



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

September 16, 2018

JONATHAN ZUCKER, TREASURER  
DEMOCRACY ENGINE, INC., PAC  
237 FLORIDA AVENUE NW  
WASHINGTON, DC 20001

**Response Due Date**  
**10/22/2018**

IDENTIFICATION NUMBER: C00468314

REFERENCE: MAY MONTHLY REPORT (04/01/2018 - 04/30/2018)

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 enforcement action.** Additional information is needed for the following 4 item(s):

1. Schedule A supporting Line 15 of your report discloses several offsets to operating expenditure(s) totaling \$17,182.88 for "Offset to Processing Fee"; however, your report(s) does not appear to disclose a sufficient disbursements for this purpose. Please provide clarifying information regarding this activity and amend your report(s) if necessary. (11 CFR § 104.3(a) & (b))
2. Schedule A of your report discloses earmarked contributions totaling \$42,279.55, with no corresponding entries on Schedule B. Pursuant to 11 CFR §110.6(c)(1)(v), all earmarked contributions that have passed through a conduit's account must be itemized on the receipt (Schedule A) and disbursement (Schedule B) schedules, regardless of amount. All earmarked contributions that have been forwarded in the form of the contributor's check or written instrument must be itemized as memo entries on the receipt (Schedule A) and disbursement (Schedule B) schedules, regardless of the amount. Please amend your report to clarify these discrepancies.
3. Schedule B of your report discloses earmarked contributions totaling \$146,507.29, with no corresponding entries on Schedule A. Pursuant to 11 CFR §110.6(c), all earmarked contributions, that have passed through a conduit's account, must be itemized on the receipt (Schedule A) and disbursement (Schedule B) schedules, regardless of the amount. All earmarked contributions that have been forwarded in the form of the contributor's check or written instrument must be itemized as memo entries on the receipt (Schedule A) and

DEMOCRACY ENGINE, INC., PAC

Page 2 of 3

disbursement (Schedule B) schedules, regardless of the amount. Please identify the original contributors for the earmarked contributions disclosed on Schedule B.

4. Your report discloses the apparent disbursement of earmarked contributions outside the permissible time period. As a conduit or intermediary for an authorized committee, your committee must forward any earmarked contribution, along with a transmittal report, no later than ten (10) days after receiving the earmarked contribution. (11 CFR §§102.8(a) and (c) and 110.6(c)(1)(iii))

If the earmarked contributions were incompletely or incorrectly disclosed, you should amend your report with clarifying information.

Although the Commission may take further legal action regarding the untimely forwarding of earmarked contributions, your prompt action in addressing the concerns raised will be taken into consideration.

**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) 694-1164.

DEMOCRACY ENGINE, INC., PAC

Page 3 of 3

Sincerely,

A handwritten signature in black ink that reads "Nicole Miller". The script is cursive and fluid, with the first name "Nicole" and last name "Miller" clearly distinguishable.

Nicole Miller  
Sr. Campaign Finance & Reviewing Analyst  
Reports Analysis Division

317