



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 26, 2023

ROBERT PHILLIPS III, TREASURER
KAROLINE FOR CONGRESS
PO BOX 307
PLAISTOW, NH 03865

Response Due Date
10/31/2023

IDENTIFICATION NUMBER: C00784884

REFERENCE: JULY QUARTERLY REPORT (04/01/2023 - 06/30/2023)

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 3 item(s):

1. Schedule A of your report discloses information which **deflates** your cash on hand. Please be advised that memo entries are used only to provide supplemental information on a reporting schedule. The dollar value of a memo entry should not be included in the total amount for each schedule. Please amend your report to correct this discrepancy. (11 CFR § 104.3(a)(3))
2. Schedule A of your report discloses contributions earmarked through a conduit but fails to disclose required information for the conduit(s).

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 entry. 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

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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 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))

3. The Commission notes the disgorgement to the USAO SDNY for "Returned Salame Donation" disclosed on Schedule B supporting Line 17 of your report. Please amend your report to identify the original contribution(s) the disgorged transaction relates to by itemizing the name of the contributor, date, address, and amount of the original contribution as a memo entry on Schedule B. (11 CFR § 104.8(d)(4))

- Your report disclosed categories of financial activity that appear to be disclosed on the wrong lines of the Detailed Summary Page. For your information and consideration when preparing future filings, transfers from authorized committees such as a joint fundraiser should be properly disclosed on a separate Schedule A, supporting Line 12 of the Detailed Summary page, along with memo entries on Schedule A, supporting Line 12 of the Detailed Summary Page, disclosing the contributor name, address, date, and amount. Additionally, a disgorgement should be properly disclosed on a separate Schedule B, supporting Line 21 of the Detailed Summary Page, along with a supporting memo entry disclosing the original contributor name, address, date, and amount. 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

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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 (RAI), 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) 694-1167.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise Stilla", with a stylized flourish at the end.

Denise Stilla
Senior Campaign Finance Analyst