

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: October 3, 2017

ANALYST: Carolina Mongeon/
Scott Traum

- I. COMMITTEE: Jimmy Gómez for Congress
C00629659
Mary Hodge, Treasurer
3605 Long Beach Blvd, Suite 426
Long Beach, CA 90807
- II. RELEVANT STATUTE: 52 U.S.C. § 30104(b)(8)
11 CFR § 104.3(d)

III. BACKGROUND:

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

Jimmy Gomez for Congress ("the Committee") amended its 2017 12 Day Pre-Special General Report to disclose additional debts of \$130,114.76, which were not disclosed in the original report (Attachment 2).

On March 23, 2017, the Committee filed the original 2017 12 Day Pre-Special General Report, covering the period from January 1, 2017 through March 15, 2017. The report disclosed no debts on Line 10 (Debts and Obligations Owed by the Committee) of the Summary Page (Image 201703239051884906).

On March 31, 2017, the Committee filed an Amended 2017 12 Day Pre-Special General Report. The report disclosed \$113,127.12 in debts on Line 10 of the Summary Page (Image 201703319051902464).

On April 14, 2017, the Committee filed an Amended 2017 12 Day Pre-Special General Report. The report disclosed \$120,644.31 in debts on Line 10 of the Summary Page (Image 201704149052240202).

On May 25, 2017, the Committee filed an Amended 2017 12 Day Pre-Special General Report. The report disclosed \$130,114.76 in debts on Line 10 of the Summary Page (Image 201705259055152147).

On July 6, 2017, the Committee filed an Amended 2017 12 Day Pre-Special General Report. The report disclosed \$130,114.76 in debts on Line 10 of the Summary Page (Image 201707069066560980). All of these debts were disclosed on Schedule D as newly incurred debts for the reporting period, and were not disclosed on the original report (Images 201707069066561275-87, Attachment 2).

On August 1, 2017, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2017 12 Day Pre-Special General Report, received July 6, 2017. The RFAI requested clarification regarding the substantial increase in debts disclosed on the Amended 2017 12 Day Pre-Special General Report (Image 201708010300088544).

On August 15, 2017, the Reports Analysis Division (RAD) Analyst attempted to contact the Committee's Treasurer, Mary Hodge, about the increased debts. The Analyst reached a law firm, and was told Ms. Hodge was not employed there. The secretary offered to connect the Analyst to another individual, Richard Rios, the Committee's Custodian of Records and Counsel. The Analyst left a voice mail message for Mr. Rios and asked that he return the call (Attachment 3).

On August 16, 2017, the RAD Analyst called Mr. Rios. Among other items, they discussed the increased debts on the Amended 2017 12 Day Pre-Special General Report, which were cited in the August 1, 2017 RFAI. The Analyst explained that the issue could be referred to another Commission office for further action. Mr. Rios had more questions about the referral process including what office would handle the referral and potential penalties. The Analyst explained that the issue could be referred to the Alternative Dispute Resolution Office or Office of General Counsel, but the determination has not been made yet. The Analyst stated they could not speak to any potential penalties, but offered to provide Mr. Rios with resources so he could learn more about the referral process. Because Ms. Hodge would be listed as the respondent to any referral, the Analyst asked Mr. Rios for her contact information. Mr. Rios said he would contact Ms. Hodge and attempt to put the Analyst in touch with her (Attachment 3).

On August 18, 2017, the RAD Analyst called Mr. Rios and directed him to the Guidebook for Complaints and Respondents on the FEC Enforcement Process. Mr. Rios said he was discussing the matter with his client and would follow up next week with the contact information for the Treasurer (Attachment 3).

On August 31, 2017, Mr. Rios called and spoke to another RAD Analyst. He asked how the Committee should respond to the RFAI citing increased debt activity. The Analyst explained that the information should be disclosed in a Miscellaneous Electronic Submission ("FEC Form 99"). Mr. Rios asked when the Committee would be officially notified about the referral. The Analyst replied that the Committee would be notified by the relevant office once the referral was forwarded by RAD (Attachment 3).

On September 5, 2017, the Committee filed an FEC Form 99 in response to the RFAI referencing the Amended 2017 12 Day Pre-Special General Report, received July 6, 2017. The Committee stated, in part:

“The first amendment to the report filed on March 23, 2017, only eight days following the report’s [sic] initial due date, disclosed an increase of \$115,877.12 in debts owed to vendors. This amount comprised 89 percent of the total increase in the disclosed amounts for debts to vendors on all campaign report amendments for this reporting period. The amendment was caused by a misunderstanding by compliance staff of this law firm of the reporting requirements for debts owed to vendors. Specifically, staff misread the FEC’s [sic] Campaign Guide for Candidates to mean that debts owed to vendors were only reportable once they were outstanding for 60 days or more (see p. 105-6). The error was not identified until after the initial report was filed. The error was made on the committee’s [sic] second campaign report -- the first report disclosing significant expenditures -- for a candidate running in a special election and who had not previously run for federal office. As soon as our office became aware of the error, we immediately executed a campaign report amendment to correct it. The amendment was filed in advance of the election and the issue was corrected for all future reports.

Subsequent amendments to the March 15 Pre-Election Report caused the amount of debts owed to vendors to increase by a total of \$14,237.64 or 11 percent of the total amount of amendments in this category. These amendments were the result of invoices that were not received from committee vendors, staff, and volunteers in time to allow compliance with reporting deadlines. The committee made good faith efforts to request the information from vendors to ensure compliance with disclosure rules and the failure to comply was inadvertent. We believe the errors are attributable in large part to the abbreviated election timelines and reporting periods associated with the special election. The committee took appropriate and prompt action to correct reporting issues by initiating amendments to the reports within a short time frame after it received information related to the unreported debts owed to vendors.

The committee has established procedures to ensure prospective compliance with the reporting rules by (1) instituting training for campaign staff and volunteers regarding the disclosure rules and (2) insisting that vendors institute invoicing procedures that ensure compliance with federal disclosure rules” (Image 201709059072958689).

To date, no further communications have been received from the Committee regarding this matter.

Treasurer Name: HODGE, MARY Address: 3605 LONG BEACH BLVD., SUITE 426, LONG BEACH, CA 90807

Cmte. Type: H (HOUSE)
Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE)
Filing Frequency: QUARTERLY FILER

Recept Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits
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201707069066560218	1	7/6/2017
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[illegible][illegible]

9/5/2017	1	201709059072958689
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[illegible][illegible]

6/18/2017	201706180300087353	1/12/2017	6/18/2017	-
6/14/2017	201706140300089544	1/12/2017	6/14/2017	-
6/14/2017	201706140300089544	3/15/2017	6/14/2017	-

[illegible]

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
2017	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100

[illegible][illegible]

3/31/2017	298	201703319051902463	11/2017	3/15/2017	\$292,454	\$244,766	\$262,391	\$274,830	\$113,131
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	4/14/2017	301	20170419052240201	1/1/2017	3/15/2017	\$292,454	\$244,766	\$262,391	\$274,830	\$120,636
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5/25/2017	301	201705259055152146	1/1/2017	3/15/2017	\$292,454	\$244,809	\$262,433	\$274,830	\$130,1
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7/6/2017	309	201707069066560979	11/1/2017	3/15/2017	\$292,454	\$244,809	\$262,433	\$274,830	\$130,111
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4/14/2017	174	201704149052239458	3/16/2017	\$274,830	\$89,491	\$176,482	\$187,839
4/14/2017	174	201704149052239458	3/16/2017	\$274,830	\$89,491	\$176,482	\$187,839

5/25/2017	173	201705259055151969	3/16/2017	3/31/2017	\$274,830	\$89,691	\$176,482	\$188,039	\$166,681	\$166,681
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7/6/2017	180	201707069066561293	3/16/2017	3/31/2017	\$274,830	\$89,691	\$176,482	\$188,039	\$167,330
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20170319	20170319	20170319
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20170331	20170331	20170331

	3/29/2017	2	-	-	-	-	-
	3/28/2017	2	20170329903	1696784	-	-	-
	3/27/2017	3	20170329903	1696784	-	-	-
	3/24/2017	2	20170324005	1602804	-	-	-

3/3/2017	5	201703319031902601	-
3/30/2017	1	201703309051808245	-

30/06/2017	1	201703030510362475	
30/06/2017	1	201703030510362475	
30/06/2017	1	201704039051926034	
30/06/2017	1	201704039051926034	

DATE	TIME	LOCATION	REMARKS
5/24/2017	4	201705249055150639	-
5/24/2017	4	201705249055150639	-

201705269055157402	2	6/26/2017
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5/25/2017	3	201705259055151965	-	-
5/25/2017	3	201705259055151965	-	-

5/21/2017	1	201705219054105083
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5/29/2017	2	201705299055157574	-	-
5/29/2017	2	201705299055157574	-	-

DATE	TIME	LOCATION	ACTIVITY	REMARKS
5/27/2017	1	201705279055157529		
5/27/2017	1	201705279055157529		

5/27/2017	1	201705279055157530	-	-
5/27/2017	1	201705279055157530	-	-

5/27/2017	2	201705279055157531	-	-	-
5/27/2017	2	201705279055157531	-	-	-

[illegible]

6/4/2017	4	201 706 049 055 300 926	-	-
6/4/2017	4	201 706 049 055 300 926	-	-

6/5/2017	3	201 06059056298552	-
6/5/2017	3	201 70603000EE200047E	-

6/2/2017	3	201706029055300473	-
6/2/2017	3	201706029055300523	-
6/2/2017	3	201706029055300523	-

6/12/2017	3	2017060290333030333	-	-
6/12/2017	1	201706019055186158	-	-

01/11/2017	1	201700019033160136			
7/11/2017	4	201707170300163439	-	-	-

1717-2017	1	20170317050883302	-	-
1717-2017	1	20170317050883302	-	-

30/0017	4	30170200005751357
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Jimmy Gomez for Congress (C00629659)

2017 12 Day Pre-Special General Report/Amended 2017 12 Day Pre-Special General Report, received 7/6/2017

Overview of Additional Debt

Report Line	Original 2017 12 Day Pre- Special General Report (Image 201703239051 884905)	Amended 2017 12 Day Pre-Special General Report, Received 7/6/2017 (Image 201707069066560979)	Debt Variance Amount	Actual Increase in New Debts Incurred
Amount Incurred This Period (Schedule D)	\$0.00	\$130,114.76	\$130,114.76	\$130,114.76
Outstanding Balance Beginning This Period (Schedule D)	\$1,644.08	\$1,644.08	\$0.00	
Payments This Period (Schedule D)	\$1,644.08	\$1,644.08	\$0.00	
Outstanding Balance at Close of This Period (Schedule D)	\$0.00	\$130,114.76	\$130,114.76	
Line 10: Debts and Obligations Owed by the Committee	\$0.00	\$130,114.76	\$130,114.76	

Jimmy Gomez for Congress (C00629659)

Amended 2017 12 Day Pre-Special General Report, received 7/6/2017 (Images 201707069066561275-87)

Overview of New Debts Incurred

Vendor	Outstanding Beginning Balance	Amount Incurred	Payments	Increase in Debt Incurred
Andalon, Daniel	\$0.00	\$12.83	\$0.00	\$12.83
Andalon, Daniel	\$0.00	\$36.42	\$0.00	\$36.42
Andalon, Daniel	\$0.00	\$9.00	\$0.00	\$9.00
Andalon, Daniel	\$0.00	\$8.70	\$0.00	\$8.70
Andalon, Daniel	\$0.00	\$27.84	\$0.00	\$27.84
Andalon, Daniel	\$0.00	\$54.07	\$0.00	\$54.07
Andalon, Daniel	\$0.00	\$137.88	\$0.00	\$137.88
Andalon, Daniel	\$0.00	\$32.63	\$0.00	\$32.63
Andalon, Daniel	\$0.00	\$22.83	\$0.00	\$22.83
Andalon, Daniel	\$0.00	\$245.00	\$0.00	\$245.00
Bank of America	\$0.00	\$1,786.77	\$0.00	\$1,786.77
Bank of America	\$0.00	\$1,434.72	\$0.00	\$1,434.72
Bank of America	\$0.00	\$350.00	\$0.00	\$350.00
Bank of America	\$0.00	\$858.50	\$0.00	\$858.50
Commerce Printing Services	\$0.00	\$12,401.45	\$0.00	\$12,401.45
Diego, Glauz	\$0.00	\$800.00	\$0.00	\$800.00
Egan, Tim	\$0.00	\$2,500.00	\$0.00	\$2,500.00
Gomez, Jimmy	\$562.10	\$0.00	\$562.10	\$0.00
Gomez, Jimmy	\$430.10	\$0.00	\$430.10	\$0.00
Gomez, Jimmy	\$26.88	\$0.00	\$26.88	\$0.00
Gomez, Jimmy	\$625.00	\$0.00	\$625.00	\$0.00
Green, Stephen	\$0.00	\$625.00	\$0.00	\$625.00
Pfeiffer Design	\$0.00	\$750.00	\$0.00	\$750.00
Revolution Messaging, LLC	\$0.00	\$2,750.00	\$0.00	\$2,750.00
Revolution Messaging, LLC	\$0.00	\$2,750.00	\$0.00	\$2,750.00
Scotch Digital, LLC	\$0.00	\$2,500.00	\$0.00	\$2,500.00
SG&A Campaigns	\$0.00	\$25,000.00	\$0.00	\$25,000.00
SG&A Campaigns	\$0.00	\$25,000.00	\$0.00	\$25,000.00
The House of Printing, Inc.	\$0.00	\$8,281.50	\$0.00	\$8,281.50
The House of Printing, Inc.	\$0.00	\$7,282.54	\$0.00	\$7,282.54
The House of Printing, Inc.	\$0.00	\$5,621.93	\$0.00	\$5,621.93
The House of Printing, Inc.	\$0.00	\$8,726.74	\$0.00	\$8,726.74
The House of Printing, Inc.	\$0.00	\$4,507.24	\$0.00	\$4,507.24
The House of Printing, Inc.	\$0.00	\$4,878.08	\$0.00	\$4,878.08
The House of Printing, Inc.	\$0.00	\$4,337.59	\$0.00	\$4,337.59

The House of Printing, Inc.	\$0.00	\$4,915.05	\$0.00	\$4,915.05
The National Democratic Club	\$0.00	\$568.80	\$0.00	\$568.80
The National Democratic Club	\$0.00	\$901.65	\$0.00	\$901.65
Total:	\$1,644.08	\$130,114.76	\$1,644.08	\$130,114.76