br><input type="checkbox"/> Other (specify)  |  | Aggregate Year-to-Date  |                              | 285.00                       |                             |

\*Adding Extra Text/Explanation: When using FECFile electronic filing software, this information can be entered using the “memo text” window. To make a memo text entry, select the “view” menu on the FECFile toolbar. Select “All Transactions.” Single click (highlight) the transaction to which the memo text will be attached. Then select the “Edit” menu on the toolbar and select “memo text.”

\*\*When using FECFile electronic filing software, enter this information in the “description” field.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager’s aggregate contributions are \$195—still below the \$200 itemization threshold. The manager’s second-quarter contributions again are included in “unitemized contributions” in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager’s contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See the illustration above.)

## In-Kind Contributions

When determining whether to itemize an *in-kind contribution* received, follow the same guidelines listed above under “When to Itemize Receipts.” See page 9 for information on how to determine the dollar value of an *in-kind contribution*.

In addition, add the value of the *in-kind contribution* to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the *in-kind contribution* must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration on page 56.

## Appreciated Goods

When a committee receives an *in-kind contribution* whose value may appreciate over time, such as stock or artwork, special reporting rules apply:

- Itemize the initial gift, if necessary, as a *memo entry* on Schedule A (see “When to Itemize Receipts,” on page 53). Under “Amount,” report the fair market value of the *contribution* on the date the item was received. Do not include that amount in the total for Line 11(a)(i) on the Detailed Summary Page.
- Once the item is sold, report the sale price as a *contribution* on Line 11(a)(i) if the purchaser is known or as an “other receipt” on Line 15 if the purchaser is unknown.

Itemize the transaction on Schedule A if necessary. 104.13(b). See also AO 1989-6.

## Joint Contributions

A *joint contribution* is made by a single check that bears two signatures. A check with one signature may also be a *joint contribution* if an accompanying form or letter, signed by both contributors, instructs the committee to treat it as a *joint contribution*. (A check drawn on a joint bank account but signed by only one person does not qualify as a *joint contribution*. Attribute the full amount of such a check only to the person who signed it. Alternatively, a reattribution may be sought using the procedures described below.)

For the purposes of itemization, report a *joint contribution* as though the joint contributors had given separately.

A *joint contribution* is itemized in items A and B in the illustration on page 57. In this case, the committee received a \$1,000 check from a married couple, signed by both spouses. Because there were no