RQ-2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Buck Schilling, Treasurer
Republican Party of Wisconsin-Federal
Committee
148 E. Johnson Street, P.O. Box 31
Madison, WI 53701

APR 09 2003

Identification Number: C00074450

Reference: 30 Day Post-General Report (10/17/02-11/25/02)

Dear Mr. Schilling:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule H4 of your report appears to disclose disbursements associated with direct candidate support activities/events that have been incorrectly categorized as Administrative/Voter Drive expenses (pertinent portion(s) attached). Payments made for expenses relating to direct candidate support must adhere to the following reporting requirements (please see attached reporting examples):

1. Payments made for direct candidate support activities must be allocated according to the time/space method and the ratio reflected on Schedule H2.

2. Any transfer received from you nonfederal account for the nonfederal account's share of direct candidate support activities must be disclosed on a Schedule H3 identifying the date of receipt, amount, and unique identifier code.

3. The federal share of allocable disbursements for direct candidate support must be disclosed as memo entries on schedule H4 with cross references to the in-kind contributions itemized on Schedule B supporting Line 23.

Please amend your report to properly disclose the payments made for **direct candidate support** on Schedules B and H4.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "October Consulting". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule H4 of your report discloses a payment(s) to "Mary Stitt." which is categorized as an Administrative/Voter Drive expense; however, the purpose of disbursement disclosed is "Fundraising Consultant." Please be advised that payments made for your committee's fundraising activities must be allocated according to the funds received method and the ratio reflected on Schedule H2. Please amend your report to correctly disclose this activity or provide clarification regarding this apparent discrepancy.

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. 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 need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Maureen Benitz
Campaign Finance Analyst
Reports Analysis Division

DISBURSEMENT SCHEDULE H4 (FEC Form 3X)
JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

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FOR LINE 21a OF FORM 3X

NAME OF COMMITTEE (In Full)
Republican Party of Wisconsin

A. Full Name (Last, First, Middle Initial)
Arena Communication

Mailing Address
515 South 700 East Suite 2C

City: Salt Lake City | State: UT | Zip Code: 84102

Purpose/Event: Absentee Ballot (see memo text)

Category/Type: IND

Description: Absentee Ballot (see memo text)

Type of Allocated Activity: [X] Admin./Voter Drive [ ] Exempt [ ] Fundraising [ ] Direct Candidate Support

Event Year-To-Date: 2343546.37

Date: 10 / 22 / 2002

FEDERAL SHARE 10590.34 + NON-FEDERAL SHARE 74139.41 = TOTAL AMOUNT 84730.75

Transaction ID: H4.7721

A. Full Name (Last, First, Middle Initial)
AT&T

Mailing Address
PO Box 9001309

City: Louisville | State: KY | Zip Code: 40290-1309

Purpose/Event: Phone bill

Category/Type: ORG

Description: Phone bill

Type of Allocated Activity: [X] Admin./Voter Drive [ ] Exempt [ ] Fundraising [ ] Direct Candidate Support

Event Year-To-Date: 2251042.32

Date: 10 / 22 / 2002

FEDERAL SHARE 22.46 + NON-FEDERAL SHARE 157.23 = TOTAL AMOUNT 179.69

Transaction ID: H4.7517

A. Full Name (Last, First, Middle Initial)
Department of Justice

Mailing Address
123 West Washington Avenue

City: Madison | State: WI | Zip Code: 53707

Purpose/Event: Local telephone detail

Category/Type: ORG

Description: Local telephone detail

Type of Allocated Activity: [X] Admin./Voter Drive [ ] Exempt [ ] Fundraising [ ] Direct Candidate Support

Event Year-To-Date: 2251874.32

Date: 10 / 22 / 2002

FEDERAL SHARE 104.00 + NON-FEDERAL SHARE 728.00 = TOTAL AMOUNT 832.00

Transaction ID: H4.7518

SUBTOTAL of Joint Federal and Non-Federal Activity This Page

FEDERAL SHARE 10717.80 + NON-FEDERAL SHARE 75024.64 = TOTAL AMOUNT 85742.44

TOTAL This Period (last page for each line only)(Federal share to 21(a)(i) and non-Federal share to 21(a)(ii))

FEDERAL SHARE

TOTAL AMOUNT

NON-FEDERAL SHARE

TOTAL This Period for the Non-Federal Share
(used for line 31 of the detailed summary page)

23038034074

DISBURSEMENT SCHEDULE H4 (FEC Form 3X)
JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

PAGE 38 / 89
FOR LINE 21a OF FORM 3X

NAME OF COMMITTEE (In Full)
Republican Party of Wisconsin

A. Full Name (Last, First, Middle Initial)
Mary Bell

Mailing Address
2020 North Lakeshore Road

City: Grafton | State: WI | Zip Code: 53024

Purpose/Event: Fundraising Consultant

Category/Type: IND

Description: Fundraising Consultant

Type of Allocated Activity:
[X] Admin./Voter Drive [ ] Fundraising
[ ] Exempt [ ] Direct Candidate Support

Event Year-To-Date: 2355357.39

Date: 10 30 2002

FEDERAL SHARE	+	NON-FEDERAL SHARE	=	TOTAL AMOUNT
806.25		5643.75		6450.00

Transaction ID: H4.7491

A. Full Name (Last, First, Middle Initial)
American Funds Service Company

Mailing Address
PO Box 6164

City: Indianapolis | State: IN | Zip Code: 46206

Purpose/Event: Simple IRA

Category/Type: ORG

Description: Simple IRA

Type of Allocated Activity:
[X] Admin./Voter Drive [ ] Fundraising
[ ] Exempt [ ] Direct Candidate Support

Event Year-To-Date: 2371150.83

Date: 10 31 2002

FEDERAL SHARE	+	NON-FEDERAL SHARE	=	TOTAL AMOUNT
199.38		1395.69		1595.07

Transaction ID: H4.7525

A. Full Name (Last, First, Middle Initial)
Axiale Communication

Mailing Address
515 South 700 East Suite 2C

City: Salt Lake City | State: UT | Zip Code: 84102

Purpose/Event: GOTVmail (see memo text)

Category/Type: IND

Description: GOTVmail (see memo text)

Type of Allocated Activity:
[X] Admin./Voter Drive [ ] Fundraising
[ ] Exempt [ ] Direct Candidate Support

Event Year-To-Date: 2546325.68

Date: 10 31 2002

FEDERAL SHARE	+	NON-FEDERAL SHARE	=	TOTAL AMOUNT
5448.40		38138.81		43587.21

Transaction ID: H4.7722

SUBTOTAL of Joint Federal and Non-Federal Activity This Page

FEDERAL SHARE	+	NON-FEDERAL SHARE	=	TOTAL AMOUNT
6454.03		45178.25		51632.28

TOTAL This Period (last page for each line only)(Federal share to 21(a)(i) and non-Federal share to 21(b)(i))

FEDERAL SHARE

TOTAL AMOUNT

NON-FEDERAL SHARE

TOTAL This Period for the Non-Federal Share
(used for line 31 of the detailed summary page)

7. Candidate Support Activities as In-Kind Contributions

Example

The Partisan County Party Committee decides to sponsor a newspaper ad urging support of two federal candidates (a U.S. House candidate and a U.S. Senate candidate) and three nonfederal candidates. The committee pays $1,000 to a graphics firm to design the ad and $4,000 to a newspaper to run the ad for three days.

Required Forms

- Schedule H2—Allocation Ratios
- Schedule H3—Transfers from Nonfederal Account
- Schedule H4—Payments for Allocable Expenses
- Schedule B for Line 23—Contributions to Federal Candidates

Allocation Ratio (H2)

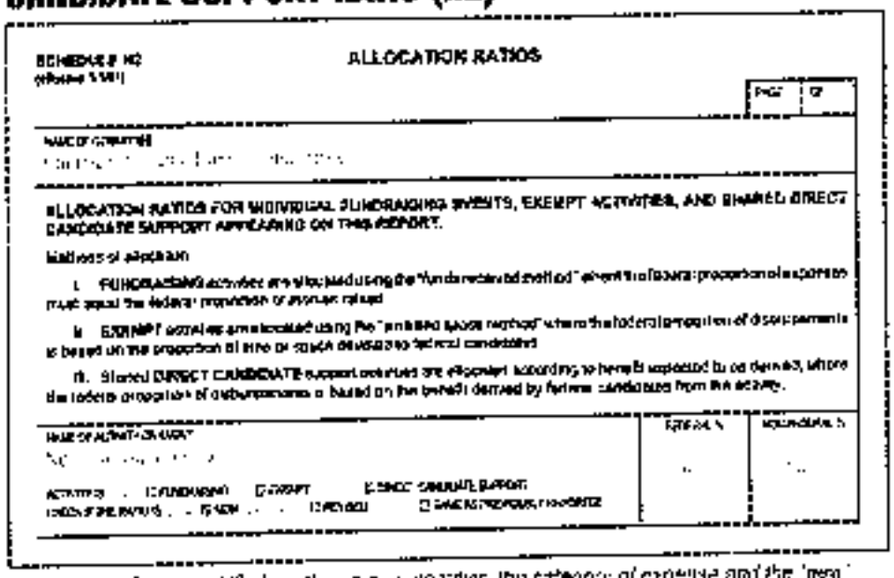
The committee uses Schedule H2 to disclose the allocation ratio for "Nov. Newspaper Ad" (the unique identifier). The federal allocation percentage is calculated using the time/space method (ratio of time/space devoted to federal candidates to total time/space devoted to all candidates). In this case, 45 percent of the total space is devoted to federal candidates, so the ratio is 45 percent federal and 55 percent nonfederal.

Nonfederal Transfer (H3)

The committee discloses the transfer from the nonfederal account to pay the allocated nonfederal portion of "Nov. Newspaper Ad" costs. As previously noted, a transfer must be made no more than 10 days before or 60 days after payment is made.

The total amount of transfers itemized on Schedule H3 is entered on Line 18 of the Detailed Summary Page.

CANDIDATE SUPPORT RATIO (H2)


SCHEDULE H2
(Rev. 1/98)

ALLOCATION RATIOS

PAGE OF

NAME OF COMMITTEE

ALLOCATION RATIOS FOR INDIVIDUAL FUNDRAISING EVENTS, EXEMPT ACTIVITIES, AND SHARED DIRECT CANDIDATE SUPPORT APPEARING ON THIS REPORT.

Instructions

i. FUNDRAISING activities are allocated using the "fundraising method" where the federal proportion of expenses must equal the federal proportion of revenue raised.

ii. EXEMPT activities are allocated using the "payment based method" where the federal proportion of disbursements is based on the proportion of time or space devoted to federal candidates.

iii. Shared DIRECT CANDIDATE support activities are allocated according to benefit expected to be derived, where the federal proportion of disbursements is based on the benefit derived by federal candidates from the activity.

NAME OF ACTIVITY

FEDERAL %

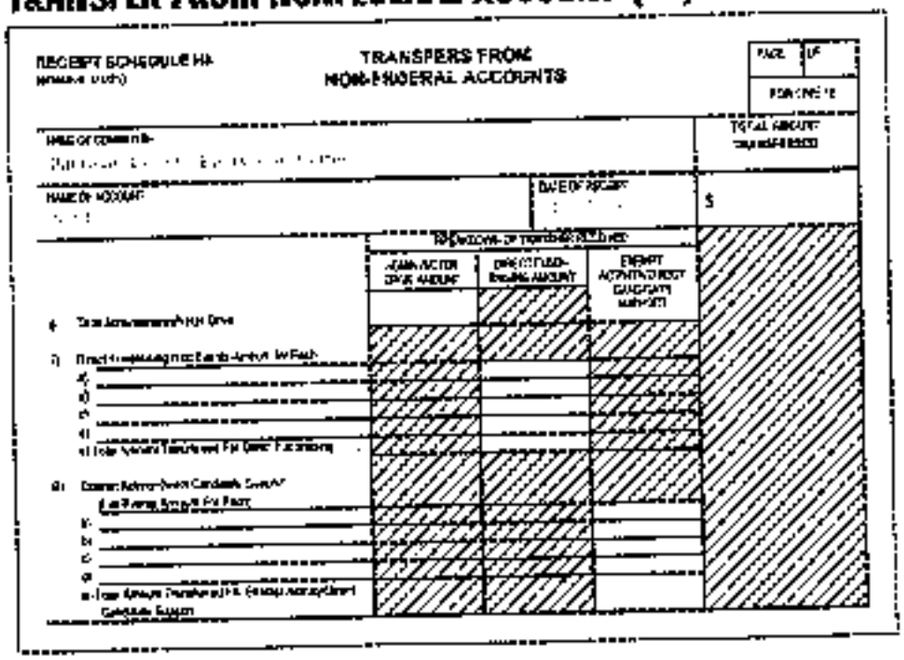
NONFEDERAL %

ACTIVITY ☐ FUNDRAISING ☐ EXEMPT ☐ DIRECT CANDIDATE SUPPORT

METHOD OF ALLOCATION ☐ RATIO ☐ PAYMENT ☐ BENEFIT

This sample Schedule H2 shows the unique identifier, the category of expense and the "new" allocation ratio.

TRANSFER FROM NONFEDERAL ACCOUNT (H3)


RECEIPT SCHEDULE H3
(Rev. 1/98)

TRANSFERS FROM NON-FEDERAL ACCOUNTS

PAGE OF

FOR CALENDAR YEAR

NAME OF COMMITTEE

TOTAL AMOUNT TRANSFERRED

NAME OF ACCOUNT

DATE OF RECEIPT

$

ALLOCATION OF TRANSFER AMOUNT

ADMINISTRATIVE AMOUNT

DIRECT FUNDRAISING AMOUNT

EXEMPT ACTIVITY/DIRECT CANDIDATE SUPPORT AMOUNT

a. Total Amount Transferred

b. Direct Fundraising Costs Added to Pool

a)

b)

c)

d)

e) Total Amount Transferred For Direct Fundraising

c. Exempt Activity/Direct Candidate Support Costs Added to Pool

a)

b)

c)

d)

e) Total Amount Transferred For Exempt Activity/Direct Candidate Support

ALLOCATED PAYMENTS (H4)

DISBURSEMENT SCHEDULE H4 (Election Code)

JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

PAGE | OF

FOR LINE 21b

NAME OF COMMITTEE

CHECK NAME AND ADDRESS ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
[illegible]	graphics [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
CATEGORY [illegible]	☐ FUNDRAISING ☐ DIRECT CANDIDATE SUPPORT	☐ EXEMPT			
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
CATEGORY [illegible]	☐ FUNDRAISING ☐ DIRECT CANDIDATE SUPPORT	☐ EXEMPT			

When the federal share results in in-kind contributions, the amount is disclosed as a memo entry on Schedule H4 and itemized on Schedule B for Line 23 (contributions to federal candidates).

ALLOCATION OF IN-KIND CONTRIBUTIONS (B/LINE 23)

SCHEDULE B — itemized disbursements

PAGE | OF

FOR LINE NUMBER

NAME OF COMMITTEE (In Full)

This sample Schedule B for Line 23 shows how to allocate in-kind contributions between candidates. The amounts allocated to each candidate appear as memo entries.

Payments (H4 and B)

The committee uses Schedule H4 to itemize the two payments for "Nov. Newspaper Ad." Because the allocated federal shares result in contributions in-kind, they are itemized as memo entries with cross references to Schedule B for Line 23, where the in-kind contributions are itemized.

The Schedule B entries include the amounts allocable to each federal candidate, also based on the time/space method. In this case, the committee allocates 50 percent of the federal payment to each candidate.

Nonfederal payments disclosed on Schedule H4 are entered on Line 21b(ii) of the Form 3X Detailed Summary Page. The Schedule B total is entered on Line 23.