Reports Analysis Division (RAD) Review Process

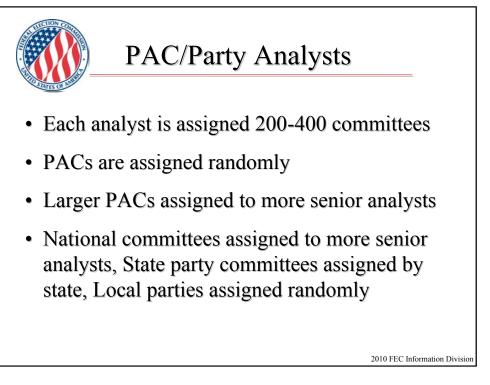




A. Organization of RAD

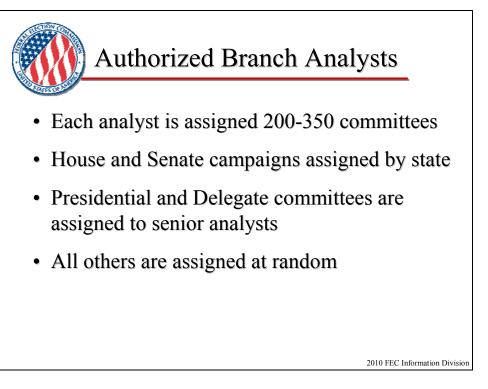
1. Three Branches

- a) <u>Party/Non-Party Branch</u> review all party committees and PAC reports – 21 analysts. New analysts undergo a 4-5 month training process and are then mentored by a more senior analyst for 6 to 12 months.
- b) <u>Authorized Branch</u> review federal candidate committees' reports – 15 analysts. New analysts undergo a 2 month training process and are then mentored by a more senior analyst for 6 to 12 months.
- c) <u>Compliance Branch</u> serve a quality control function for the review branches and implement the non-filer and Administrative fines programs 4 analysts
- d) Recently began cross training analysts to review reports filed by all committee/entity types.



2. Committee Assignments – Party/Non-Party Branch

- a) Party/Non-Party Branch analysts are assigned anywhere from 200 to 400 committees (parties and PACs).
- b) PACs are assigned randomly with the larger ones being assigned to more senior analysts.
- c) National Committees are assigned to the more senior analysts, State Party committees are assigned by state, so that the assigned analyst reviews both the Democratic and Republican state parties, Local parties are assigned randomly.



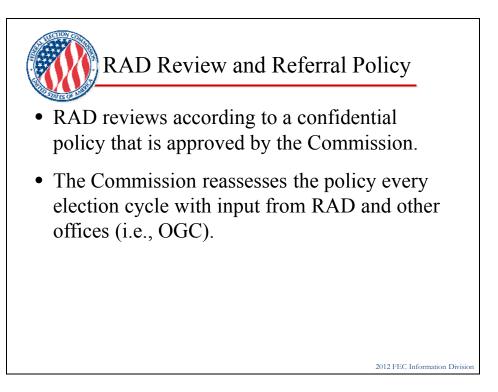
3. Committee Assignments – Authorized Branch

- a) Authorized Branch analysts are assigned anywhere from 200 to 350 committees (House, Senate, Presidential, Delegate, Joint Fundraising, Independent Expenditures and Electioneering).
- b) House and Senate Campaign committees are assigned by state
- c) Presidential and Delegate committees are assigned to more senior analysts.
- d) All others are assigned randomly.



4. Analyst Responsibilities

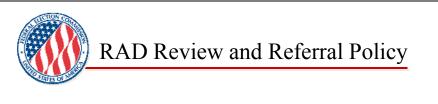
- a) Review all reports filed by assigned committees by established deadlines.
- b) Customer service role assist committees on the phone on a daily basis and log phone calls. Meet with Committees by request. Participate in conference workshops and lunch tables.
- c) Special projects



B. RAD Review of Reports

1. RAD Review and Referral Policy

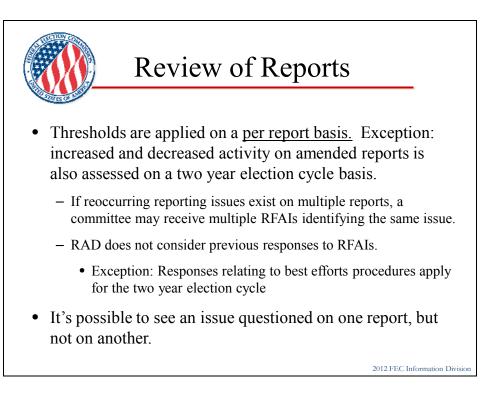
- a) Policy is approved by the Commission.
- b) Policy is reassessed every election cycle and revisions/changes made based on input from RAD and other offices (such as OGC), and Commissioners.



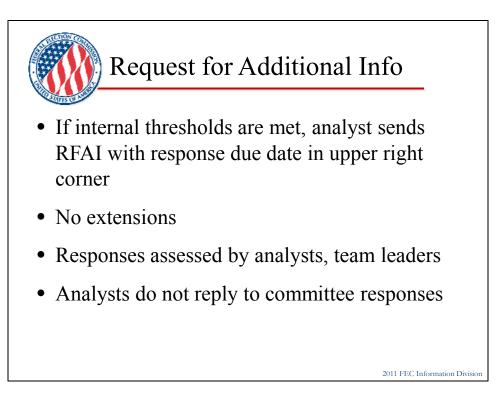
- Categories of review include:
 - Prohibited, Excessive and Impermissible Contributions
 - ► Mathematical Discrepancies
 - ► Failure to Provide Supporting Schedules
 - Failure to Properly Itemize Contributions from Individuals
 - ► Failure to Properly Itemize Disbursements
- RFAI threshold

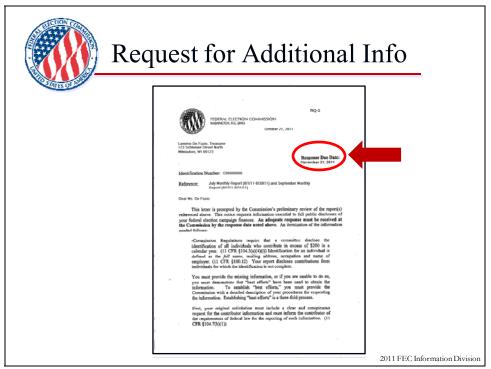
2011 FEC Information Division

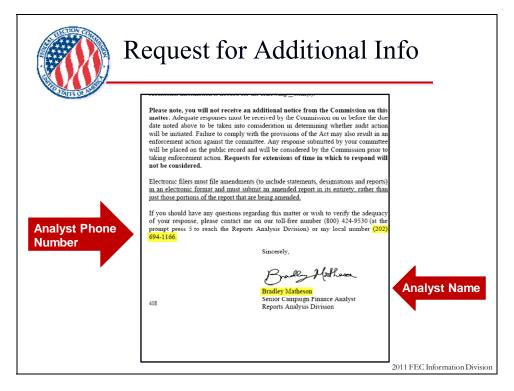
- c) Internal policy contains thirty categories of review the analyst checks, such as: Prohibited, Excessive and Impermissible Contributions; Mathematical Discrepancies; Failure to Provide Supporting Schedules; Failure to Properly Itemize Contributions from Individuals; and Failure to Properly Itemize Disbursements, to name a few.
- d) Policy has established thresholds for making determination on whether to send a Request for Additional Information (RFAI).
- e) Thresholds are confidential.



- f) Review is conducted and thresholds are applied on a <u>per</u> <u>report basis</u>. (Exception: Increased and decreased activity on amended reports is also assessed on a two year election cycle basis.)
 - 1) This means a committee may receive a RFAI which includes the same issue already addressed in response to a RFAI referencing a different report.
 - Exceptions include outlining Best Efforts procedures which would apply to the two-year cycle.
 - 2) There may be several issues that are aggregated together to meet a single threshold, so it's possible to see an issue questioned on one report that isn't included in an RFAI on for another report.

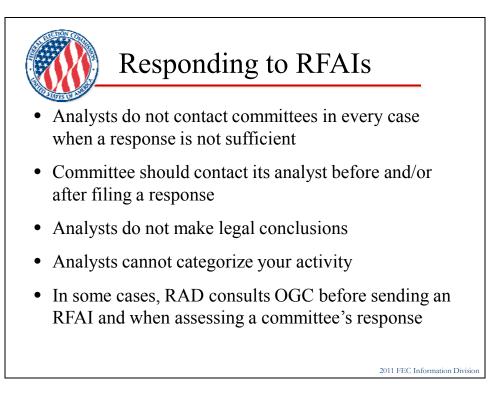




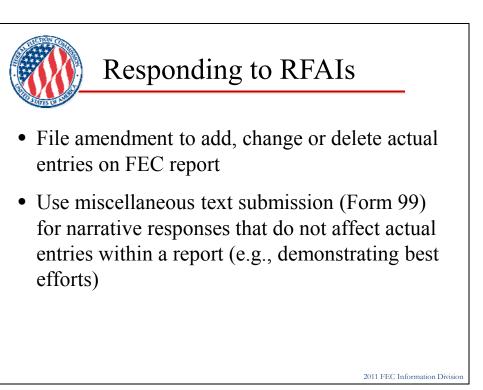


C. Request for Additional Information (RFAI)

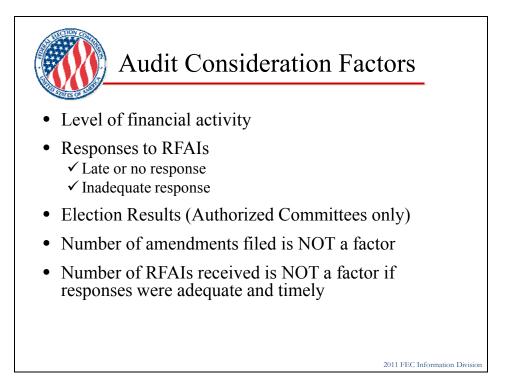
1. **If internal thresholds are met, an RFAI is sent**, with a Response Due Date in the upper right hand corner of the letter, extensions are not granted.



- 2. Responses are assessed by the analysts and in some cases, team leaders.
 - a) Analysts do not reply to responses.
 - b) Contact is not made with committees in every case when a response is not adequate due to insufficient resources. Further explanation below.
 - c) Committees are encouraged to contact their assigned analyst prior to responding if unsure about how to respond or after a response is filed to ensure an adequate response is received.
 - d) Keep in mind that analysts can't make legal conclusions or give guidance on a legal conclusion being made by a committee. In addition, they cannot determine what category your activity falls under (i.e., independent expenditures or coordinated party expenditures).
 - e) In some cases, RAD consults with OGC before sending a RFAI and when making a response assessment.



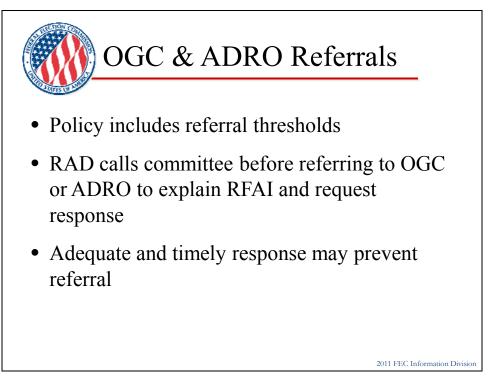
- 3. **Must amend report when changing information that affects actual entries on a report.** This would include additions, changes or deletions.
- 4. **Miscellaneous Text Submission (Form 99)** used for narrative responses that do not affect actual entries within a report. (For example: when outlining procedures for "Best Efforts" in obtaining contributor information.)



D. Referrals to the Audit Division

1.

- Factors for making referrals to the Audit Division:
 - a) Level of financial activity;
 - b) Responses to RFAIs:
 - (i) Late or no response.
 - (ii) Inadequate response.
 - c) Election Results (Authorized committees only)
- 2. The number of amendments filed is not a factor.
- 3. **The number of RFAIs is not a factor** if responded to adequately and on time.



E. Referrals to OGC (Office of General Counsel) and ADRO (Alternative Dispute Resolution Office)

- 1. Internal policy includes thresholds for determining whether a matter should be referred to OGC or ADRO.
- 2. Committee will receive a phone call from RAD prior to a referral to ADRO or OGC to explain RFAI and request a response.
- 3. An adequate response is required by the timeframe given to prevent the matter from being referred.

Contact Information

- Ensure that committee's most current mailing address, email address and phone number appear on Statement of Organization (FEC Form 1). Often RFAIs are returned by the Post Office due to an incorrect mailing address.
- RAD Process change—RFAIs are now being sent via email. Ensure valid e-mail address is provided on Form 1. (Opt-Out Option: File a Form 99 to request that RFAIs be mailed via USPS.)

2011 FEC Information Division

4. Committees should ensure that they have provided the most current mailing address, email address and phone numbers on their Statement of Organization (FEC Form 1). Often RFAIs are returned by the Post Office due to an incorrect mailing address. RAD began sending RFAIs via e-mail in October 2011. Committees still have the option to continue to receive RFAIs on paper through the mail; to opt out of receiving RFAIs via e-mail, the committee should file a Miscellaneous Text Submission (Form 99) indicating this.

RAD Contact Numbers 202-694-1130 <u>or</u> 1-800-424-9530 (press 5)

We encourage you to call your Campaign Finance Analyst for assistance.

We are here to help!

