

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: February 24, 2012

ANALYST: Jill Sugarman

- I. COMMITTEE: Bill Owens for Congress
C00464495
Theodore Kowalczyk, Treasurer (7/25/09 – 8/30/09 and
2/4/10 – Present)
Patrick Russell, Treasurer (8/31/09 – 2/3/10)
P.O. Box 1575
Plattsburgh, NY 12901
- II. RELEVANT STATUTES: 11 CFR § 104.3(a) and (b)
2 U.S.C. § 434(b)(2) and (4)
- III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

Bill Owens for Congress ("the Committee") amended its 2009 12 Day Pre-Special, 2009 30 Day Post-Special, and 2010 12 Day Pre-Primary Reports to disclose additional receipts of \$16,565.00 and additional disbursements of \$77,136.73, which were not disclosed in the original reports (Attachments 1 and 2).

2009 12 Day Pre-Special Report

On October 22, 2009, the Committee filed the original 2009 12 Day Pre-Special Report covering the period from July 1, 2009 through October 14, 2009. The report disclosed \$373,836.11 in disbursements on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 29993296919).

On December 3, 2009 and January 13, 2010, the Committee filed Amended 2009 12 Day Pre-Special Reports. The reports disclosed no change in disbursements from the original report (Images 29993405368 and 10990037358, respectively).

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On April 15, 2011, the Committee filed another Amended 2009 12 Day Pre-Special Report. The report disclosed \$442,772.84 in disbursements on Line 17 of the Detailed Summary Page, an increase of \$68,936.73 from the original report (Image 11930697676, Attachment 4). The report also contained the following note: "To maintain an accurate accounting, the Committee has reviewed its records, revised its database in some instances as a result of its review, and is filing amended reports to reflect these revisions" (Image 11930697673).

On June 1, 2011, a Request for Additional Information (RAI) was sent to the Committee referencing the Amended 2009 12 Day Pre-Special Report, received April 15, 2011. The RAI requested clarification regarding the substantial increase in disbursements that were not disclosed in the original filing (Image 11330009888).

On June 10, 2011, Jennifer May, Compliance Assistant, called the Reports Analysis Division (RAD) Analyst about the RAI. She said she already included an explanation for the increased activity in the amended report and thought that explanation would be sufficient. Among other items, the Analyst explained that this issue may be referred for further action. The Analyst explained that the Committee could provide an additional response if they wished (Attachment 5).

On July 5, 2011, the Committee filed a Miscellaneous Electronic Document ("Form 99") in response to the RAI. In part, the Committee stated:

"Having recently engaged a new vendor to prepare and file its reports, the Committee completed a review of its 2009 and 2010 reports. In that review, it was learned that the 12 Day Pre-Special Report filed by the previous vendor omitted one large disbursement for media services, and that three smaller disbursements were initially reported in the wrong period and needed to be moved to the Pre-Special Report. The Committee amended its report to correct these matters" (Image 11931755125).

On August 24, 2011, the RAD Analyst called Brett Smiley, Deputy Treasurer, about the increased disbursement activity disclosed on the Amended 12 Day Pre-Special Report. The Analyst said this issue may be referred to another Commission office for further action. The Analyst noted the Form 99 filed on July 5, 2011, and mentioned that the Committee had an option to provide additional clarification on this issue for the public record (Attachment 5).

2009 30 Day Post-Special Report

On December 3, 2009, the Committee filed the original 2009 30 Day Post-Special Report covering the period from October 15, 2009 through November 23, 2009. The report disclosed \$296,513.02 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals), \$187,272.90 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals), and \$267,700.00 in receipts on Line 11(c) (Contributions from Other Political Committees) of the Post-Election Detailed Summary Page (Image 29993407178). The report also disclosed \$0.00 in disbursements on Line 20(a) (Refunds

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of Contributions to Individuals) and \$0.00 in disbursements on Line 20(b) (Refunds of Contributions to Political Party Committees) of the Post-Election Detailed Summary Page (Image 29993407180).

On January 13, 2010, the Committee filed an Amended 2009 30 Day Post-Special Report. The report disclosed \$296,563.02 in receipts on Line 11(a)(i), \$187,197.90 in receipts on Line 11(a)(ii), and \$267,700.00 in receipts on Line 11(c) of the Post-Election Detailed Summary Page (Image 10990037614). The report disclosed no change in disbursements from the original report (Image 10990037616).

On April 15, 2011, the Committee filed an Amended 2009 30 Day Post-Special Report. The report disclosed \$306,858.02 in receipts on Line 11(a)(i), \$187,442.90 in receipts on Line 11(a)(ii), and \$273,700.00 in receipts on Line 11(c) of the Post-Election Detailed Summary Page, a total increase of \$16,515.00 from the original report (Image 11930698146, Attachment 3). The report also disclosed \$7,200.00 in disbursements on Line 20(a) and \$1,000.00 in disbursements on Line 20(b) of the Post-Election Detailed Summary Page, a total increase of \$8,200.00 from the original report (Image 11930698148, Attachment 4).

On November 2, 2011, an RFAI was sent to the Committee referencing the Amended 2010 30 Day Post-General Report, received July 5, 2011. Among other items, the RFAI requested clarification regarding the substantial increases in receipts and disbursements disclosed on the 2009 30 Day Post-Special Report that were not disclosed in the original filing (Image 11330015347).¹

2010 12 Day Pre-Primary Report

On September 2, 2010, the Committee filed the original 2010 12 Day Pre-Primary Report covering the period from July 1, 2010 through August 25, 2010. The report disclosed \$3,987.54 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals) of the Detailed Summary Page (Image 10931233704).

On April 15, 2011, the Committee filed an Amended 2010 12 Day Pre-Primary Report. The report disclosed \$4,037.54 in receipts on Line 11(a)(ii) of the Detailed Summary Page, an increase of \$50.00 from the original report (Image 11930699568, Attachment 3).

On July 5, 2011, the Committee filed an Amended 2010 12 Day Pre-Primary Report. The report disclosed no change in receipts from the previous amendment (Image 11931756282).

On November 2, 2011, an RFAI was sent to the Committee referencing the Amended 2010 30 Day Post-General Report, received July 5, 2011. Among other items, the RFAI requested clarification regarding the increases in receipts and disbursements

¹ The RFAI attachment cites additional activity that is not included in this referral. RAD determined that some increases in activity on Line 11a(i) were offset by decreases in activity on Line 11a(ii).

disclosed on the 2010 12 Day Pre-Primary Report that were not disclosed in the original filing (Image 11330015347).²

On November 25, 2011, the RAD Analyst returned a call from Jennifer May, who asked how to respond to the RFAI referencing the 2009 30 Day Post-Special and 2010 12 Day Pre-Primary Reports. Among other items, the Analyst advised Ms. May to file a Form 99 to explain the changes in activity on the amended reports (Attachment 5).

On November 28, 2011, Ms. May called the RAD Analyst. The Analyst advised Ms. May to file a Form 99 to explain the changes in activity on the amended reports. The Analyst explained that the matter will be referred to another Commission office for further action. The Analyst recommended that Ms. May provide additional clarification on this issue by the RFAI response due date (Attachment 5).

On December 7, 2011, the Committee filed a Form 99 in response to the RFAI. In part, the Committee stated:

"Earlier this year the Committee engaged a new vendor to prepare and file its reports. During a review of its reports, the Committee discovered some mistakes in the filings prepared by its previous vendor and subsequently undertook a complete review of its 2009 and 2010 reports. The review revealed that a number of transactions were reported with incorrect dates. When the dates for these transactions were corrected some transactions were shifted into a different reporting period, thus changing the totals on a number of reports. In addition, some transactions had duplicate entries, some transactions were missing from the original reports and a few transactions were reported with inaccurate amounts. To correct the public record, the Committee filed an omnibus set of amendments" (Image 11972711559).

To date, no further communications have been received from the Committee regarding these matters.

² See Footnote 2.