



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 9, 2022

DR OLUBISI AINA, TREASURER
SHEILA CHERFILUS MCCORMICK FOR
CONGRESS, INC
6151 MIRAMAR PKWY SUITE 101
MIRAMAR, FL 33023

Response Due Date
02/14/2022

IDENTIFICATION NUMBER: C00677492

REFERENCE: 12 DAY PRE-SPECIAL REPORT (10/14/2021 - 12/22/2021)

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 8 item(s):

1. Your report fails to provide proper election designations for contributions disclosed on Schedule A supporting Lines 11(a)(i) and 13(a). Authorized committees should indicate the election for which the contribution was designated. If no election is designated, the contribution is applied to the next election for the federal office the candidate is seeking after the contribution date. Please be advised that incorrect election designations may result in excessive or impermissible contributions. Please amend your report to clarify election designations "O2022, S". (11 CFR §§ 110.1(b) and 110.2(b))
2. Schedule B of your report discloses memo entries for in-kind contributions from the candidate to your committee. Please be advised that the value of in-kind contributions must be added to the receipts and disbursements total in order to avoid either inflating or deflating the cash on hand amount, and itemized on the appropriate Schedules A and B. (11 CFR § 104.13(a)) Please amend your report to itemize the in-kind contributions from the candidate on Schedules A and B.
3. Schedule A of your report indicates that your committee may have failed to file one or more of the required 48-hour notices regarding "last minute" contributions (to include loans, in-kind contributions, and advances) received by your committee after the close of books for the 12 Day Pre-Special Primary Report (see attached). A principal campaign committee must notify the

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Commission, in writing, within 48 hours of any contribution of \$1,000 or more received between two and twenty days before an election. These contributions are then reported on the next report required to be filed by the committee. To ensure that the Commission is notified of last minute contributions of \$1,000 or more to your campaign, it is recommended that you review your procedures for checking contributions received during the aforementioned time period. The failure to file 48-hour notices may result in civil money penalties or legal enforcement action. (11 CFR § 104.5(f))

If any contribution of \$1,000 or more was incorrectly reported, you must amend your original report with the clarifying information.

4. Your committee filed 48-hour notices reporting the following "last minute" contributions (see attached). However, these contributions do not appear on Schedule A of this report. Please amend your report to include these contributions or provide an explanation of these apparent discrepancies. (11 CFR § 104.3(a)(4)(i))

5. Itemized disbursements must include a brief statement or description of why each disbursement was made. Please amend Schedule B supporting Line 17 of your report to clarify the following descriptions: "Collateral," "Consulting," "Donation," "Political Consulting," and "Step and Repeat." For further guidance regarding acceptable purposes of disbursement, please refer to 11 CFR 104.3(b)(4)(i)(A).

Additional clarification regarding inadequate purposes of disbursement and a non-exhaustive list of acceptable purposes are available on the FEC website at <http://www.fec.gov/help-candidates-and-committees/purposes-disbursement/>.

6. Schedule B of your report discloses disbursements to "Future Adventures," "JETBLUE," "Miami Kitchen Kreations," and "Our City Media" for "Wages." Please be advised that when itemizing disbursements to companies for payroll services, if the payment to the salary recipient aggregates in excess of \$200 in an election cycle, a memo entry including the name and address of the individual receiving the salary, as well as the date, amount, and purpose of the original disbursement must be provided. Please amend your report to include the missing information or provide clarifying information if memo items are not required. (11 CFR § 104.9)

7. Schedule C of your report discloses loans from the candidate where the aggregate amount outstanding in excess of \$250,000.00 was not repaid within 20 days after the special primary election.

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Outstanding loan amounts from the candidate personal loans (including advances of personal funds or endorsements of bank loans to the committee) aggregating in excess of \$250,000.00 and designated to the special primary election must be repaid within 20 days after that election. If loans are not repaid by the twenty-day deadline, the committee must treat the portion of the aggregate outstanding balance that exceeds \$250,000.00 as a contribution from the candidate, which cannot be repaid. (11 CFR § 116.11)

If any of the apparent personal loans in question were incompletely or incorrectly disclosed, you must amend your original report with the clarifying information. Otherwise, you must amend your report to show the outstanding balance of candidate loans for the special primary election exceeding \$250,000.00 as a contribution from the candidate and adjust the closing loan balance(s) on Schedule C so that the loan(s) for a specific election no longer aggregate in excess of \$250,000.00. Please contact the undersigned analyst for assistance with making this adjustment on your report(s).

8. Schedule A of your report discloses contributions earmarked through a conduit. However, your report does not clearly disclose which conduit memo entry corresponds to each earmarked contribution.

Please be reminded that when a committee receives an earmarked contribution(s) through an allowable conduit, each individual contribution must be itemized when the individual's total contributions to your committee aggregate over \$200 per election cycle. This itemization must include the full name, address, occupation, and employer of the individual contributor along with the date the contribution(s) was received by the conduit. Any un-itemized contributions received through the conduit must be included in your totals on Line 11(a)(ii) of the Detailed Summary Page.

In addition, information regarding the conduit or intermediary for each contribution must be itemized on Schedule A as a memo not use memo text to disclose this information). The conduit's full name and address (and occupation and employer if the conduit is an individual) must also be provided, along with the date the contribution(s) was received by your committee and the total amount of earmarked contributions received from the conduit.

Please amend your report to disclose the proper format for earmarked contributions received from a conduit or intermediary. Please clearly indicate which conduit memo entry corresponds to each earmarked contribution. You can

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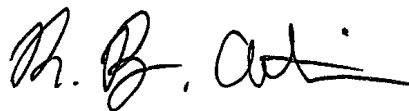
refer to the FEC Campaign Guide for Congressional Candidates and Committees for further guidance on how to report earmarked contributions through a conduit (11 CFR § 110.6(c)(2))

- Your report disclosed a category of financial activity that appears to be disclosed on the wrong line of the Detailed Summary Page. For your information and consideration when preparing future filings, Contributions from other committees registered with the Federal Election Commission should be properly disclosed on a separate Schedule A, supporting Line 11(c) of the Detailed Summary Page. Please refer to the Form 3 instructions for each line when determining the proper categorization(s) for your next filing. (11 CFR § 104.3(a) and (b))

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 information about the report review process or specific filing information for your committee type, please visit www.fec.gov/help-candidates-and-committees. For more information about Requests for Additional Information (RFAI), why you received a letter, and how to respond, please visit www.fec.gov/help-candidates-and-committees/request-additional-information. Should you 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) 694-1196.

Sincerely,

A handwritten signature in black ink, appearing to read "B. B. Austin", written over a horizontal line.

Bradley Austin

Sr. Campaign Finance & Reviewing Analyst

Missing 48-Hour Notices**Sheila Cherfilus McCormick for Congress, Inc. (C00677492)**

Contributor Name	Date	Amount	Election
Cherfilus-McCormick, Sheila	10/15/21	\$40,000.00	S2022, Special- General
Fomby, Sheleta	10/15/21	\$1,000.00	O2022, S
Cherfilus-McCormick, Sheila	10/18/21	\$211,000.00	S2022, Special- General
Cherfilus-McCormick, Sheila	10/23/21	\$341,000.00	S2022, Special- Primary
Cherfilus-McCormick, Sheila	10/25/21	\$341,000.00	O2022, 11/2/2021
Cherfilus-McCormick, Sheila	10/25/21	\$341,000.00	S2022, Special- Primary
Cherfilus-McCormick, Sheila	10/25/21	\$90,000.00	S2022, Special- General
Desulme, Alix	10/25/21	\$1,000.00	O2022, S
Desulme, Alix	10/25/21	\$1,000.00	O2022, S
Eisma, Paul	10/25/21	\$1,000.00	O2022, S
Latortue, Karl	10/25/21	\$1,000.00	O2022, S

Incorrectly Reported Receipts on 48-Hour Notices
Sheila Cherfilus McCormick for Congress, Inc. (C00677492)

48-Hour Notices Filed/Contributions Not Disclosed on Schedule A

Contributor Name	Date	Amount
Cherfulis-McCormick, Sheila	10/26/21	\$8,893.56
Cherfilus-McCormick, Sheila	10/27/21	\$7,200.00
Cherfilus-McCormick, Sheila	10/28/21	\$2,700.00