THIS IS THE BEGINNING OF MUR # 3441

92040914030

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 20 July 1990

ANALYST: David Weidman

I. COMMITTEE: New Jersey Democratic State Committee
(C00104471)
Hugh E. DeFazio Jr., Treasurer[1/]
48 West Lafayette Street
Trenton, NJ 08608

II. RELEVANT STATUTE:
11 CFR §104.3(a)(1)
11 CFR §102.5(a)(1)(i)
2 U.S.C. §441a(f)
2 U.S.C. §441b(a)
2 U.S.C. §434(b)(1)

III. BACKGROUND:

A. Cash Discrepancy Between 1988 Year End and 1989 Mid-Year Reports - 11 CFR §104.3(a)(1) and 2 U.S.C. §434(b)(1)

The 1988 Year End Report filed by the New Jersey Democratic State Committee ("the Committee") disclosed a cash-on-hand ending balance of $8,113.82 (Attachment 2). The 1989 Mid-Year Report filed by the Committee disclosed a cash-on-hand beginning balance of $89,019.29 (Attachment 3). Thus, the total cash discrepancy between the two reports amounts to $80,905.47. A letter attached to the 1989 Mid-Year Report explained that the discrepancy was due to a number of accounting errors occurring in previous reporting periods and that amended reports would be forthcoming.

On May 2, 1990 a Request for Additional Information ("RFAI") was sent to the Committee addressing the cash discrepancy (Attachment 4). A Second Notice was sent on May 24, 1990 for failure to respond to the RFAI (Attachment 5).

1/ The Committee has indicated in a June 29, 1990 letter that a new treasurer has been appointed to replace Hugh E. DeFazio Jr., however, the Committee has not notified the Commission of the new treasurer's name.

92040914031

The Committee submitted a response on June 29, 1990, which indicated that the beginning cash balance as reported on the 1989 Mid-Year Report was "substantially correct." The response further stated that amendments to the 1988 reports were almost complete and that the delay in filing the amendments stemmed from significant staff changes and difficulty in obtaining necessary information (Attachment 6).

On July 10, 1990, the Reports Analysis Division ("RAD") analyst telephoned the Committee and spoke to the executive director, Peter Nichols (Attachment 7). Mr. Nichols informed the analyst that the $80,905.47 cash discrepancy was related to a $34,288 deposit made in error during October 1988 and could be corrected with a forthcoming amendment.

As of this date, no further responses or amendments have been filed by the Committee.

B. Receipt of Apparent Impermissible Funds - 11 CFR §102.5(a)(1)(i), 2 U.S.C. 441a(f), 2 U.S.C. 441b(a)

During the 1989 Year End reporting period, the Committee showed a $34,288.16 disbursement made on September 20, 1989 to the New Jersey Democratic State Committee Operating Account (Attachment 8). The purpose of disbursement stated "transfer deposit made in error to account." An RFAI was sent to the Committee on May 2, 1990, requesting "the original date of deposit, the source of the funds, and an explanation of the aforementioned transaction" (Attachment 9). On May 24, 1990, a Second Notice was sent to the Committee for failing to respond to the RFAI (Attachment 5).

The RAD analyst telephoned the Committee on June 25, 1990 to discuss the issues raised in the original RFAI (Attachment 10). The executive director of the Committee, Peter Nichols, stated that the $34,288.16 transfer to the New Jersey Democratic State Committee Operating Account was for an original deposit made in error to the Committee's federal account. He further stated that the deposit made in error occurred in October of 1988 and that his attorneys were in the process of determining the source of the funds.

A response submitted by the Committee on June 29, 1990 described the transfer-out "as a result of an internal review of the DSC's records" but at that time the Committee was "currently in the process of obtaining the detailed information concerning the transfer and will supply it as soon as it is available." (Attachment 11)

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On July 9, 1990, the RAD analyst telephoned the Committee to determine the status of the Committee's response (Attachment 12). Peter Nichols informed the analyst that a response would be ready for submission by July 13, 1990. On July 10, 1990, the analyst telephoned the Committee to determine the nature of the $80,905.47 cash discrepancy between the 1988 Year End and 1989 Mid-Year Reports (Attachment 7). Mr. Nichols claimed that the $34,288.16 deposit made in error during October of 1988 and the $80,905.47 cash discrepancy were related to one another.

As of this date, no further responses or amendments have been filed by the Committee.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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COMMITTEE / DOCUMENT	RECEIPTS		DISBURSEMENTS		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
					TYPE OF FILER		
NEW JERSEY DEMOCRATIC STATE COMMITTEE					ID #C00104471 PARTY QUALIFIED		
CONNECTED ORGANIZATION: NEW JERSEY DEMOCRATIC PARTY							
1989 MID-YEAR REPORT	45,240		64,545		1JAN89 -30JUN89	10	89FEC/604/4915
MID-YEAR REPORT - AMENDMENT	-		-		1JAN89 -30JUN89	2	90FEC/644/2009
REQUEST FOR ADDITIONAL INFORMATION					1JAN89 -30JUN89	1	90FEC/638/4751
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JAN89 -30JUN89	7	90FEC/641/3245
YEAR-END	8,453		46,235		1JUL89 -31DEC89	9	90FEC/626/0434
YEAR-END - AMENDMENT	-		-		1JUL89 -31DEC89	2	90FEC/644/2006
REQUEST FOR ADDITIONAL INFORMATION					1JUL89 -31DEC89	5	90FEC/638/4745
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL89 -31DEC89	7	90FEC/641/3252
1990 STATEMENT OF ORGANIZATION - AMENDMENT					31JAN90	2	90FEC/626/0432
APRIL QUARTERLY	0		0		1JAN90 -31MAR90	8	90FEC/634/1646
JULY QUARTERLY	12,806		16,709		1APR90 -30JUN90	10	90FEC/648/1045
TOTAL	66,499	0	127,489	0		63	TOTAL PAGES

All reports except the 1990 July Quarterly Report have been reviewed.

Cash-on-hand as of 6/30/90	$28,030.23
Debts owed to the Committee as of 6/30/90	$ 500.00
Debts owed by the Committee as of 6/30/90	$ 6,353.38

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FEDERAL ELECTION COMMISSION
1987-1988
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 13JUL90

NEW JERSEY DEMOCRATIC STATE COMMITTEE — ID #C00104471 PARTY QUALIFIED

CONNECTED ORGANIZATION:

COMMITTEE DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
1987 STATEMENT OF ORGANIZATION - AMENDMENT			19FEB87	2	87FEC/461/5444
APRIL QUARTERLY	0	26	1JAN87 -31MAR87	6	87FEC/465/3047
JULY QUARTERLY	500	17	1APR87 -30JUN87	7	87FEC/477/5458
OCTOBER QUARTERLY	0	578	1JUL87 -30SEP87	7	87FEC/491/3701
YEAR-END	5,000	27	1OCT87 -31DEC87	8	88FEC/508/1787
YEAR-END - AMENDMENT	5,000	27	1OCT87 -31DEC87	7	88FEC/512/1604
1988 APRIL QUARTERLY	15,281	70	1JAN88 -31MAR88	9	88FEC/520/1466
JULY QUARTERLY	33,711	50,762	1APR88 -30JUN88	12	88FEC/537/3390
JULY QUARTERLY - AMENDMENT	-	-	1APR88 -30JUN88	2	88FEC/547/5235
REQUEST FOR ADDITIONAL INFORMATION			1APR88 -30JUN88	3	88FEC/543/2333
REQUEST FOR ADDITIONAL INFORMATION 2ND			1APR88 -30JUN88	4	88FEC/545/5343
OCTOBER QUARTERLY	429,356	244,334	1JUL88 -30SEP88	54	88FEC/560/2913
OCTOBER QUARTERLY - AMENDMENT	429,356	244,334	1JUL88 -30SEP88	2	88FEC/563/2996
OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL88 -30SEP88	5	89FEC/585/2136
REQUEST FOR ADDITIONAL INFORMATION			1JUL88 -30SEP88	9	88FEC/575/4065
REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL88 -30SEP88	13	89FEC/578/5124
PRE-GENERAL	166,397	169,198	1OCT88 -19OCT88	13	88FEC/561/0892
PRE-GENERAL - AMENDMENT	-	-	1OCT88 -19OCT88	1	89FEC/585/3566
REQUEST FOR ADDITIONAL INFORMATION			1OCT88 -19OCT88	3	88FEC/575/4061
REQUEST FOR ADDITIONAL INFORMATION 2ND			1OCT88 -19OCT88	13	89FEC/578/5111
POST-GENERAL	567,802	704,742	20OCT88 -28NOV88	29	88FEC/574/5193
POST-GENERAL - AMENDMENT	-	-	20OCT88 -28NOV88	3	89FEC/589/2930
REQUEST FOR ADDITIONAL INFORMATION			20OCT88 -28NOV88	1	89FEC/579/4453
REQUEST FOR ADDITIONAL INFORMATION 2ND			20OCT88 -28NOV88	2	89FEC/585/1336
YEAR-END	2,646	43,018	29NOV88 -31DEC88	15	89FEC/583/0803
YEAR-END - AMENDMENT	2,646	43,018	29NOV88 -31DEC88	2	89FEC/583/2834
REQUEST FOR ADDITIONAL INFORMATION			29NOV88 -31DEC88	1	89FEC/586/0117
REQUEST FOR ADDITIONAL INFORMATION 2ND			29NOV88 -31DEC88	2	89FEC/588/3502
1989 MISCELLANEOUS REPORT TO FEC			25JAN89	2	89FEC/579/4539
TOTAL	1,220,693	0 1,212,772 0		237	TOTAL PAGES

All reports have been reviewed.

Ending cash-on-hand as of 12-31-88: $8113
Debts and obligations owed to the Committee : $500
Debts and obligations owed by the Committee : $6335

[redacted]

Attachment 2

(a) ☐ April 15 Quarterly Report

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☒ January 31 Year End Report

☐ July 31 Mid Year Report [redacted]

☐ Termination Report

[redacted]

☐ Twelfth day report preceding _____ election on _____ in the State of _____

☐ Thirtieth day report following the general election _____ in the State of _____

(b) Is this Report an Amendment? ☐ YES ☐ NO

SUMMARY	ORIGINAL A This Period	COMMITTEE Calendar Year To Date
5. Covering Period 11/29/88 through 12/31/88		
6. (a) Cash on Hand January 1, 1988	[redacted]	$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 48,485.91	[redacted]
(c) Total Receipts (from Line 16)	$ 2,646.09	$ 1,215,195.49
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 51,132.00	$ 1,220,241.46
7. Total Disbursements (from Line 29)	$ 43,018.18	$ 1,212,127.64
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 8,113.82	$ 8,113.82
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9530 Local 202-376-3120
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,835.26	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

Hugh DeFazio

Signature of Treasurer: Hugh D. Defazio

Date: 1-31-89

NOTE: Submission of false, erroneous or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. [illegible]

8903583080803

[redacted]

5. Covering Period: 1/1/89 through 6/30/89	[illegible]	[illegible]
6. (a) Cash on Hand January 1, 19 89		$ 89,019.29
(b) Cash on Hand at Beginning of Reporting Period	$ 89,019.29	
(c) Total Receipts (from Line 18)	$ 45,240.73	$ 45,240.73
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 134,260.02	$ 134,260.02
7. Total Disbursements (from Line 28)	$ 64,545.01	$ 64,545.01
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 69,715.01	$ 69,715.01
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9530 Local 202-376-3120
10 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,844.38	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer
Hugh E. DeFazio, Jr.

Signature of Treasurer: Hugh E. DeFazio, Jr.

Date: 7/26/89

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X

MEMORANDUM

TO: FEC Reports Analysis Division

RE: New Jersey Democratic State Committee - FEC ID No. C00104471
July 31, 1989 Mid-Year Report

DATE: July 31, 1989

Note: We are aware of the cash on hand discrepancy between this report and the year-end report of 1988. It is due to a number of miscounting errors [illegible] reporting periods. We currently preparing amended [illegible] the relevant periods and will file them as soon as we have verified the correct information.

8 7 P 3 4 6 0 0 7 4 1 4 9 9 3 4 0

Attachment 4

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-2

MAY 2 1990

Hugh E. DeFazio, Jr., Esquire, Treasurer
New Jersey Democratic State Committee
48 West Lafayette Street
Trenton, NJ 08608

Identification Number: C00104471

Reference: Mid-Year Report (1/1/89-6/30/89)

Dear Mr. DeFazio:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The beginning cash balance of this report should equal the ending balance of your 1988 Year End report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Elizabeth Jones

Elizabeth Jones
Reports Analyst
Reports Analysis Division

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Attachment 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

May 24, 1990

Hugh E. DeFazio Jr., Esq., Treasurer
New Jersey Democratic State Committee
48 West Lafayette Street
Trenton, NJ 08608

Identification Number: C00104471

Reference: Mid-Year (1/1/89-6/30/89) and Year End (7/1/89-12/31/89) Reports

Dear Mr. DeFazio:

This letter is to inform you that as of May 23, 1990, the Commission has not received your response to our requests for additional information dated May 2, 1990. Those notices requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). Copies of our original requests are enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Elizabeth Jones on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

90 JUN 29 AM 11:25

HAND DELIVERED

THE NEW JERSEY DEMOCRATIC STATE COMMITTEE

Attachment 6
Page 1 of 2

June 26, 1990

Elizabeth Jones
Reports Analyst
Reports Analysis Division
Federal Election Commission
E Street NW
Washington, DC 20463

Re: New Jersey Democratic State Committee, ID # C00104471
Mid-Year Report 1/1/89
6/30/89

Dear Ms. Jones:

This letter is in response to your request for additional information , May 2, 1990 concerning the above-referenced report. The cash-on hand figure reported on the New Jersey Democratic State Committee's (DSC) 1989 Mid-Year Report was based on an internal review of the DSC's records. Please be advised that the figure is substantially correct.

The DSC is aware that the 1989 Mid-Year Report reflects an opening balance that differs from the closing balance reported on the DSC's 1988 Year-End Report. The DSC intends to amend its 1988 Year-End Report shortly so that it reflects the correct closing balance.

As was indicated to the Federal Election Commission (FEC) in prior correspondence, the DSC conducted an internal review of its accounts and records in 1989. This review was nearly completed immediately prior to the 1989 general election in New Jersey. On the basis of the review, the 1989 Mid-Year Report was filed using corrected information. Subsequent to the review, a significant change in staffing has taken place at the DSC. As a result, a temporary delay in completing amendments to the 1988 report(s) has ocurred. Please be assured that the necessary amendments to prior reports are almost complete at this time. The DSC is currently in the process of obtaining a few outstanding pieces of information that are essential to the filing of the amendments.

Please be advised that all pertinent amendments will be provided to the FEC as they are completed.

As always, thank you for your understanding and cooperation in this matter. Should you have any questions or concerns, please do not hesitate to contact me. I can be contacted at the office of the New Jersey Democratic State Committee located at 150 West State Street in Trenton, New Jersey 08608. The DSC's telephone number is 609-392-3367.

Sincerely,

Peter D. Nichols
Executive Director

92040714042

TELECON

Attachment 7

ANALYST: David Weidman

CONVERSATION WITH: Peter Nichols

COMMITTEE: New Jersey Democratic State Committee

DATE: 7-10-90

SUBJECT(S): $80,906 Math Discrepancy

I phoned Mr. Nichols to inquire about the $80,906 math discrepancy between the 1988 Year End and 1989 Mid Year Reports. He stated that the discrepancy was related to the $34,288 deposit made in error during October 1988, and told me that the mistake could be corrected.

22040914043

Attachment 8

SCHEDULE B **ITEMIZED DISBURSEMENTS**

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 29

1 1 1

FOR LINE NUMBER 20

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)
New Jersey Democratic State Committee

A. Full Name, Mailing Address and ZIP Code N.J. Dem. State Committee Operating Account 48 W. Lafayette Street Trenton, NJ 08608	Transfer payment made in error to account Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/20/89	Amount of Each Disbursement This Period 34,288.16
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			34,288.16

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

MAY 2 1990

Hugh E. DeFazio Jr., Treasurer
New Jersey Democratic State Committee
48 West Lafayette Street
Trenton, NJ 08608

Identification Number: C00104471

Reference: Year End Report (7/1/89-12/31/89)

Dear Mr. DeFazio:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The totals listed on Lines 12 through 15, Column B of the Detailed Summary Page appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals.

-Your report discloses a total of $34,288 in disbursements to the New Jersey Democratic State Committee Operating Account for a deposit made in error to account (pertinent portion(s) attached). Please provide the original date of deposit, the source of the funds, and an explanation of the aforementioned transaction.

Although the Commission may take further legal steps concerning this matter, your prompt action will be taken into consideration.

-Your report discloses no payments for administrative expenses. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the amount of funds expended on federal and non-federal elections or on another reasonable basis. Administrative expenses are those day-to-day costs of operating the committee, including rent, utilities, salaries and other miscellaneous office expenses. The federal account of the committee must pay its share of such expenses. 11 CFR §§106.1(e) and 102.5(a)(1)(i)

If your organization has incurred such administrative costs and your non-federal account has paid for all such costs, your federal account must reimburse the non-federal account for its portion of the expenses. The amount incurred by the federal account should be disclosed as a debt or obligation owed to the non-federal account on Schedule D supporting Line 10 of the Summary Page. When payments are made toward the debt, they should be reported on Schedule B supporting Line 19 of the Detailed Summary Page and the debt should be reduced by a corresponding amount. Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year.

-Schedule B of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a committee from making contributions to another political committee in excess of $5,000 per calendar year. (2 U.S.C. §441a(a)) If you have made an excessive contribution, the Commission recommends that you notify the recipient and request a refund of the amount in excess of $5,000. Please inform the Commission immediately in writing and provide a photocopy of your refund request sent to the recipient. In addition, any refund should appear on Line 16 of Schedule A of your next report.

If the contribution(s) in question was incorrectly reported and/or you have additional information, you may wish to submit documentation for the public record.

Although the Commission may take further legal steps regarding the excessive contribution(s), your prompt action in obtaining a refund of the excessive amount will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Elizabeth Jones

Elizabeth Jones
Reports Analyst
Reports Analysis Division

92040914046

TELECON

Attachment 10

ANALYST: David Weidman

CONVERSATION WITH: Peter Nichols

COMMITTEE: New Jersey Democratic State Committee

DATE: 6-25-90

SUBJECT(S): (1) $34,288 deposit made in error

I phoned the Committee and was directed to the executive director, Mr. Nichols. I told him that the Commission needed information concerning the transfer out of the deposit made in error; specifically, the date of receipt for the deposited funds, the source of the funds, and an explanation of the transaction. He told me that the deposit was made some time in October 1988, but that he could not immediately discern the source of the funds or the nature of the error, as none of the personnel responsible for the error were presently working with the Committee.

(2) Administrative expenses

Mr. Nichols stated that administrative expenses for the federal account were negligible because the Committee engaged primarily in non-federal activity during that time period. During that time, he said that the state account made approximately $12 million in disbursements while the federal account made approximately $16,000 in disbursements.

(3) Campaign for America disbursements

The two $5000 checks to Campaign for America were reported incorrectly, said Mr. Nichols, because only one check was cashed. The other check was lost and should have been recorded as a negative disbursement but was not.

9204091404047

[illegible] STATE STREET
TRENTON, NEW JERSEY [illegible]
TEL. ([illegible]) [illegible]
FAX ([illegible]) [illegible]

Philip M. Keegan, Vice Chair
Geraldine M. Nixon, Vice Vice Chair
Robert Hernandez, Treasurer
Edward B. Fisher, Secretary
Lynda Katz, Finance Chair
Karen J. Sunder, Finance Advisor
Carol F. Abramson, Finance Director
Joan B. McDougall, Administrative Assistant
Angelo J. Cotoia, General Counsel
Stephen J. Edelstein, Special Counsel
Thomas M. McCormack, Corporate Counsel
Peter B. Nichols, Executive Director
Deborah E. Lee, Executive Assistant
Lori McGregor, Research Director
Jacqueline E. Johnson, Controller
Tonia Brown, Administrative Assistant

90 JUN 29 AM 11:26

THE NEW JERSEY DEMOCRATIC STATE COMMITTEE

HAND DELIVERED

June 28, 1990

Attachment 11
Page 1 of 2

Elizabeth Jones
Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street NW
Washington, DC 20463

Re: New Jersey Democratic State Committee, ID # C00104471
Year-End Report 7/1/89 - 12/31/89

Dear Ms. Jones:

This letter is in response to your request for additional information of May 2, 1990 concerning the above-referenced report. The New Jersey Democratic State Committee (DSC) is presently reviewing its records in order to respond to your request. As it becomes available, all pertinent information will be provided to the Federal Election Commission (FEC).

To date, the following information has been discovered:

- The $[illegible] offset to operating expenditures previously disclosed on the 1989 Mid-Year Report was inadvertently omitted from Column B on the 1989 Year-End Report. The DSC will amend its reports to reflect this omission.

- The $34,[illegible] transfer to the DSC's "Operating Account" was made as a result of an internal review of the DSC's records. The DSC is currently in the process of obtaining the detailed information concerning the transfer and will supply it as soon as it is available.

- During the period covered by the 1989 Year-End Report, the DSC engaged in virtually no federal activity. The reporting period covered the New Jersey gubernatorial election period. During this time, the DSC engaged in almost exclusively non-federal activity. In particular, the DSC's campaign committee, "Campaign '89," raised $9.2 million and disbursed $8.7 million as of 12/31/89. With respect to the DSC's state operating account, the DSC raised $[illegible],243 and disbursed $[illegible],169 during the 1989 calendar year. The total for DSC non-federal operations in 1989 was, therefore, $10.1 million in

receipts and $10.0 million in disbursements.

As you can see from the DSC's reported federal operating expenditures for the subject period, there were only five (5) disbursements made from the account totaling to $6,848. For the most part, the disbursements from the federal account were for non-election related activity, including legal/compliance fees.

Using a comparison of federal activity to non-federal activity as a basis for allocating administrative expenses, it was determined that the percentage of federal activity and resulting administrative expenses were negligible. Thus, there was no need to allocate administrative expenses for the period.

Please be advised that a review of the DSC's prior filings indicates that the DSC has previously allocated administrative expenses when it engaged in federal and non-federal activity. The DSC will continue to allocate such expenses in the future when required.

- The contribution of $5,000 reported to Campaign for America on July 26, 1989 is correct. The $5,000 contribution reported on the DSC's 1989 Mid-Year Report was voided. That check, dated June 30, 1989, was apparently lost and never presented for payment. As a result, the check dated July 26 was made as a replacement. That check was presented for payment. Thus, only a single contribution of $5,000 was made to Campaign for America. The DSC will amend its reports to indicate that the initial contribution to Campaign for America was voided.

With respect to requested information that the DSC is presently unable to provide, please be advised, as noted above, all pertinent information will be provided to the FEC as it becomes available.

Further, please be advised that an amended statement of organization indicating the DSC's recently elected treasurer and deputy treasurer(s) will be provided to the FEC as soon as it is completed.

Thank you for your cooperation in this matter. Should you have any questions or concerns, please do not hesitate to contact me. I can be contacted at the office of the New Jersey Democratic State Committee located at 150 West State Street in Trenton, New Jersey 08608. The DSC's telephone number is 609-392-3367.

Sincerely,

Peter D. Nichols
Executive Director

9 1 3 3 5 4 0 2 0 1 9 7 0 4 7

TELECON

Attachment 12

ANALYST: David Weidman

CONVERSATION WITH: Peter Nichols

COMMITTEE: New Jersey Democratic State Committee

DATE: 7-9-90

SUBJECT(S): Status of Amended 1989 Year End Report

I called Mr. Nichols to determine the status of his response. He told me that the Committee's attorneys were preparing the report presently, and that it would be submitted no later than 7-13-90.

92040914050

90L-34

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

20 September 1990

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: UPDATE TO RAD REFERRAL #90L-34
NEW JERSEY DEMOCRATIC STATE COMMITTEE

92040914051

This update is to provide additional information concerning the referral of the New Jersey Democratic State Committee ("the Committee").

On July 26, 1990, the Committee submitted amendments to the 1988 October Quarterly, 12 Day Pre-General, 30 Day Post-General and Year End Reports. The amendments answered the issues raised in the July 20, 1990, referral of the Committee. First, the amendments corrected the $80,905.47 math discrepancy between the 1988 Year End and 1989 Mid-Year reports by divulging additional financial activity of $100,053.30 in previously undisclosed receipts and $19,147.83 in previously undisclosed disbursements. Second the committee revealed the source and date of the $34,288.16 misdeposit disclosed on the 1989 Year End Report, which apparently originated from a non-federal account maintained by the Committee and a non-federal account maintained by the New York State Democratic Committee. The amendments, while adding a substantial amount of financial activity, also recategorized many of the types of receipts and disbursements from the manner in which they were originally reported. In order to provide explanations regarding these changes, this referral update includes a chart for each amendment filed which specifies, by line item, additional financial activities and/or modifications made by the Committee.

If you have any questions regarding this matter, please contact David Weidman or Lisa Stolaruk at 376-2480.

Attachment

CHARTS OF FINANCIAL ACTIVITY DETAILING CHANGES
BETWEEN ORIGINAL REPORTS AND AMENDMENTS
DURING THE 1988 REPORTING YEAR

1988 October Quarterly	Original (7/1/88-9/30/88) (Attachment 2)	Amendment (7/1/88-9/30/88) (Attachment 3)	Change
Total Receipts:	$429,356.88	$434,442.88	+$ 5,086.00
Itemization of Receipts:			
Itemized Contributions from Individuals - 11(a)(i):	$137,476.00	$142,476.00	+$ 5,000.00
Unitemized Contributions from Individuals - 11(a)(ii):	$ 4,138.00	$ 4,224.00	+$ 86.00
Political Party Contributions - 11(b):	$128,346.13	$ 0.00	-$128,346.13
Other Political Committee Contributions - 11(c):	$ 90,000.00	$109,224.28	+$ 19,224.28
Transfers from Affiliated/Other Party Committees - 12:	$ 69,396.75	$147,976.13	+$ 78,579.38
Other Receipts - 15:	$ 0.00	$ 30,542.47	+$ 30,542.47
Total Disbursements:	$244,334.69	$251,997.64	+$ 7,662.95
Itemization of Disbursements:			
Operating Expenditures - 19:	$163,852.24	$221,447.64	+$ 57,595.40
Transfers to Affiliated/Other Party Committees - 20:	$ 3,500.00	$ 3,500.00	—
Contributions to Federal Candidates - 21:	$ 7,500.00	$ 5,500.00	-$ 2,000.00
Coordinated Expenditures - 23:	$ 49,932.45	$ 0.00	-$ 49,932.45
Other Disbursements - 27:	$ 19,550.00	$ 21,550.00	+$ 2,000.00

The receipt difference between the 1988 October Quarterly Report and the 1988 Amended October Quarterly was an increase of $5,086.00. The disbursement difference between the two reports was an increase of $7,662.95.

Explanation for Increase in Receipts:

- The substantial increase in receipts came from a previously undisclosed contribution for $5,000.00 made by Issac Heller on 7/5/88 (Attachment 4).

- The Committee moved $128,346.13 from Line 11(b) of the original report to Lines 11(c), 12, and 15 of the amendment, reflecting a more accurate picture of financial activity. No net change resulted from this action.

Explanation for Increase in Disbursements:

- The substantial increase in disbursements came from a previously undisclosed $7,500.00 transfer made on 8/9/88 to the NJDSC office account listed as "allocated administrative expense transfer" (Attachment 5).

- The Committee responded to an RFAI sent on December 28, 1988 (Attachment 6) with a letter dated February 15, 1989, that explains the removal of $49,932.45 in coordinated expenditures from Line 23 of the 1988 October Quarterly (Attachment 7). Although it appears that the $49,932.45 in coordinated expenditures suddenly vanish from the original report, in actuality "the amounts reported as coordinated expenditures on behalf of Frank Pallone on Schedule F were incorrectly designated as coordinated expenditures." Instead, the Committee "was paid by Pallone for Congress for the cost of services rendered." An amount of $31,692.45 then was disclosed on the amended report as itemized services on Line 19 on behalf of Frank Pallone. In addition to addressing the coordinated expenditures on behalf of Frank Pallone, the Committee also moved $18,240.00 in coordinated expenditures on behalf of Jim Florio to Line 19 as well.

- The Committee deleted a $2,000.00 contribution to John Villapiano from Line 21 of the original report and moved it to Line 27 of the amended report resulting in no net change.

92040914052

1988 12 Day Pre-General Report	Original (10/1/88-10/19/88) (Attachment 8)	Amendment (10/1/88-10/19/88) (Attachment 9)	Change
Total Receipts:	$166,397.03	$166,437.03	+$ 40.00
Itemization of Receipts:			
Itemized Contributions from Individuals - 11(a)(i):	$ 42,250.00	$ 42,250.00	--
Unitemized Contributions from Individuals - 11(a)(ii):	$ 1,571.00	$ 1,611.00	+$ 40.00
Political Party Contributions - 11(b):	$ 54,837.18	$ 0.00	-$ 54,837.18
Other Political Committee Contributions - 11(c):	$ 9,500.00	$ 9,500.00	--
Transfers from Affiliated/Other Party Committees - 12:	$ 0.00	$ 54,837.18	+$ 54,837.18
Other Receipts - 15:	$ 58,238.85	$ 58,238.85	--
Total Disbursements:	$169,198.75	$169,280.88	+$ 82.13
Itemization of Disbursements:			
Operating Expenditures - 19:	$169,198.75	$169,280.88	+$ 82.13

Neither the receipt nor disbursement total changes were significant. However, the disbursement totals for both the original report and the amended report have been inflated by $12,931.14 because the Committee's 1988 Amended 30 Day Post-General Report states that $12,931.14 was "incorrectly recorded as disbursement on preceeding report." The 1988 Amended 12 Day Pre-General Report has not been amended to correct for this circumstance.

1988 30 Day Post-General Report	Original (10/20/88-11/28/88) (Attachment 10)	Amendment (10/20/88-11/28/88) (Attachment 11)	Change
Total Receipts:	$567,802.02	$662,729.32	+$ 94,927.30
Itemization of Receipts:			
Itemized Contributions from Individuals - 11(a)(i):	$ 41,746.00	$ 50,746.00	+$ 9,000.00
Unitemized Contributions from Individuals - 11(a)(ii):	$ 4,765.00	$ 5,785.50	+$ 1,020.50
Political Party Contributions - 11(b):	$379,594.90	$ 0.00	-$379,594.90
Other Political Committee Contributions - 11(c):	$ 59,400.00	$ 62,400.00	+$ 3,000.00
Transfers from Affiliated/Other Party Committees - 12:	$ 0.00	$409,594.90	+$409,594.90
Other Receipts - 15:	$ 82,295.62	$134,202.92	+$ 51,907.30
Total Disbursements:	$704,742.86	$716,145.61	+$ 11,402.75
Itemization of Disbursements:			
Operating Expenditures - 19:	$695,367.86	$695,145.61	-$ 222.25
- 27:	$ 9,375.00	$ 21,000.00	+$ 11,625.00

The receipt difference between the 1988 30 Day Post-General Report and the 1988 Amended 30 Day Post-General Report amounted to an increase of $94,927.30. The disbursement difference between these two reports amounted to an increase of $11,402.75.

92040914053

Explanation for Increase in Receipts

. Line 11(a)(i): Five (5) previously undisclosed itemized contributions, totalling $9,000.00 came from the following individuals:

A.	Grant D. Abert	10/12/88	$1,000.00
B.	Melvin Cohen	10/03/88	$1,000.00
C.	Edward Levy	10/31/88	$1,000.00
D.	Jeffrey M. Dreifus	10/28/88	$5,000.00
E.	Arlene R. Kogod	10/26/88	$1,000.00 (Attachment 12)

. Line 11(a)(ii): An increase of $1,020.50 in unitemized contributions for Line 11(a)(ii) was previously undisclosed on the original report.

. Line 11(b): The Committee moved $379,594.90 in receipts from Line 11(b), political party committees, to Line 12, transfers from affiliated/other party committees, in order to reflect the financial activity that actually occurred.

. Line 11(c): Two previously undisclosed receipts, totalling $3,000.00, came from the following entities:

A.	IUE COPE, AFL-CIO (C00006247)	10/27/88	$1,000.00
B.	Leslie Fay Company, Inc.	10/31/88	$2,000.00 (Attachment 13)

The receipt from Leslie Fay Company, Inc. is reported as "incorrectly deposited - transfer to NJDSC Operating account to be reported in subsequent report." The transfer-out, however, does not appear in any of the subsequent reports filed by the Committee.

. Line 12: A previously undisclosed transfer from the DNC Services Corp. "Project Victory" for $30,000.00 made on 11/2/88 accounts for the $30,000.00 increase between the original and amended reports (Attachment 14).

. Line 15: Using this line, the Committee answered the Commission's inquiries stemming from a May 2, 1990 Request for Additional Information ("RFAI") (Attachment 15). The Committee listed a $34,288.16 transfer-out on Schedule B of their 1989 Year End Report as a "transfer deposit made in error to account" (Attachment 16). On their 1988 Amended 30 Day Post-General Report dated July 26, 1990, the Committee disclosed two transactions to account for that misdeposit (Attachment 17). The Committee received a check from "NJDSC-Decision '88" on 11/9/88 in the amount of $29,601.16 which was listed as "check incorrectly deposited to this account." The Committee also received a check from "NYSDC" on 11/2/88 in the amount of $4,687.50 which was also listed as "check incorrectly deposited to this account." Both of these transactions appear to have been made from non-federal accounts and were previously undisclosed.

The receipt total for Line 15 appears to have been inflated by $12,931.14 to explain an accounting mistake made by the Committee on their 1988 12 Day Pre-General Report. The Committee lists the receipt of the $12,931.14 on their 1988 Amended 30 Day Post-General Report as "incorrectly recorded as disbursement on preceding report." It appears as though the initial disbursement reported on their 1988 12 Day Pre-General Report never occurred. The total for Line 15 of their 1988 Amended 30 Day Post-General Report, therefore, was inflated by $12,931.14 to account for the initial erroneous disclosure (Attachment 17).

The Committee reported a previously undisclosed $4,687.50 receipt dated 11/2/88 from "NYDSC" as a "reimbursement for media time" (Attachment 17).

Explanation for Increase in Disbursements:

. Line 27: The Committee reported a previously undisclosed contribution to the "Re-elect John Currie Committee" for $11,625.00 made on 11/7/88 (Attachment 18).

9204091404054

1988 Year End Report	Original (11/29/88-12/31/88) (Attachment 19)	Amendment (11/29/88-12/31/88) (Attachment 20)	Change
Total Receipts:	$ 2,646.09	$ 2,646.09	—
Total Disbursements:	$ 43,018.18	$ 43,018.18	—

No change in financial activity occurred during this time period. Due to the previous report changes, however, an amendment was filed to correct the beginning and ending cash-on-hand balances.

92040914055

Attachment 1

FEDERAL ELECTION COMMISSION
1989-1990
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 18SEP90

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
NEW JERSEY DEMOCRATIC STATE COMMITTEE				ID #C00104471 PARTY QUALIFIED		
CONNECTED ORGANIZATION: NEW JERSEY DEMOCRATIC PARTY						
1989	MID-YEAR REPORT	45,240	64,545	1JAN89 -30JUN89	10	89FEC/604/491
	MID-YEAR REPORT - AMENDMENT	-	-	1JAN89 -30JUN89	2	90FEC/644/200
	MID-YEAR REPORT - AMENDMENT	45,240	64,545	1JAN89 -30JUN89	9	90FEC/651/036
	REQUEST FOR ADDITIONAL INFORMATION			1JAN89 -30JUN89	1	90FEC/638/475
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN89 -30JUN89	7	90FEC/641/324
	YEAR-END	8,453	46,235	1JUL89 -31DEC89	9	90FEC/626/043
	YEAR-END - AMENDMENT	-	-	1JUL89 -31DEC89	2	90FEC/644/200
	YEAR-END - AMENDMENT	8,453	46,235	31JUL89 -31DEC89	8	90FEC/651/035
	REQUEST FOR ADDITIONAL INFORMATION			1JUL89 -31DEC89	5	90FEC/638/474
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL89 -31DEC89	7	90FEC/641/325
1990	STATEMENT OF ORGANIZATION - AMENDMENT			31JAN90	2	90FEC/626/043
	APRIL QUARTERLY	0	0	1JAN90 -31MAR90	8	90FEC/634/164
	1'ST LETTER INFORMATIONAL NOTICE			1JAN90 -31MAR90	1	90FEC/650/102
	JULY QUARTERLY	12,806	16,709	1APR90 -30JUN90	11	90FEC/648/104
	JULY QUARTERLY - AMENDMENT	12,806	16,709	1APR90 -30JUN90	12	90FEC/652/498
	1'ST LETTER INFORMATIONAL NOTICE			1APR90 -30JUN90	1	90FEC/654/322
	TOTAL	66,499 0	127,489 0		95	TOTAL PAGES

All reports have been reviewed.
Ending cash as of 6/30/90: $28,030
Debts owed to the committee as of 6/30/90: $500
Debts owed by the committee as of 6/30/90: $6353

22040914036

Attachment 1

FEDERAL ELECTION COMMISSION
1987-1988
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 18SEP90

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
NEW JERSEY DEMOCRATIC STATE COMMITTEE				ID #C00104471 PARTY QUALIFIED		
CONNECTED ORGANIZATION:						
1987	STATEMENT OF ORGANIZATION - AMENDMENT			19FEB87	2	87FEC/461/544-
	APRIL QUARTERLY	0	26	1JAN87 -31MAR87	6	87FEC/465/304
	JULY QUARTERLY	500	17	1APR87 -30JUN87	7	87FEC/477/545
	OCTOBER QUARTERLY	0	578	1JUL87 -30SEP87	7	87FEC/491/370
	YEAR-END	5,000	27	1OCT87 -31DEC87	8	88FEC/508/178
	YEAR-END - AMENDMENT	5,000	27	1OCT87 -31DEC87	7	88FEC/512/160
1988	APRIL QUARTERLY	15,281	70	1JAN88 -31MAR88	9	88FEC/520/146
	JULY QUARTERLY	33,711	50,762	1APR88 -30JUN88	12	88FEC/537/339
	JULY QUARTERLY - AMENDMENT	-	-	1APR88 -30JUN88	2	88FEC/547/523
	REQUEST FOR ADDITIONAL INFORMATION			1APR88 -30JUN88	3	88FEC/543/233
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1APR88 -30JUN88	4	88FEC/545/534
	OCTOBER QUARTERLY	429,356	244,334	1JUL88 -30SEP88	54	88FEC/560/291
	OCTOBER QUARTERLY - AMENDMENT	429,356	244,334	1JUL88 -30SEP88	2	88FEC/563/299
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL88 -30SEP88	5	89FEC/585/213
	OCTOBER QUARTERLY - AMENDMENT	434,442	251,997	1JUL88 -30SEP88	54	90FEC/651/043
	OCTOBER QUARTERLY - AMENDMENT	434,442	251,997	1JUL88 -30SEP88	6	90FEC/655/055
	REQUEST FOR ADDITIONAL INFORMATION			1JUL88 -30SEP88	9	88FEC/575/406
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL88 -30SEP88	13	89FEC/578/5124
	PRE-GENERAL	166,397	169,198	1OCT88 -19OCT88	13	88FEC/561/089
	PRE-GENERAL - AMENDMENT	-	-	1OCT88 -19OCT88	1	89FEC/585/3566
	PRE-GENERAL - AMENDMENT	166,437	169,280	1OCT88 -19OCT88	13	90FEC/651/042
	PRE-GENERAL - AMENDMENT	166,437	169,280	1OCT88 -19OCT88	13	90FEC/655/056
	REQUEST FOR ADDITIONAL INFORMATION			1OCT88 -19OCT88	3	88FEC/575/4061
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1OCT88 -19OCT88	13	89FEC/578/5111
	POST-GENERAL	567,802	704,742	20OCT88 -28NOV88	29	88FEC/574/519
	POST-GENERAL - AMENDMENT	-	-	20OCT88 -28NOV88	3	89FEC/589/293
	POST-GENERAL - AMENDMENT	662,729	716,145	20OCT88 -28NOV88	32	90FEC/651/039
	REQUEST FOR ADDITIONAL INFORMATION			20OCT88 -28NOV88	1	89FEC/579/445
	REQUEST FOR ADDITIONAL INFORMATION 2ND			20OCT88 -28NOV88	2	89FEC/585/133
	YEAR-END	2,646	43,018	29NOV88 -31DEC88	15	89FEC/583/0803
	YEAR-END - AMENDMENT	2,646	43,018	29NOV88 -31DEC88	2	89FEC/583/2834
	YEAR-END - AMENDMENT	2,646	43,018	29NOV88 -31DEC88	16	90FEC/651/0375
	REQUEST FOR ADDITIONAL INFORMATION			29NOV88 -31DEC88	1	89FEC/586/0117
	REQUEST FOR ADDITIONAL INFORMATION 2ND			29NOV88 -31DEC88	2	89FEC/588/3502
1989	MISCELLANEOUS REPORT TO FEC			25JAN89	2	89FEC/579/4539
	TOTAL	1,320,746 0	1,231,920 0		371	TOTAL PAGES

All reports have been reviewed.
Ending cash as of 12/31/88: $89,019
Debts owed to the committee as of 12/31/88: $500
Debts owed by the committee as of 12/31/88: $6845

22040914057

Attachment 2

[illegible]

Hugh E. DeFazio, Jr.

[illegible]

FEC FORM 3X

TYPE OF REPORT

- ☐ April 15 Quarterly Report
- ☐ July 15 Quarterly Report
- ☒ October 15 Quarterly Report
- ☐ January 31 Year End Report
- ☐ July 31 Mid Year Report (Non-election Year Only)
- ☐ Termination Report

Monthly Report Due On:

☐ February 20	☐ June 20	☐ October 20
☐ March 20	☐ July 20	☐ November 20
☐ April 20	☐ August 20	☐ December 20
☐ May 20	☐ September 20	☐ January 31

☐ Twelfth day report preceding ________ (Type of Election) election on ________ in the State of ________

☐ Thirtieth day report following the General Election on ________ in the State of ________

(b) Is this Report an Amendment? ☐ YES ☒ NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period July 1, 1988 through Sept. 30, 1988		
6. (a) Cash on Hand January 1, 19__		$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 3,206.28	
(c) Total Receipts (from Line 18)	$ 429,356.88	$ 478,350.35
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 432,563.16	$ 483,396.32
7. Total Disbursements (from Line 28)	$ 244,334.69	$ 295,167.85
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 188,228.47	$ 188,228.47
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,835.26	

For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9530 Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer: Hugh E. DeFazio, Jr.

Signature of Treasurer: Hugh E. DeFazio - Jr

Date: 10/12/88

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X (revised [illegible])

Attachment 2

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in full) New Jersey Democratic State Committee	Report Covering the Period From: 7/1/88 To: 9/30/88		
I. RECEIPTS	**COLUMN A** Total This Period	**COLUMN B** Calendar Year-To-Date	
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (use Schedule A)	137,476.00	151,236.00	11(a)
(ii) Unitemized	4,138.00	10,388.00	11(a)
(iii) Total of contributions from individuals	141,614.00	161,624.00	11(a)
(b) Political Party Committees	128,346.13	128,346.12	11(b)
(c) Other Political Committees (such as PACs)	90,000.00	90,825.00	11(c)
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	359,960.13	380,795.13	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES	69,396.75	97,555.22	12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	429,356.86	478,350.35	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	163,852.24	201,685.40	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES	3,500.00	16,500.00	20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	7,500.00	7,500.00	21
22. INDEPENDENT EXPENDITURES (use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)	49,932.45	49,932.45	23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees (such as PACs)			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))			26(d)
27. OTHER DISBURSEMENTS	19,550.00	19,550.00	27
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	244,334.69	295,167.85	28
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans)(from Line 11(d))	359,960.13	380,795.13	29
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))			30
31. NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29)	359,960.13	380,795.13	31
32. TOTAL OPERATING EXPENDITURES (from Line 19)	[illegible]	201,685.40	32
33. OFFSETS TO OPERATIN[illegible]S (from Line 15)			33
34. NET OPERATING EXPEN[illegible]			34

92040914059
37336029 14

For Other Than An Authorized Committee
(Summary Page)

Attachment 3

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
New Jersey Democratic State Committee

90 JUL 25 PM 3:32

ADDRESS (number and street) [X] Check if different from previously reported
150 West State Street

2. FEC IDENTIFICATION NUMBER
C00104471

CITY, STATE and ZIP CODE
Trenton, New Jersey 08608

3. [ ] This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

(a) [ ] April 15 Quarterly Report
[ ] July 15 Quarterly Report
[X] October 15 Quarterly Report
[ ] January 31 Year End Report
[ ] July 31 Mid Year Report (Non-election Year Only)
[ ] Termination Report

Monthly Report Due On:
[ ] February 20 [ ] June 20 [ ] October 20
[ ] March 20 [ ] July 20 [ ] November 20
[ ] April 20 [ ] August 20 [ ] December 20
[ ] May 20 [ ] September 20 [ ] January 31

[ ] Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

[ ] Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? [X] YES [ ] NO

SUMMARY Covering Period 7-1-88 through 9-30-88	COLUMN A This Period	COLUMN B Calendar Year-to-Date
(a) Cash on Hand January 1, 19 88		$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 3,206.28	
(c) Total Receipts (from Line 18)	$ 434,442.88	$483,436.35
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 437,649.16	$488,482.32
Total Disbursements (from Line 28)	$ 251,997.64	$302,830.80
Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 185,651.52	$185,651.52
Debts and Obligations Owed TO the Committee (itemize all on Schedule C and/or Schedule D)	$ 500.00	
Debts and Obligations Owed BY the Committee (itemize all on Schedule C and/or Schedule D)	$ 6,845.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Name of Treasurer (assistant)
Peter D. Nichols

Date 7-25-90

Willfully false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X
(revised 4-87)

9204091400 60

Attachment 3

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in full) New Jersey Democratic State Committee	Report Covering the Period From: 7-1-88 To: 9-30-88		
I. RECEIPTS	**COLUMN A Total This Period**	**COLUMN B Calendar Year-To-Date**	
11 CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (use Schedule A)	142,476.00	156,236.00	11
(ii) Unitemized	4,224.00	10,474.00	11
(iii) Total of contributions from individuals	146,700.00	166,710.00	11
(b) Political Party Committees	-0-	-0-	11
(c) Other Political Committees (such as PACs)	109,224.28	110,049.28	11
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	255,924.28	276,759.28	11
12 TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES	147,976.13	176,134.60	12
13 ALL LOANS RECEIVED	-0-	-0-	13
14 LOAN REPAYMENTS RECEIVED	-0-	-0-	14
15 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	30,542.47	30,542.47	15
16 REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	-0-	16
17 OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	17
18 TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	434,442.88	483,436.35	18
II. DISBURSEMENTS			
19 OPERATING EXPENDITURES	221,447.64	259,280.80	19
20 TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES	3,500.00	16,500.00	20
21 CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	5,500.00	5,500.00	21
22 INDEPENDENT EXPENDITURES (use Schedule E)	-0-	-0-	22
COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)	-0-	-0-	23
LOAN REPAYMENTS MADE	-0-	-0-	24
LOANS MADE	-0-	-0-	25
26 REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	
(b) Political Party Committees	-0-	-0-	
(c) Other Political Committees (such as PACs)	-0-	-0-	
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))	-0-	-0-	
27 OTHER DISBURSEMENTS	21,550.00	21,550.00	
28 TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	251,997.64	302,830.80	
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29 TOTAL CONTRIBUTIONS (other than loans) (from Line 11(d))	255,924.28	276,759.28	
30 TOTAL CONTRIBUTION REFUNDS (from Line 26(d))	-0-	-0-	
31 NET CONTRIBUTIONS (other than loans) (subtract Line 30 from 29)	255,924.28	276,759.28	
32 TOTAL OPERATING EXPENDITURES (from Line 19)	221,447.64	259,280.80	
33 OFFSETS TO OPERATING EXPENDITURES (from Line 15)	30,542.47	30,542.47	
34 NET OPERATING EXPENDITURES (subtract Line 33 from 32)	[illegible]	228,738.33	

SCHEDULE A **ITEMIZED RECEIPTS**

1988 Amended October Quarterly

Use separate schedule for each category of the Detailed Summary Page

Page 12 of

Any information copied from such Reports and Statements may not be used or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

NEW JERSEY DEMOCRATIC STATE COMMITTEE

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A.			
Receipt For: Primary / General / Other (specify)	Aggregate Year-to-Date > $		
B. Issac Heller, 205 Mill Road, Edison, NJ. 08817	I. Heller Construction Co. Inc.	7/5/88	$5,000.00
Receipt For: Primary / X General / Other (specify)	Aggregate Year-to-Date > $ 5,202.00		
C.			
Receipt For: Primary / General / Other (specify)	Aggregate Year-to-Date > $		
D.			
Receipt For: Primary / General / Other (specify)	Aggregate Year-to-Date > $		
E.			
Receipt For: Primary / General / Other (specify)	Aggregate Year-to-Date > $		
F.			
Receipt For: Primary / General / Other (specify)	Aggregate Year-to-Date > $		
G.			
Receipt For: Primary / General / Other (specify)	Aggregate Year-to-Date > $		

SUBTOTAL of Receipts This Page (optional) > $142,[illegible]

TOTAL This Period (last page this line number only) > $142,[illegible]

B

2204091340062

Attachment 5

SCHEDULE B **ITEMIZED DISBURSEMENTS**

1988 Amended October Quarterly

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 4 FOR LINE NUMBER 19

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

New Jersey Democratic State Committee

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. New Jersey Democratic State Cmte. Office Account 48 West Lafayette Street Trenton, New Jersey 08608	Allocated Administrative Expense Transfer Disbursement for: ___ Primary ___ General ___ Other (specify)	08/09/88	7,500.00
B.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
C.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
D.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
E.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
F.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
G.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
H.	Disbursement for: ___ Primary ___ General ___ Other (specify)		
I.	Disbursement for: ___ Primary ___ General ___ Other (specify)		

SUBTOTAL of Disbursements This Page (optional) 221,447.64

TOTAL This Period (last page this line number only)

7 2 0 4 0 9 1 4 0 6 3
0 0 7 3 5 5 : 1 1 1 1 9 5 4

Attachment 6

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

RQ-2

DEC 28 [illegible]

Hugh E. DeFazio, Treasurer
New Jersey Democratic State
Committee
48 West Lafayette Street
Trenton, NJ 08608

Identification Number: C00104471

Reference: October Quarterly Report (7/1/8-9/30/88)

Dear Mr. DeFazio:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a committee from receiving contributions from another political committee or person in excess of $5,000 per calendar year. (2 U.S.C. §441a(f)) and 11 CFR 110.1(d))

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information. If the contribution(s) you received exceeds the limits, you should either refund to the donor the amount in excess of $5,000 or, if appropriate, seek reattribution of the contribution pursuant to 11 CFR 110.1(k). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests. (11 CFR 103.3(b) and 110.1(k))

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee all refunds, reattributions and transfers-out should be made within sixty days of the treasurer's receipt of the contribution. See 11 CFR 103.3(b). Refunds and transfers-out should be disclosed on a supporting

Schedule A for line 22 or 23 of the report covering the period during which they are made, should be reported as your receipt of a contribution during the period during which the authorization for the contribution is received.

Although the Commission may take further legal action regarding the acceptance of the contribution(s), prompt action by you to refund, transfer the contribution and/or transfer-out the excessive amount will be taken into consideration.

Schedule A of your report discloses a contribution(s) from an organization which is not a political committee registered with the Commission (pertinent portion(s) attached). In addition, the contribution appears to exceed the limits set forth in the Act. The Act prohibits a political committee from receiving contributions from a person or another committee in excess of $5,000 in a calendar year. (2 U.S.C. §441a(f)) Also, in order to make contributions to your committee, organizations which are not political committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. (11 CFR 102.5(b))

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR 102.5(a).

In order to be in compliance with the Act your committee must:

1) refund to the donor, or transfer-out to a non-federal account, the amount in excess of $5,000; and

2) determine the extent to which your committee received funds that are not permissible, and refund or transfer-out the prohibited funds.

If you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization

(either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

Although the Commission may take further legal steps concerning the acceptance of prohibited and excessive contribution(s), your prompt refund or transfer-out will be taken into consideration.

-Schedule A of your report discloses a receipt of $20,500 from the Alabama State Democratic Executive Committee (pertinent portion attached). This committee reports no transfer to your committee. Please clarify whether this transfer is from a non-federal account maintained by the Alabama State Democratic Executive Committee for non-federal activity. If so, be advised that such a transfer is prohibited by 11 CFR 102.5(a)(1)(i) and the full amount of the transfer should be returned to the Alabama State Democratic Executive Committee. Please inform the Commission immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on a supporting Schedule B for Line 20 of your next report.

Although the Commission may take further legal action regarding the acceptance of funds from a non-federal account, your prompt transfer-out of the funds in question, or clarification of the transaction, will be taken into consideration.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one

9 2 0 4 0 9 2 1 4 9 2 6 6

account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR 102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

-Schedule B supporting Line 19 discloses $19,973.88 in disbursements to the New Jersey - Victory '88 Disb. Fund (non-federal account) for reimbursement of apparent exempt activities originally paid to Political Americana by your non-federal account (pertinent portion(s) attached). You are advised that 11 CFR 102.5 prohibits a non-federal account from financing activity in connection with federal elections. Please provide further clarifying information regarding these transactions including the date(s) when the original activity was conducted.

Although the Commission may initiate legal action regarding the activities conducted by your non-federal account, any clarifying information that you can provide will be taken into consideration.

-Schedule F of your report itemizes coordinated expenditures made by your committee on behalf of Frank Pallone. You designate coordinated expenditures for the Special Election totalling $15,981. However, only $7,581 are designated as such on Schedule F.

Furthermore, the aggregate expenditure totals appear to be incorrect. Please amend your report to show the amount of coordinated expenditures made by your committee for the Special and General Elections. Also amend the aggregate expenditure totals to correct the discrepancy.

-Schedule A supporting Line 11(b) discloses transfers-in from DNC Services Corporation, ASDC - Dollars for Democrats, and ASDC/Democratic Victory Fund. Schedule B supporting Line 19 reflects payments for campaign materials. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used including distribution by direct mail; all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may <u>not</u> be made from transfers-in from the national committee to specifically fund the activity. (See 11 CFR 100.7(b)(15) and (17) and Pages 11 and 12 of the Campaign Guide for Party Committees.)

Please clarify the nature of the transfers-in and subsequent payments for campaign materials. If the activity disclosed on your report does not meet the definition of "exempt" activity as described above, and a portion or all of the expenditures were made on behalf of specifically identified candidates, the activity must be disclosed on Schedule B or F for Line 21 or 23 of the Detailed Summary Page, as appropriate.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B of your report to clarify the following descriptions: Expenses. For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR 104.3(b)(3).

-Your report disclosed certain line number totals that have been reflected on the wrong lines of the Detailed Summary Page. Transfers received from affiliated committees and contributions received from political committees should be properly disclosed on a separate Schedule A, supporting Lines 12 and 11(c), respectively of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

-Your committee's report includes computerized supporting schedules. Pursuant to 11 CFR 104.2(d), computer produced schedules may be used contingent upon prior approval of the Commission. Please submit a separate request (including an example of the proposed format) for consideration. Until your format has been approved, FEC supporting schedules should be used.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Robert B. DiNardo
Reports Analyst
Reports Analysis Division

Attachment 7

SCHEDULE F

ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES ON DESIGNATED AGENTS' BEHALF OF CANDIDATES FOR FEDERAL OFFICE (2 U.S.C. §441a(d))

Page 1 of 2

To be used only by Political Committees in the General Election

1988 October Quarterly

Name of Political Committee (In Full)

NJ DEMOCRATIC STATE COMMITTEE

Has your Committee been designated to make coordinated expenditures by a political party committee? ☐ Yes ☐ No
If YES, name of designating committee:

Full Name, Mailing Address and ZIP Code of Subordinate Committee

PLEASE NOTE: These transactions marked '@' incurred the special election.
Total Special Election Expenditures - $ 15,981.00

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
US Postmaster Stockton Street Trenton, NJ 08608	Frank Pallone 10/House Aggregate General Election Expenditure for this Candidate—$ 15,711.45	Postage	9/16/88	7,581.00@
Full Name, Mailing Address and ZIP Code of Each Payee	**Name of Federal Candidate Supported, State, District & Office Sought**	**Purpose of Expenditure**	**Date (month, day, year)**	**Amount**
US Postmaster Stockton Street Trenton, NJ 08608	Frank Pallone 10/House Aggregate General Election Expenditure for this Candidate—$ 15,711.45	Postage	9/20/88	7,601.72
Full Name, Mailing Address and ZIP Code of Each Payee	**Name of Federal Candidate Supported, State, District & Office Sought**	**Purpose of Expenditure**	**Date (month, day, year)**	**Amount**
US Postmaster Stockton Street Trenton, NJ 08608	Frank Pallone 10/House Aggregate General Election Expenditure for this Candidate—$ 15,711.45	Postage	9/21/88	3,109.73
Full Name, Mailing Address and ZIP Code of Each Payee	**Name of Federal Candidate Supported, State, District & Office Sought**	**Purpose of Expenditure**	**Date (month, day, year)**	**Amount**
Campaign Design Group 733 15th Street NW Washington, DC 20005	Frank Pallone 10/House Aggregate General Election Expenditure for this Candidate—$ 15,711.45	Mailing prep & Printing	9/21/88 9/29/88	8,400.00 5,000.00
SUBTOTAL of Expenditures This Page (optional)				31,692.45
TOTAL This Period (last page this line number only)				

7 2 0 0 9 1 4 0 3 0 7 0

3 9 0 3 5 6 0 2 9 6 2

Attachment 7

SCHEDULE F

[illegible]

Page 2 of 2 pg. (Line number A 73)

[illegible]

1988 October Quarterly

[illegible]

NJ [illegible] STATE COMMITTEE

[illegible] YES NO

Full Name, Mailing Address and ZIP Code of Subsidiary Committees

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
US Postmaster Bellmawr, NJ 08031	Jim Florio 3/House Aggregate General Election Expenditure for this Candidate—$ 18,240.00	Postage	9/23/88 9/23/88 9/23/88 9/23/88	1,000.00 1,000.00 1,000.00 180.00
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Commercial Composition Rt 130 & Marlton Rd. Pennsauken, NJ 08110	Jim Florio 3/House Aggregate General Election Expenditure for this Candidate—$ 18,240.00	Printing	9/23/88	11,400.00
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Excel Color Graphics 404-2 Bloomfield Dr. Berlin, NJ 08009	Jim Florio 3/House Aggregate General Election Expenditure for this Candidate—$ 18,240.00	Printing Printing	9/23/88 9/30/88	1,800.00 1,860.00
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
	Aggregate General Election Expenditure for this Candidate—$			
SUBTOTAL of Expenditures This Page (optional)				18,240.00
TOTAL This Period (last page this line number only)				49,932.45

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Attachment 7

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 FEB 16 AM 10:41

MANATT, PHELPS, ROTHENBERG & PHILLIPS
ATTORNEYS AT LAW
1000 WEST MASSACHUSETTS AVENUE, N.W.
SUITE 500
WASHINGTON, D.C. 20036
TELEPHONE (202) 463-4000
TELECOPIER (202) 463-4001
TELEX 64-0000

February 15, 1989

Robert DiMardo
Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: New Jersey Democratic State Committee (C00104471)
October Quarterly Report and
12 Day Pre-Election Report

Dear Mr. DiMardo:

This letter is a partial response to your requests for additional information concerning the New Jersey Democratic State Committee's (NJDSC) 1988 October Quarterly and 12 Day Pre-Election Reports. As we have informed you, the bookkeeper is on maternity leave, and was unable for several weeks to assist us in responding to your inquiries. She is now making time available to aid us but is able to do so only to a limited extent. This response addresses your questions which we can answer at this time. We will continue to research your remaining questions and will update this response as soon as possible.

With respect to your request for additional information for the October Quarterly Report:

1. Page 1 of 1, line number 12, entries B and C, were incorrectly reported as transfers from affiliated committees. Both entries should have been reported on line 15 as offsets to operating expenditures. These receipts from Friends of Bill Simon and Pallone for Congress were payments for mailing services provided by NJDSC. NJDSC will amend its report to itemize the costs of the mailings as operating expenditures on line 19 and the payments to NJDSC from the candidate

89030852136

committees as offsets to operating expenditures on line 15.

2. Page 1 of 1, line number 12, ent.y D, was incorrectly reported as a transfer from an affiliated committee. This entry should have been reported as a contribution on line 11(c). This contribution was from the candidate's excess campaign funds from his 1984 campaign and is not subject to any contribution limit. 11 C.F.R. § 113.2(c). NJDSC will amend its report accordingly.

3. Page 1 of 1, line number 11(b), entry A, was incorrectly reported as a contribution from the Alabama State Democratic Executive Committee. This entry should have been reported as a transfer from another party committee on line 12. Apparently, there has been some confusion over this contribution. NJDSC was informed at the time the check was received, that it was a transfer from the Alabama State Party's federal account. The check was made out to "Victory Fund '88" which was the name of the NJDSC 1988 general election federal account. This was also the name of the DNC's general election program. We have contacted the Alabama State Party and have determined that the check was drawn on their federal account. They reported making the contribution to the DNC Victory Fund, however, and not to NJDSC Victory Fund. NJDSC properly reported the contribution as coming from Alabama, since the check was from the Alabama Party and was directly deposited into the NJDSC account. Apparently, it was not made clear to the Alabama Party that the check was intended for New Jersey.

4. Page 1 of 1, line number 12, entry A, was incorrectly reported as a transfer from an affiliated/other party committee. This payment was not a contribution. Rather, it was a payment for services provided by NJDSC to Democrats for a New Direction 88, and unrelated to federal candidates. We have requested an accounting from Democrats for a New Direction 88 who have informed us that they had sufficient funds permissible under the Act so that there was no commingling of improper funds by acceptance of the payment from them.

5. Pages 1 and 2 of 3, line number 19, disclose payments made by the NJDSC federal account to the Victory '88 Disbursement Account. You have questioned whether these payments represent reimbursements for payments previously made by NJDSC's non-federal account. They do not. Victory '88 Disbursement Account is the escrow account established by NJDSC to pay its operating and vendor bills which must be allocated between federal

and non-federal funds. As specifically permitted by the Commission, NJDSC has elected to pay its vendors with a single check from the disbursement account. The appropriate federal share is transferred to the disbursement account from the federal account. Schedules are provided itemizing the federal share of each payment made by the disbursement account in an amount equal to each amount transferred to the disbursement account. FEC Advisory Opinion 1978-67. The payments made to Political Americana from the disbursement account were for exempt campaign materials referencing both federal and state candidates. The portions of these payments allocable to federal candidates are itemized as required on the Attachments to Schedule B.

6. The amounts reported as coordinated expenditures on behalf of Frank Pallone on Schedule F were incorrectly designated as coordinated expenditures. As discussed in # 1 above, NJDSC was paid by Pallone for Congress for the cost of services rendered. The reports will be amended to disclose NJDSC's disbursements as operating expenditures and the payments from Pallone for Congress as offsets to operating expenditures.

7. You have questioned whether transfers from the national party committee were used to finance payments for exempt campaign materials. They were not. NJDSC financed its exempt activities from contributions it received from individuals and non-political party committees, and not from any funds transferred in from the national party. As you can see from the October Quarterly Report, NJDSC had receipts during that period of $429,356.88, less than one quarter of which were from the national party. Moreover, the ASDC - Dollars for Democrats, and ASDC - Democratic Victory Fund are direct mail and telephone solicitations performed under contract with the DNC and represent funds raised in New Jersey, not funds transferred from the national party.

8. The attachments itemizing the transfers to the disbursement account state "expenses" as the purpose for a number of entries. These reimbursements were primarily for travel, i.e., gas, mileage, tolls, taxis. NJDSC will review the underlying records and will obtain greater detail for those expenditures in excess of $200. Since NJDSC was not required to itemize expenditures aggregating less than $201 to a single payee, it was not required to provide any purpose for those amounts less than $201.

9 2 0 3 4 0 8 5 2 1 3 9 7 4

9. The NJDSC's bookkeeper informs us that she submitted a request for approval of the computer produced schedules. She believed she had received such approval and is reviewing her records. If she is unable to find it, NJDSC will submit a new request.

With respect to the request for additional information regarding the 12 Day Pre-Election Report:

1. With respect to the receipts disclosed on page 1 of 1, line number 15, please see the responses to #s 1 and 6 above. These receipts were not contributions. They were offsets to operating expenditures.

2. Regarding the transfers from DNC and ASDC, please see the response to # 7 above.

3. The attachments referred to in support of line number 19 will be supplied as soon as the bookkeeper is able to prepare them.

If you have any additional questions concerning this response, please feel free to contact me. As indicated above, NJDSC will file the amended reports necessary as soon as the bookkeeper is able to work with someone to prepare them. The Committee has retained the services of a new accountant to work with her as soon as possible.

Sincerely,

Lyn Utrecht

Lyn Utrecht
Manatt, Phelps, Rothenberg
& Phillips

8 F 7 34 5 0 8 5 1 2 4 9 3 6 5

Attachment 8

[redacted]

FEDERAL ELECTION COMMISSION

88 OCT 26 PM 12:45

[redacted]

48 West Lafayette Street

Trenton, NJ 08608

[redacted]

4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☐ January 31 Year-End Report

☐ July 31 Mid Year Report (Non-election Year Only)

☐ Termination Report

Monthly Report Date On:

☐ February 20 ☐ June 20 ☐ October 20
☐ March 20 ☐ July 20 ☐ November 20
☐ April 20 ☐ August 20 ☐ December 20
☐ May 20 ☐ September 20 ☐ January 31

☒ Twelve day report preceding General (Type of Election) election on 11/8/88 in the State of NJ

☐ Thirty day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? ☐ YES ☒ NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 10/1/88 through 10/19/88		
6. (a) Cash on Hand January 1, 19 88		$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 188,228.47	
(c) Total Receipts (from Line 16)	$ 166,397.03	$ 644,747.38
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 354,625.50	$ 649,793.35
7. Total Disbursements (from Line 28)	$ 169,198.75	$ 464,366.60
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 185,426.75	$ 185,426.75
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,835.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer: Hugh E. DeFazio, Jr.

Signature of Treasurer: Hugh E DeFazio Jr. Date: 10/25/88

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X (Revised 8/87)

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Attachment 8

DETAILED SUMMARY PAGE

[illegible]

Name of Committee (in full) NEW JERSEY DEMOCRATIC STATE COMMITTEE	Report covering the period From: 10/1/88	To: 10/19/88	
	COLUMN A [illegible]	COLUMN B [illegible]	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (see Schedule A)	[illegible]	[illegible]	11(a)(i)
(ii) Unitemized	[illegible]	[illegible]	11(a)(ii)
(iii) Total of contributions from individuals	[illegible]	205,445.00	11(a)(iii)
(b) Political Party Committees	[illegible]	[illegible]	11(b)
(c) Other Political Committees (such as PACs)	[illegible]	100,375.00	11(c)
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	[illegible]	[illegible]	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	58,238.85	155,794.07	15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	166,397.03	644,747.38	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	169,198.75	420,816.60	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES		16,500.00	20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		7,500.00	21
22. INDEPENDENT EXPENDITURES (see Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (see Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees (such as PACs)			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))			26(d)
27. OTHER DISBURSEMENTS		19,550.00	27
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	169,198.75	464,366.60	28
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans)(from Line 11(d))	108,158.18	488,953.31	29
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))			30
31. NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29)	108,158.18	488,953.31	31
32. TOTAL OPERATING EXPENDITURES (from Line 19)	169,198.75	420,816.60	32
33. OFFSETS TO OPERATING EXPENDITURES (from Line 15)	58,238.85	155,794.07	33
34. NET OPERATING EXPEND[illegible] (Line 32 from 33)		265,022.53	34

Attachment 9

[redacted] Authorized Committee
(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
New Jersey Democratic State Committee

ADDRESS (number and street) [X] Check if different than previously reported
150 West State Street

CITY, STATE and ZIP CODE
Trenton, New Jersey 08608

90 JUL 26 PM 2:32

2. FEC IDENTIFICATION NUMBER
C 00104471

3. [ ] This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date)

4. TYPE OF REPORT

(a) [ ] April 15 Quarterly Report
[ ] July 15 Quarterly Report
[ ] October 15 Quarterly Report
[ ] January 31 Year End Report
[ ] July 31 Mid Year Report (Non-election Year Only)
[ ] Termination Report

Monthly Report Due On:
[ ] February 20 [ ] June 20 [ ] October 20
[ ] March 20 [ ] July 20 [ ] November 20
[ ] April 20 [ ] August 20 [ ] December 20
[ ] May 20 [ ] September 20 [ ] January 31

[X] Twelfth day report preceding General (Type of Election) election on 11/8/88 in the State of NJ

[ ] Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? [X] YES [ ] NO

SUMMARY

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
5	Covering Period 10-1-88 through 10-19-88		
6	(a) Cash on Hand January 1, 1988		$ 5,045.97
	(b) Cash on Hand at Beginning of Reporting Period	$ 185,651.52	
	(c) Total Receipts (from Line 18)	$ 166,437.03	$ 649,873.38
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 352,088.55	$ 654,919.35
7	Total Disbursements (from Line 28)	$ 169,280.88	$ 472,111.68
8	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 182,807.67	$ 182,807.67
9	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,845.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800 424 9530
Local 202 376 3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer (assistant)
Peter D. Nichols

Signature of Treasurer
Pd. D. Nichols

Date
7-25-90

Notice: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X
(revised 4/...)

9204091400778

Attachment 9

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in full) New Jersey Democratic State Committee	Report Covering the Period From: 10-1-88 To: 10-19-88	
I. RECEIPTS	**COLUMN A Total This Period**	**COLUMN B Calendar Year-To-Date**
11 CONTRIBUTIONS (other than loans) FROM:		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (use Schedule A)	42,250.00	198,486.00
(ii) Unitemized	1,611.00	12,085.00
(iii) Total of contributions from individuals	43,861.00	210,571.00
(b) Political Party Committees	-0-	-0-
(c) Other Political Committees (such as PACs)	9,500.00	119,549.28
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	53,361.00	330,120.28
12 TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES	54,837.18	230,971.78
13 ALL LOANS RECEIVED	-0-	-0-
14 LOAN REPAYMENTS RECEIVED	-0-	-0-
15 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	58,238.85	88,781.32
16 REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	-0-
17 OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-
18 TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	166,437.03	649,873.38
II. DISBURSEMENTS		
19 OPERATING EXPENDITURES	169,280.88	428,561.68
20 TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES	-0-	16,500.00
21 CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	5,500.00
22 INDEPENDENT EXPENDITURES (use Schedule E)	-0-	-0-
23 COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)	-0-	-0-
24 LOAN REPAYMENTS MADE	-0-	-0-
25 LOANS MADE	-0-	-0-
26 REFUNDS OF CONTRIBUTIONS TO:		
(a) Individuals/Persons Other Than Political Committees	-0-	-0-
(b) Political Party Committees	-0-	-0-
(c) Other Political Committees (such as PACs)	-0-	-0-
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))	-0-	-0-
27 OTHER DISBURSEMENTS	-0-	21,550.00
28 TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	169,280.88	472,111.68
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES		
TOTAL CONTRIBUTIONS (other than loans)(from Line 11(d))	53,361.00	330,120.68
TOTAL CONTRIBUTION REFUNDS (from Line 26(d))	-0-	-0-
NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29)	53,361.00	330,120.28
TOTAL OPERATING EXPENDITURES (from Line 19)	169,280.88	428,561.68
OFFSETS TO OPERATING EXPENDITURES (from Line 15)	58,238.85	88,781.32
34 NET OPERATING EX[illegible] (subtract Line 33 from 32)	[illegible]	339,780.36

---Attachment 10

[illegible]

FEC FORM

88 DEC 14 PM 3:43

[illegible]

NJ DEMOCRATIC STATE COMMITTEE

[illegible] ☐ [illegible]

[illegible] West Lafayette Street

C-00004471

CITY, STATE and ZIP CODE

Trenton, NJ 08608

☐ [illegible]

4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☐ January 31 Year End Report

☐ July 31 Mid Year Report (Non-election Year Only)

☐ Termination Report

Monthly Report Due On:

☐ February 20	☐ June 20	☐ October 20
☐ March 20	☐ July 20	☐ November 20
☐ April 20	☐ August 20	☐ December 20
☐ May 20	☐ September 20	☐ January 31

☐ Twelfth day report preceding ______________ (Type of Election) election on ______________ in the State of ______________

☒ Thirtieth day report following the General Election on 11/8/88 in the State of NJ

(b) Is this Report an Amendment? ☐ YES ☒ NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 10/20/88 through 11/28/88		
6. (a) Cash on Hand January 1, 19 88		$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 185,426.75	
(c) Total Receipts (from Line 18)	$ 567,802.02	$ 1,212,549.40
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 753,228.77	$ 1,217,595.37
7. Total Disbursements (from Line 28)	$ 704,742.86	$ 1,169,109.46
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 48,485.91	$ 48,485.91
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,835.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer: HUGH C DeFAZIO, Jr

Signature of Treasurer: Hugh C DeFazio, Jr

Date: 12/7/88

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X (revised 4/87)

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Attachment 10

[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	
11. CONTRIBUTIONS [illegible]			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized [illegible]	[illegible]	[illegible]	[illegible]
(ii) Unitemized	[illegible]	[illegible]	[illegible]
(iii) Total of contributions from individuals	[illegible]	[illegible]	[illegible]
(b) Political Party Committees	[illegible]	[illegible]	[illegible]
(c) Other Political Committees (such as PACs)	[illegible]	[illegible]	[illegible]
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	[illegible]	974,459.71	[illegible]
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	82,295.62	238,089.69	15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	567,802.02	1,212,549.40	18
[illegible]			
19. OPERATING EXPENDITURES	695,367.86	1,116,184.46	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES		16,500.00	20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		7,500.00	21
22. INDEPENDENT EXPENDITURES (see Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (see Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees (such as PACs)			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))			26(d)
27. OTHER DISBURSEMENTS	9,375.00	28,925.00	27
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	704,742.86	1,169,109.46	28
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) (from Line 11(d))	485,506.40	974,459.71	29
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))			30
31. NET CONTRIBUTIONS (other than loans) (subtract Line 30 from 29)	485,506.40	974,459.71	31
32. TOTAL OPERATING EXPENDITURES (from Line 19)	695,367.86	1,116,184.46	32
33. OFFSETS TO OPERATING EXPENDITURES (from Line 15)	82,295.62	238,089.69	33
34. NET OPERATING EXPENDITURES (subtract Line 33 from 32)	[illegible]	[illegible]	34

32703407451841

Attachment 11

For Other Than An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (In full)
New Jersey Democratic State Committee

ADDRESS (number and street) ☐ Check if different than previously reported
150 West State Street

CITY, STATE and ZIP CODE
Trenton, New Jersey 08608

90 NOV 26 PM 3:32

2. FEC IDENTIFICATION NUMBER
C00104471

3. ☐ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date)

4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Termination Report

Monthly Report Due On:
☐ February 20 ☐ June 20 ☐ October 20
☐ March 20 ☐ July 20 ☐ November 20
☐ April 20 ☐ August 20 ☐ December 20
☐ May 20 ☐ September 20 ☐ January 31

☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

☒ Thirtieth day report following the General Election on 11-8-88 in the State of NJ

(b) Is this Report an Amendment? ☒ YES ☐ NO

SUMMARY

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
5	Covering Period 10-20-88 through 11-28-88		
6	(a) Cash on Hand January 1, 19 88		$ 5,045.97
	(b) Cash on Hand at Beginning of Reporting Period	$ 182,807.67	
	(c) Total Receipts (from Line 18)	$ 662,729.32	$1,312,602.70
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 845,536.99	$1,317,648.67
7	Total Disbursements (from Line 28)	$ 716,145.61	$1,188,257.29
8	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 129,391.38	$ 129,391.38
9	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,845.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete

Type or Print Name of Treasurer (Assistant)
Peter D. Nichols

Signature of Treasurer
P. D. Nichols

Date
7-25-90

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X
(revised 4 9)

9204091408 2

Attachment 11

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in full) New Jersey Democratic State Committee	Report Covering the Period From: 10-20-88 To: 11-28-88		
	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (use Schedule A)	50,746.00	249,232.00	11(a)(i)
(ii) Unitemized	5,785.50	17,870.50	11(a)(ii)
(iii) Total of contributions from individuals	56,531.50	267,102.50	11(a)(iii)
(b) Political Party Committees	-0-	-0-	11(b)
(c) Other Political Committees (such as PACs)	62,400.00	181,949.28	11(c)
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	118,931.50	449,051.78	11(d)
12 TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES	409,594.90	660,566.68	12
13 ALL LOANS RECEIVED	-0-	-0-	13
14 LOAN REPAYMENTS RECEIVED	-0-	-0-	14
15 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	134,202.92	222,984.24	15
16 REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	-0-	16
17 OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	17
18 TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	662,729.32	1,312,602.70	18
II. DISBURSEMENTS			
19 OPERATING EXPENDITURES	695,145.61	1,123,707.29	19
20 TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES	-0-	16,500.00	20
21 CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	5,500.00	21
22 INDEPENDENT EXPENDITURES (use Schedule E)	-0-	-0-	22
23 COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)	-0-	-0-	23
24 LOAN REPAYMENTS MADE	-0-	-0-	24
25 LOANS MADE	-0-	-0-	25
26 REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	26(a)
(b) Political Party Committees	-0-	-0-	26(b)
(c) Other Political Committees (such as PACs)	-0-	-0-	26(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))	-0-	-0-	26(d)
27 OTHER DISBURSEMENTS	21,000.00	42,550.00	27
28 TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	716,145.61	1,188,257.29	28
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29 TOTAL CONTRIBUTIONS (other than loans)(from Line 11(d))	118,931.50	449,051.78	29
30 TOTAL CONTRIBUTION REFUNDS (from Line 26(d))	-0-	-0-	30
31 NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29)	118,931.50	449,051.78	31
32 TOTAL OPERATING EXPENDITURES (from Line 19)	695,145.61	1,123,707.29	32
33 OFFSETS TO OPERATING EXPENDITURES (from Line 15)	134,202.92	222,984.24	33
34 NET OPERATING EXPENDITURES (subtract Line 33 from 32)	560,942.69	900,723.05	34

7204071400 83

Attachment 12

SCHEDULE A **ITEMIZED RECEIPTS**

1988 Amended 30 Day Post General

Use separate schedule(s) for each category of the Detailed Summary Page — Page 7 of 8 — Line Number(s): 11a(i)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in full): New Jersey State Democratic Committee

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A. Grant D. Abert R.R. 1 Box 134 Readstown, WI 54652	Self Employed / Investor	10/12/88	$1,000.00
Receipt For: Primary ___ ** General ___ Other (specify):	Aggregate Year-to-Date > $ 1,000.00		
B. Melvin Cohen 22 Farmington Court Chevy Chase, Maryland 20815	Retired /	10/03/88	$1,000.00
Receipt For: Primary ___ ** General ___ Other (specify):	Aggregate Year-to-Date > $ 1,000.00		
C. Edward Levy 625 Lone Pine Hill Bloomfield Hills, Michigan 48013	Edward C. Levy Co. / President	10/31/88	$1,000.00
Receipt For: Primary ___ General ___ Other (specify):	Aggregate Year-to-Date > $ 1,000.00		
D. Jeffrey M. Dreifuss 231 Lakeside Place Highland Park, Illinois	Self Employed / Broker/dealer	10/28/88	$5,000.00
Receipt For: Primary ___ ** General ___ Other (specify):	Aggregate Year-to-Date > $ 1,000.00		
E. Arlene R. Kogod 1700 Jefferson Davis Highway Arlington, Virginia 22202	Self Employed / Builder	10/26/88	$1,000.00
Receipt For: Primary ___ * General ___ Other (specify):	Aggregate Year-to-Date > $ 1,000.00		
F. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary ___ General ___ Other (specify):	Aggregate Year-to-Date > $		
G. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary ___ General ___ Other (specify):	Aggregate Year-to-Date > $		

SUBTOTAL of Receipts This Page (optional) >

TOTAL This Period (last page this line number only) >

2 0 4 0 9 1 4 0 8 4

Attachment 13

SCHEDULE A **ITEMIZED RECEIPTS**

1988 Amended 30 Day Post General

The aggregate amount for each category of the Detailed Summary Page — Page 5 of 6 — Line Number A 11c

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

New Jersey Democratic State Committee

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
IUE COPE, AFL-CIO 1126 16th Street, N.W. Washington, D.C. 20036 Receipt For: Primary X General; Other (specify):	Occupation Aggregate Year-to-Date > $	10/27/88	$1,000.00
Leslie Fay Company, Inc Receipt For: Primary General; Other (specify):	Incorrectly Deposited-transfer to NJDSC Operating account to be reported in subsequent report Aggregate Year-to-Date > $	10/31/88	2,000.00
C. Full Name, Mailing Address and ZIP Code Receipt For: Primary General; Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: Primary General; Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: Primary General; Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: Primary General; Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: Primary General; Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)

TOTAL This Period (last page this line number only) 62,400.00

2 0 4 0 9 1 4 0 3 5

2 0 1 3 5 1 1 1 4

SCHEDULE A — ITEMIZED RECEIPTS

Attachment 14 — 1988 Amended 30 Day Post General

For each continuation of the Itemized Summary Page — Page 4 of 12

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full): New Jersey Democratic Sate Committee

Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
A. DNC Service Corp. Project Victory 430 South Capitol Street, S.E. Washington, D.C. 20003 — Receipt For: [ ] Primary [X] General [ ] Other (specify):	Project Victory — Occupation: — Aggregate Year-to-Date > $176,885.53	11/2/88	30,000.00
B. Full Name, Mailing Address and ZIP Code — Receipt For: [ ] Primary [X] General [ ] Other (specify):	Name of Employer: — Occupation: — Aggregate Year-to-Date > $		
C. Full Name, Mailing Address and ZIP Code — Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer: — Occupation: — Aggregate Year-to-Date > $		
D. Full Name, Mailing Address and ZIP Code — Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer: — Occupation: — Aggregate Year-to-Date > $		
E. Full Name, Mailing Address and ZIP Code — [illegible] [ ] Primary [ ] General [illegible] specify):	Name of Employer: — Occupation: — Aggregate Year-to-Date > $		
[illegible] Mailing Address and ZIP Code — Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer: — Occupation: — Aggregate Year-to-Date > $		
G. Full Name, Mailing Address and ZIP Code — Receipt For: [ ] Primary [ ] General [ ] Other (specify):	Name of Employer: — Occupation: — Aggregate Year-to-Date > $		

SUBTOTAL of Receipts This Page (optional)	30,000.00
TOTAL This Period (last page this line number only)	409,594.90

1.55:1341240986

Attachment 15

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

RQ-2

MAY 2 1990

Hugh E. DeFazio Jr., Treasurer
New Jersey Democratic State Committee
48 West Lafayette Street
Trenton, NJ 08608

Identification Number: C00104471

Reference: Year End Report (7/1/89-12/31/89)

Dear Mr. DeFazio:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The totals listed on Lines 12 through 15, Column B of the Detailed Summary Page appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals.

-Your report discloses a total of $34,288 in disbursements to the New Jersey Democratic State Committee Operating Account for a deposit made in error to account (pertinent portion(s) attached). Please provide the original date of deposit, the source of the funds, and an explanation of the aforementioned transaction.

Although the Commission may take further legal steps concerning this matter, your prompt action will be taken into consideration.

-Your report discloses no payments for administrative expenses. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the amount of funds expended on federal and non-federal elections or on another reasonable basis. Administrative expenses are those day-to-day costs of operating the committee, including rent, utilities, salaries and other miscellaneous office expenses. The federal account of the committee must pay its share of such expenses. 11 CFR §§106.1(e) and 102.5(a)(1)(i)

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If your organization has incurred such administrative costs and your non-federal account has paid for all such costs, your federal account must reimburse the non-federal account for its portion of the expenses. The amount incurred by the federal account should be disclosed as a debt or obligation owed to the non-federal account on Schedule D supporting Line 10 of the Summary Page. When payments are made toward the debt, they should be reported on Schedule B supporting Line 19 of the Detailed Summary Page and the debt should be reduced by a corresponding amount. Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year.

-Schedule B of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a committee from making contributions to another political committee in excess of $5,000 per calendar year. (2 U.S.C. §441a(a)) If you have made an excessive contribution, the Commission recommends that you notify the recipient and request a refund of the amount in excess of $5,000. Please inform the Commission immediately in writing and provide a photocopy of your refund request sent to the recipient. In addition, any refund should appear on Line 16 of Schedule A of your next report.

If the contribution(s) in question was incorrectly reported and/or you have additional information, you may wish to submit documentation for the public record.

Although the Commission may take further legal steps regarding the excessive contribution(s), your prompt action in obtaining a refund of the excessive amount will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Elizabeth Jones

Elizabeth Jones
Reports Analyst
Reports Analysis Division

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9 2 0 4 0 9 1 4 0 3 8

Attachment 16

SCHEDULE B **ITEMIZED DISBURSEMENTS**

1988 Amended 30 Day Post General

Use separate schedule(s) for each category of the Detailed Summary Page

Page 1 of 1

FOR LINE NUMBER 20

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)
New Jersey Democratic State Committee

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
N.J. Dem. State Committee Operating Account 48 W. Lafayette Street Trenton, NJ 08608	Transfer deposit made in error to account	9/20/89	34,288.16
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			34,288.16

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SCHEDULE A — **ITEMIZED RECEIPTS**

1988 Amended 30 Day Post General

Attachment 17

Use separate schedule for each category of the Detailed Summary Page

PAGE 4 OF

FOR LINE NUMBER: 15

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full): New Jersey State Democratic Committee

Full Name, Mailing Address and ZIP Code	Receipt For	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A. NJSDC - Disb. '88 48 West Lafayette Street Trenton, New Jersey 08608	☐ Primary ☐ General ☐ Other (specify):	Incorrectly recorded as disbursement on preceding report Aggregate Year-to-Date > $	10/20/88	12,931.14
B. NJDSC - Decision '88 48 West Lafayette Street Trenton, New Jersey 08608	☐ Primary ☐ General ☐ Other (specify):	Name of Employer: check incorrectly deposited to this account Occupation Aggregate Year-to-Date > $	11/9/88	29,601.16
C. NYSDC 60 East 42nd Street, Suite 1801 New York, New York 10165	☐ Primary ☐ General ☐ Other (specify):	Name of Employer: check incorrectly deposited to this account Occupation Aggregate Year-to-Date > $	11/2/88	4,687.50
D. NYSDC 60 East 42nd Street, Suite 1801 New York, New York 10165	☐ Primary ☐ General ☐ Other (specify):	Name of Employer: Reimbursement for media time Occupation Aggregate Year-to-Date > $	11/2/88	4,687.50
E.	☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $		
F.	☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $		
G.	☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > $		

SUBTOTAL of Receipts This Page (optional) > 51,907.30

TOTAL This Period (last page this line number only) > 130,637.92

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2775:1341

SCHEDULE B **ITEMIZED DISBURSEMENTS**

1988 Amended 30 Day Post General

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 69

FOR LINE NUMBER 27

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

New Jersey Democratic State Committee

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Per
A. Full Name, Mailing Address and ZIP Code Hudson County Democratic Dinner Committee Jersey City, New Jersey	Contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	11/04/88	9,375.00
B. Full Name, Mailing Address and ZIP Code Committee to Re-elect John Currie 616 Ridgewood Avenue Pompton Lakes, NJ 07442	Contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	11/7/88	11,625.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per.
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per.
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per.
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per.
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Per

SUBTOTAL of Disbursements This Page (optional)	21,000.00
TOTAL This Period (last page this line number only)	21,000.00

Attachment 19

New Jersey Democratic State Committee

Lafayette Street

Trenton, New Jersey

TYPE OF REPORT

- [ ] April 15 Quarterly Report
- [ ] July 15 Quarterly Report
- [ ] October 15 Quarterly Report
- [x] January 31 Year End Report
- [ ] July 31 Mid Year Report (Non-election Year Only)
- [ ] Termination Report

Monthly Report Due On:

- [ ] February 20
- [ ] March 20
- [ ] April 20
- [ ] May 20
- [ ] June 20
- [ ] July 20
- [ ] August 20
- [ ] September 20
- [ ] October 20
- [ ] November 20
- [ ] December 20
- [ ] January 31

- [ ] Twelfth day report preceding ____________ (Type of Election) election on ____________ in the State of ____________
- [ ] Thirtieth day report following the General Election on ____________ in the State of ____________

Is this Report an Amendment? [ ] YES [ ] NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 11/29/88 through 12/31/88		
6. (a) Cash on Hand January 1, 1988		$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 48,485.91	
(c) Total Receipts (from Line 18)	$ 2,646.09	$ 1,215,195.49
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 51,132.00	$ 1,220,241.46
7. Total Disbursements (from Line 28)	$ 43,018.18	$ 1,212,127.64
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 8,113.82	$ 8,113.82
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,835.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer: Hugh DeFazio

Signature of Treasurer: [signature]

Date: 1-31-89

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X

[redacted]

[redacted]	[redacted]	[redacted]	
[redacted]	From: [redacted]	To: 12/31/98	
	[redacted]	[redacted]	
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:	[redacted]	[redacted]	
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (use Schedule A)	-0-	[redacted]	[redacted]
(ii) Unitemized	-0-	[redacted]	[redacted]
(iii) Total of contributions from individuals	-0-	[redacted]	[redacted]
(b) Political Party Committees	-0-	[redacted]	[redacted]
(c) Other Political Committees (such as PACs)	-0-	[redacted]	[redacted]
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))	-0-	[redacted]	[redacted]
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES	-0-	-0-	12
13. ALL LOANS RECEIVED	-0-	-0-	13
14. LOAN REPAYMENTS RECEIVED	-0-	-0-	14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	[redacted]	[redacted]	15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	-0-	16
17. OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	17
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	[redacted]	[redacted]	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	43,018.18	1,159,202.64	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES	-0-	16,500.00	20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	7,500.00	21
22. INDEPENDENT EXPENDITURES (use Schedule E)	-0-	-0-	22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)	-0-	-0-	23
24. LOAN REPAYMENTS MADE	-0-	-0-	24
25. LOANS MADE	-0-	-0-	25
26. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	[redacted]
(b) Political Party Committees	-0-	-0-	[redacted]
(c) Other Political Committees (such as PACs)	-0-	-0-	[redacted]
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))	-0-	-0-	[redacted]
27. OTHER DISBURSEMENTS	-0-	28,925.00	27
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	43,018.18	1,212,127.64	28
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) (from Line 11(d))	-0-	974,459.71	29
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))	-0-	-0-	30
31. NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29)	-0-	974,459.71	31
32. TOTAL OPERATING EX[redacted] (from Line 19)	[redacted]	1,159,202.64	32
33. [redacted]	[redacted]	[redacted]	33
34. NET OPERATING EXPENDITURES (subtract Line 33 from 32)	40,372.09	918,666.86	34

8 9 0 3 5 8 0 3 0 1 8 0 4 9 7 3

Attachment 20

(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)

New Jersey Democratic State Committee

ADDRESS (number and street) [X] Check if different than previously reported

150 West State Street

CITY, STATE and ZIP CODE

Trenton, New Jersey 08608

2. FEC IDENTIFICATION NUMBER

C 00104471

3. [ ] This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date)

4. TYPE OF REPORT

(a) [ ] April 15 Quarterly Report

[ ] July 15 Quarterly Report

[ ] October 15 Quarterly Report

[X] January 31 Year End Report

[ ] July 31 Mid Year Report (Non-election Year Only)

[ ] Termination Report

Monthly Report Due On:

[ ] February 20 [ ] June 20 [ ] October 20
[ ] March 20 [ ] July 20 [ ] November 20
[ ] April 20 [ ] August 20 [ ] December 20
[ ] May 20 [ ] September 20 [ ] January 31

[ ] Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

[ ] Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? [X] YES [ ] NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5 Covering Period 11-29-88 through 12-31-88		
6 (a) Cash on Hand January 1, 19 88		$ 5,045.97
(b) Cash on Hand at Beginning of Reporting Period	$ 129,391.38	
(c) Total Receipts (from Line 18)	$ 2,646.09	$ 1,315,248.79
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 132,037.47	$ 1,320,294.76
7 Total Disbursements (from Line 28)	$ 43,018.18	$ 1,231,275.47
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 89,019.29	$ 89,019.29
9 Total Obligations Owed TO the Committee (total all on Schedule C and/or Schedule D)	$ 500.00	
10 Total and Obligations Owed BY the Committee (total all on Schedule C and/or Schedule D)	$ 6,845.26	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202 376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete

Type or Print Name of Treasurer (assistant)

Peter D. Nichols

Signature of Treasurer

Date 7-25-90

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X (revised 4/87)

[illegible]	[illegible]	[illegible]	
[illegible]			
[illegible]			
[illegible]	-0-	[illegible]	[illegible]
[illegible]	-0-	[illegible]	[illegible]
[illegible]	-0-	[illegible]	[illegible]
[illegible]	-0-	[illegible]	[illegible]
[illegible]	-0-	[illegible]	[illegible]
[illegible]	-0-	[illegible]	[illegible]
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES	-0-	[illegible]	12
13. ALL LOANS RECEIVED	-0-	[illegible]	13
14. LOAN REPAYMENTS RECEIVED	-0-	[illegible]	14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	2,646.09	[illegible]	15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	-0-	16
17. OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	17
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)	2,646.09	[illegible]	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	[illegible]	1,166,725.47	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES	-0-	[illegible]	20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	-0-	5,500.00	21
22. INDEPENDENT EXPENDITURES (use Schedule E)	-0-	-0-	22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)	-0-	-0-	23
24. LOAN REPAYMENTS MADE	-0-	-0-	24
25. LOANS MADE	-0-	-0-	25
26. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	[illegible]
(b) Political Party Committees	-0-	-0-	[illegible]
(c) Other Political Committees (such as PACs)	-0-	-0-	[illegible]
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))	-0-	-0-	[illegible]
27. OTHER DISBURSEMENTS	-0-	42,350.00	[illegible]
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	[illegible]	1,231,575.47	[illegible]
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans)(from Line 11(d))	-0-	449,051.78	[illegible]
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))	-0-	-0-	[illegible]
31. NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29)	-0-	449,051.78	
32. TOTAL OPERATING EXPENDITURES (from Line 19)	[illegible]	1,166,725.47	
33. OFFSETS TO OPERATING EXPENDITURES (from Line 15)	2,646.09	305,530.33	
34. NET OPERATING EXPENDITURES (subtract Line 33 from 32)	[illegible]	861,195.14	

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FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

RAD Referral: 90L-34
Staff Member: Debby Curry

SOURCE: INTERNALLY GENERATED

RESPONDENTS: New Jersey Democratic State Committee and Robert Menedez, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 441a(f)
2 U.S.C. § 441b(a)
2 U.S.C. § 434(b)
11 C.F.R. § 104.3(a)(1)
11 C.F.R. § 102.5(a) & (b)

INTERNAL AGENCIES CHECKED: Disclosure Reports of New Jersey Democratic State Committee

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by the Reports Analysis Division ("RAD") after a review of the disclosure reports of New Jersey Democratic State Committee (hereinafter "New Jersey Committee"). (Attachment 1). The RAD review revealed a cash discrepancy of $80,905.47 between the Committee's 1988 Year End Report and its 1989 Mid-Year Report. Additionally, the Committee's 1989 Year-End Report disclosed a $34,288.16 transfer out to its non-federal account. According to the RAD referral, the Committee had failed to provide details regarding this transaction.

A subsequent RAD update, provided additional information concerning the issues raised in the initial RAD referral. The RAD update disclosed the subsequent amendment of several reports. First, the amendments corrected the $80,905.47 math discrepancy.

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Second, the amendments provided details on the $34,288.16 transfer out to other non-federal accounts. Third, the amendments revealed additional financial activity that was not previously disclosed in the reports of the New Jersey Committee. Finally, this disclosure of previously undisclosed activity may raise issues of additional violations of the Act by the New Jersey Committee.

II. FACTUAL AND LEGAL ANALYSIS

A. Reporting Violations

1. Cash Discrepancy Between 1988 Year End and 1989 Mid-Year Reports

Initial RAD Referral

According to the initial RAD Referral, the 1988 Year End Report filed by the New Jersey Committee disclosed a cash-on-hand ending balance of $8,113.82. (Attachment 1, pages 2 and 7). The 1989 Mid-Year Report, the next report filed by the New Jersey Committee, disclosed a cash-on-hand beginning balance of $89,019.29. (Attachment 1, pages 2 and 8). Thus, the total cash discrepancy between the two reports amounted to $80,905.47. The memorandum attached to the New Jersey Committee's 1989 Mid-Year report explained that the discrepancy was due to a number of accounting errors in previous reporting periods and that amended reports would be forthcoming.

On May 2, 1990, a Request for Additional Information ("RFAI") was sent to the New Jersey Committee addressing the issue of the cash discrepancy. (Attachment 1, page 10). A Second Notice was sent on May 24, 1990, for failure to respond to the RFAI. (Attachment 1, page 11).

On June 29, 1990, the New Jersey Committee submitted a

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response which indicated that the beginning cash balance as reported on the 1989 Mid-Year Report was "substantially correct." The response further stated that amendments to the 1988 reports were almost complete and that the delay in filing the amendments stemmed from significant staff changes and difficulty in obtaining necessary information. (Attachment 1, pages 12-13).

On July 10, 1990, the RAD analyst telephoned the Committee and spoke to the executive director. (Attachment 1, page 14). The executive director informed the RAD analyst that the $80,905.47 cash discrepancy was related to a $34,288 deposit made in error during October 1988 and would be corrected with a forthcoming amendment.

RAD Update

As noted, the RAD Update provided additional information concerning the transaction at issue. (Attachment 2, pages 22-66). According to the RAD Update, on July 26, 1990, the New Jersey Committee submitted amendments to the following reports for 1988: the 1988 October Quarterly, 12 Day Pre-General, 30 Day Post-General and Year-End Reports. Together, these amendments to the New Jersey Committee's reports corrected the $80,905.47 mathematical discrepancy by revealing additional financial activity of $100,053.30 in previously undisclosed receipts and $19,147.83 in previously undisclosed disbursements. Moreover, the amendments, while adding a substantial amount of financial activity, recategorized many of the types of receipts and disbursements in a manner different from the New Jersey Committee's original reporting of this financial information. (Attachment 2, page 22). The RAD Update includes a chart

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analyzing each amended report by line item and specifies additional financial activity or modifications to the original report. (Attachment 2, pages 22-26).

2. Reporting of Coordinated Party Expenditures

Additionally, in a response to a RFAI sent on December 28, 1988, the New Jersey Committee explained the removal of $49,932.45 in coordinated expenditures from line 23 of the 1988 October Quarterly report.[1/] (Attachment 2, pages 23, 37-38, 41-42 and p. 45). First, the response of the New Jersey Committee states that the amounts reported as coordinated expenditures on behalf of Frank Pallone on Schedule F were incorrectly designated as coordinated expenditures. Rather, the New Jersey Committee states, Pallone for Congress paid the New Jersey Committee for services rendered. Consequently, the New Jersey Committee amended its report to show $31,692.45 in itemized services on behalf of Frank Pallone on line 19 as operating expenditures.[2/] Second, in addressing the coordinated expenditures on behalf of Frank Pallone, the New Jersey Committee also moved $18,240 in previously disclosed coordinated expenditures on behalf of another candidate, former Rep. Jim Florio, to line 19 as well.

It does appear from the reports on file at the Commission that the New Jersey Committee received from the Pallone campaign a substantial amount of payments above and beyond $31,692.45 for services rendered to Pallone. What is less clear is whether the

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1/ Line number 23 corresponds to line number 25 ("coordinated expenditures made by party committees") on the current Form 3X, as revised 1/1/91.

2/ Line number 19 corresponds to line number 21 ("operating expenditures") on the current Form 3X, as revised 1/1/91.

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recharacterization as operating expenditures of $18,240 in previously disclosed coordinated expenditures on behalf of Jim Florio should also occur. Reports on file at the Commission do not show at least $18,240 in payments from Jim Florio to the New Jersey Committee for services rendered. Thus, the New Jersey's committee's rationale for moving the $18,240 in coordinated expenditures from line 23 to line 19 does not appear to be supported by the record.

3. **Analysis**

Under 2 U.S.C. § 434(b), political committees are required to report all receipts and disbursements during the reporting period and to disclose the cash on hand balance at the beginning of each reporting period. 11 C.F.R. § 104.3(a)(1).

The initial RAD review disclosed a cash discrepancy of $80,905.47 between the ending cash-on-hand balance of the 1988 Year End Report and the beginning cash-on-hand balance of the 1989 Mid-Year Report of the New Jersey Committee. Initially, the New Jersey Committee indicated a relationship between the cash discrepancy and the transfer-out of the deposit made in error. The cash discrepancy also raised the issue of whether the New Jersey Committee accurately reported all financial transactions. This discrepancy has been corrected by the New Jersey Committee's amendments to the 1988 October Quarterly, 12 Day Pre-General, 30 Day Post-General and Year End Reports. These amendments

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disclosed a substantial amount of previously undisclosed activity ($100,053.30 in disbursements and $19,147.83 in disbursements) and also recategorized or modified the previously filed reports of the Committee. Thus, there was no connection between the cash discrepancy and the New Jersey Committee's transfer-out, as the Committee had originally posited. Instead, the record clearly shows that the New Jersey Committee failed to disclose a substantial amount of receipts and disbursements until approximately 2 years after the 1988 election. Furthermore, it is not clear whether the New Jersey Committee has accurately reflected the change from coordinated expenditures made on behalf of Jim Florio to operating expenditures made by the New Jersey Committee.[4/] Accordingly, the Office of the General Counsel recommends that the Commission find reason to believe that the New Jersey Committee and Robert Menedez, as treasurer, violated 2 U.S.C. § 434(b).

B. Receipt of Apparent Impermissible Funds

1. Deposits Made in Error

Initial RAD Referral

On the 1989 Year End Report, the New Jersey Committee disclosed a $34,288.16 disbursement made on September 20, 1989, to the New Jersey Democratic State Committee Operating Account. (Attachment 1, page 15). The purpose of the disbursement was

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4/ It is possible that the coordinated expenditures on behalf of Frank Pallone and Jim Florio were exempt activity reportable as operating expenditures under the Act. The New Jersey Committee, however, has never argued that the expenditures in question constitute exempt activity under the Act. In any case, there does not appear to be a 2 U.S.C. § 441a(d) issue with respect to the Florio expenditures because these expenditures were within the spending limits ($23,050) for the state party in 1988.

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listed as "transfer deposit made in error to account." An RFAI was sent to the Committee on May 2, 1990, requesting "the original date of deposit, the source of the funds, and an explanation of the aforementioned transaction". (Attachment 1, page 16). On May 24, 1990, a Second Notice was sent to the Committee for failing to respond to the RFAI. (Attachment 1, page 11).

The RAD analyst telephoned the Committee on June 25, 1990, to discuss the issues raised in the original RFAI. (Attachment 1, page 10). The executive director of the New Jersey Committee stated that the $34,288.16 transfer to the New Jersey Democratic State Committee Operating Account was for an original deposit made in error to the Committee's federal account. He further stated that the deposit made in error occurred in October of 1988 and that his attorneys were in the process of determining the source of the funds.

On June 29, 1990, the New Jersey Committee submitted a response to RAD describing the transfer-out "as a result of an internal review of the DSC's records" and indicating that the New Jersey Committee was "currently in the process of obtaining the detailed information concerning the transfer and will [would] supply [such information] as soon as it [was] available." (Attachment 1, page 19-20).

On July 9, 1990, the RAD analyst telephoned the Committee to determine the status of the New Jersey Committee's response. (Attachment 1, page 21). The executive director informed the RAD analyst that a response would be ready for submission by July 13, 1990. As noted, supra, the executive director indicated that the $34,288.16 deposit made in error during October of 1988 and the

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$80,905.47 cash discrepancy were related to each other. (Attachment 1, page 14).

RAD Update

With respect to the transfer out of $34,288.16 for a deposit made in error, subsequent amendments to the New Jersey Committee's reports provided further information on this issue. (Attachment 2, page 1). The New Jersey Committee's Amended 30 Day Post-General Election Report disclosed that the $34,288.16 transfer out was predicated on two transactions that constituted misdeposits to the New Jersey Committee's account. (Attachment 2, page 61). The first receipt was a check from "NYSDC" on November 2, 1988 in the amount of $4,687.50 and is listed as a "check incorrectly deposited to this account."[5/] (Attachment 2, pages 25 and 61). The second receipt was a check from NJDSC - Decision '88 on November 9, 1988 in the amount of $29,601.16 and is listed as a "check incorrectly deposited to this account." Both of these transactions involve receipts from non-federal accounts and both receipts were previously undisclosed by the New Jersey Committee.

2. Corporate Contribution

According to the RAD Update, the Amended 1988 30 Day

5/ In the amendment to the Committee's 1988 30 Day Post-General Election Report, the New Jersey Committee also reported a previously undisclosed $4,687.50 receipt dated November 2, 1988 from "NYSDC" (a non-federal account) and listed the receipt as a "reimbursement for media time" (Attachment 2, page 61). This receipt was received on the same day, is in the same amount, and is disclosed on the same report page as the check from "NYSDC" that is claimed to have been incorrectly deposited to the Committee's account (Attachment 2, page 61). It is unclear as to whether this entry is connected to this previously discussed deposit made in error to the New Jersey Committee's Account.

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Post-General Report showed a previously undisclosed receipt from Leslie Fay Company, Inc. of $2,000 on October 31, 1988. (Attachment 2, pages 25 and 56). The receipt from Leslie Fay Company is listed on the New Jersey Committee's report as "'incorrectly deposited' - transfer to NJDSC Operating account to be reported in subsequent report". The transfer out, however, does not appear in any subsequent reports filed by the New Jersey Committee.

3. Analysis

11 C.F.R. § 102.5 prescribes certain requirements for organizations that intend to finance both federal and non-federal activity. Pursuant to 11 C.F.R. § 102.5(a)(1)(i), when an organization elects to establish a separate federal account that is treated as a separate federal political committee, only funds subject to the prohibitions and limitations of the Act may be deposited into the federal account and all disbursements, contributions, expenditures and transfers by such committee in connection with federal elections must be made by the Federal Account.

On the other hand, organizations which are not political committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate though a reasonable method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. 11 C.F.R. § 102.5(b).

Pursuant to 2 U.S.C. § 441b, contributions or expenditures by national banks, corporations and labor unions in connection with

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federal elections are prohibited.

As noted, the New Jersey Committee had disclosed a $34,288.16 disbursement on September 20, 1989, to the New Jersey Democratic State Operating Account for a "transfer deposit made in error to the account," and due to the New Jersey Committee's failure to itemize the initial receipt of such deposit, the source of funds and actual deposit date were unknown. The amendments to the New Jersey Committee reports have revealed the source and date of the $34,288.16 in misdeposits disclosed on the 1989 Year End Reports (one from NJDSC Decision '88 in the amount of $29,602.16 on 11/19/88 and the other from NYSDC in the amount of $4,687.50 on 11/2/88) and it took approximately ten months for the New Jersey Committee to transfer out these purportedly misdeposited funds.

The committees in question are non-federal committees and are not subject to the prohibitions and limitations of the Act. Furthermore, under New York and New Jersey law, political committees may receive contributions from banks, corporations and labor unions. Therefore, the above mentioned deposits or misdeposits to the federal account may have been made with funds that contain contributions prohibited by 2 U.S.C. § 441b.

It also appears that the New Jersey Committee also received an incorrectly deposited corporate contribution ($2,000) from Leslie Fay Company, Inc. Moreover, while the receipt indicates that the transaction would be corrected by a transfer out of the same amount in a subsequent report, this transfer out has not occurred on any of the reports subsequently filed by the New Jersey Committee. Furthermore, it also appears that the New Jersey Committee may have received an additional incorrectly

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deposited check from "NYSDC" of $4,687.50 for reimbursement of media expenses.

Based on the foregoing, it appears that these transactions may constitute violations of 11 C.F.R. §§ 102.5(a) and 441b. Accordingly, the Office of General Counsel recommends that the Commission find reason to believe the New Jersey Committee and Robert Menedez, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(a).

III. RECOMMENDATIONS

1. Open a MUR.

2. Find reason to believe the New Jersey Democratic State Committee and Robert Menedez, as treasurer, violated 2 U.S.C. §§ 434(b) and 441b and 11 C.F.R. § 102.5(a).

3. Approve the appropriate letter and the attached Factual and Legal Analysis.

Lawrence M. Noble
General Counsel

10/7/91
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
1. Referral
2. Update
3. Factual and Legal Analysis

Staff Person: Deborah Curry

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ DONNA ROACH DR
COMMISSION SECRETARY

DATE: OCTOBER 10, 1991

SUBJECT: RAD REFERRAL 90L-34: FIRST GENERAL COUNSEL'S REPORT DATED OCTOBER 7, 1991

The above-captioned document was circulated to the Commission on TUESDAY, OCTOBER 8, 1991 at 4:00 P.M.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	XXX
Commissioner Elliott	
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	

This matter will be placed on the meeting agenda for TUESDAY, OCTOBER 22, 1991.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

(MUR 3441)

In the Matter of	)	
	)	RAD Referral
New Jersey Democratic State	)	#90L-34
Committee and Robert Menedez,	)	
as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 22, 1991, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions with respect to RAD Referral #90L-34:

1. Open a MUR.

2. Find reason to believe the New Jersey Democratic State Committee and Robert Menedez, as treasurer, violated 2 U.S.C. §§ 434(b) and 441b and 11 C.F.R. § 102.5(a).

3. Approve the appropriate letter and Factual and Legal Analysis as recommended in the General Counsel's report dated October 7, 1991.

Commissioners Aikens, Elliott, Josefiak, McDonald, and Thomas voted affirmatively for the decision; Commissioner McGarry was not present.

Attest:

10-23-91
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 8, 1991

Robert Menedez, Treasurer
New Jersey Democratic State Committee
48 West Lafayette Street
Trenton, NJ 08608

RE: MUR 3441
New Jersey Democratic State Committee and
Robert Menedez, as treasurer

Dear Mr. Menedez:

On October 22, 1991, the Federal Election Commission found that there is reason to believe New Jersey Democratic State Committee ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 434(b) and 441b, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and 11 C.F.R. § 102.5(a) of Commission regulations. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be

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pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: New Jersey Democratic State Committee and Robert Menedez, as treasurer

MUR: 3441

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437(a)(2).

A. Reporting Violations

1. Cash Discrepancy Between 1988 Year End and 1989 Mid-Year Reports

The 1988 Year End Report filed by the New Jersey Committee disclosed a cash-on-hand ending balance of $8,113.82. The 1989 Mid-Year Report, the next report filed by the New Jersey Committee, disclosed a cash-on-hand beginning balance of $89,019.29. Thus, the total cash discrepancy between the two reports amounted to $80,905.47. The memorandum attached to the New Jersey Committee's 1989 Mid-Year report explained that the discrepancy was due to a number of accounting errors in previous reporting periods and that amended reports would be forthcoming.

On May 2, 1990, a Request for Additional Information ("RFAI") was sent to the New Jersey Committee addressing the issue of the cash discrepancy. A Second Notice was sent on May 24, 1990, for failure to respond to the RFAI.

On June 29, 1990, the New Jersey Committee submitted a response which indicated that the beginning cash balance as

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reported on the 1989 Mid-Year Report was "substantially correct." The response further stated that amendments to the 1988 reports were almost complete and that the delay in filing the amendments stemmed from significant staff changes and difficulty in obtaining necessary information.

On July 10, 1990, the RAD analyst telephoned the Committee and spoke to the executive director. The executive director informed the RAD analyst that the $80,905.47 cash discrepancy was related to a $34,288 deposit made in error during October 1988 and would be corrected with a forthcoming amendment. On July 26, 1990, the New Jersey Committee submitted amendments to the following reports for 1988: the 1988 October Quarterly, 12 Day Pre-General, 30 Day Post-General and Year-End Reports. Together, these amendments to the New Jersey Committee's reports corrected the $80,905.47 mathematical discrepancy by revealing additional financial activity of $100,053.30 in previously undisclosed receipts and $19,147.83 in previously undisclosed disbursements. Moreover, the amendments, while adding a substantial amount of financial activity, recategorized many of the types of receipts and disbursements in a manner different from the New Jersey Committee's original reporting of this financial information.

2. Reporting of Coordinated Party Expenditures

Additionally, in a response to a RFAI sent on December 28, 1988, the New Jersey Committee explained the removal of $49,932.45 in coordinated expenditures from line 23 of the 1988 October

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Quarterly report.[1] First, the response of the New Jersey Committee states that the amounts reported as coordinated expenditures on behalf of Frank Pallone on Schedule F were incorrectly designated as coordinated expenditures. Rather, the New Jersey Committee states, Pallone for Congress paid the New Jersey Committee for services rendered. Consequently, the New Jersey Committee amended its report to show $31,692.45 in itemized services on behalf of Frank Pallone on line 19 as operating expenditures.[2] Second, in addressing the coordinated expenditures on behalf of Frank Pallone, the New Jersey Committee also moved $18,240 in previously disclosed coordinated expenditures on behalf of another candidate, former Rep. Jim Florio, to line 19 as well.

It does appear from the reports on file at the Commission that the New Jersey Committee received from the Pallone campaign a substantial amount of payments above and beyond $31,692.45 for services rendered to Pallone. What is less clear is whether the recharacterization as operating expenditures of $18,240 in previously disclosed coordinated expenditures on behalf of Jim Florio should also occur. Reports on file at the Commission do not show at least $18,240 in payments from Jim Florio to the New Jersey Committee for services rendered. Thus, the New Jersey's committee's rationale for moving the $18,240 in coordinated expenditures from line 23 to line 19 does not appear

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1. Line number 23 corresponds to line number 25 ("coordinated expenditures made by party committees") on the current Form 3X, as revised 1/1/91.

2. Line number 19 corresponds to line number 21 ("operating expenditures") on the current Form 3X, as revised 1/1/91.

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to be supported by the record.

3. Analysis

Under 2 U.S.C. § 434(b), political committees are required to report all receipts and disbursements during the reporting period and to disclose the cash on hand balance at the beginning of each reporting period. 11 C.F.R. § 104.3(a)(1).

Review of the New Jersey Committee's reports disclosed a cash discrepancy of $80,905.47 between the ending cash-on-hand balance of the 1988 Year End Report and the beginning cash-on-hand balance of the 1989 Mid-Year Report of the New Jersey Committee. Initially, the New Jersey Committee indicated a relationship between the cash discrepancy and the transfer-out of the deposit made in error. The cash discrepancy also raised the issue of whether the New Jersey Committee accurately reported all financial transactions. This discrepancy has been corrected by the New Jersey Committee's amendments to the 1988 October Quarterly, 12 Day Pre-General, 30 Day Post-General and Year End Reports. These amendments disclosed a substantial amount of previously undisclosed activity ($100,053.30 in receipts and $19,147.83 in disbursements) and also recategorized or modified the previously filed reports of the Committee. Thus, there was no connection between the cash discrepancy and the New Jersey Committee's transfer-out, as the Committee had originally posited. Instead, the record clearly shows that the New Jersey Committee failed to disclose a substantial amount of receipts and disbursements until approximately 2 years after the 1988 election. Furthermore, it is not clear whether the New Jersey Committee has accurately

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reflected the change from coordinated expenditures made on behalf of Jim Florio to operating expenditures made by the New Jersey Committee. Accordingly, there is reason to believe that the New Jersey Committee and Robert Menedez, as treasurer, violated 2 U.S.C. § 434(b).

B. Receipt of Apparent Impermissible Funds

1. Deposits Made in Error

On the 1989 Year End Report, the New Jersey Committee disclosed a $34,288.16 disbursement made on September 20, 1989, to the New Jersey Democratic State Committee Operating Account. The purpose of the disbursement was listed as "transfer deposit made in error to account." An RFAI was sent to the Committee on May 2, 1990, requesting "the original date of deposit, the source of the funds, and an explanation of the aforementioned transaction". On May 24, 1990, a Second Notice was sent to the Committee for failing to respond to the RFAI.

The RAD analyst telephoned the Committee on June 25, 1990, to discuss the issues raised in the original RFAI. The executive director of the New Jersey Committee stated that the $34,288.16 transfer to the New Jersey Democratic State Committee Operating Account was for an original deposit made in error to the Committee's federal account. He further stated that the deposit made in error occurred in October of 1988 and that his attorneys were in the process of determining the source of the funds.

On June 29, 1990, the New Jersey Committee submitted a response to RAD describing the transfer-out "as a result of an internal review of the DSC's records" and indicating that the New

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Jersey Committee was "currently in the process of obtaining the detailed information concerning the transfer and will [would] supply [such information] as soon as it [was] available." On July 9, 1990, the RAD analyst telephoned the Committee to determine the status of the New Jersey Committee's response. The executive director informed the RAD analyst that a response would be ready for submission by July 13, 1990. As noted, supra, the executive director indicated that the $34,288.16 deposit made in error during October of 1988 and the $80,905.47 cash discrepancy were related to each other.

With respect to the transfer out of $34,288.16 for a deposit made in error, subsequent amendments to the New Jersey Committee's reports provided further information on this issue. The New Jersey Committee's Amended 30 Day Post-General Election Report disclosed that the $34,288.16 transfer out was predicated on two transactions that constituted misdeposits to the New Jersey Committee's account. The first receipt was a check from "NYSDC" on November 2, 1988 in the amount of $4,687.50 and is listed as a "check incorrectly deposited to this account".[3] The second receipt was a check from NJDSC - Decision '88 on November 9, 1988 in the amount of $29,601.16 and is listed as a "check incorrectly

3. In the amendment to the Committee's 1988 30 Day Post-General Election Report, the New Jersey Committee also reported a previously undisclosed $4,687.50 receipt dated November 2, 1988 from "NYSDC" (a non-federal account) and listed the receipt as a "reimbursement for media time." This receipt was received on the same day and is in the same amount as the check from "NYSDC" that is claimed to have been incorrectly deposited to the Committee's account. It is unclear as to whether this entry is connected to this previously discussed deposit made in error to the New Jersey Committee's Account.

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deposited to this account". Both of these transactions involve receipts from non-federal accounts and both receipts were previously undisclosed by the New Jersey Committee.

2. Corporate Contribution

The Amended 1988 30 Day Post-General Report also showed a previously undisclosed receipt from Leslie Fay Company, Inc. of $2,000 on October 31, 1988. The receipt from Leslie Fay Company is listed on the New Jersey Committee's report as "'incorrectly deposited' - transfer to NJDSC Operating account to be reported in subsequent report". The transfer out, however, does not appear in any subsequent reports filed by the New Jersey Committee.

3. Analysis

11 C.F.R. § 102.5 prescribes certain requirements for organizations that intend to finance both federal and non-federal activity. Pursuant to 11 C.F.R. § 102.5(a)(1)(i), when an organization elects to establish a separate federal account that is treated as a separate federal political committee, only funds subject to the prohibitions and limitations of the Act may be deposited into the federal account and all disbursements, contributions, expenditures and transfers by such committee in connection with federal elections must be made by the Federal Account.

On the other hand, organizations which are not political committee must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate though a reasonable method that the organization has received sufficient funds subject to the limitations and

7 2 0 4 0 9 1 4 1 1 7

prohibitions in order to make the contribution. 11 C.F.R. § 102.5(b).

Pursuant to 2 U.S.C. § 441b, contributions or expenditures by national banks, corporations and labor unions in connection with federal elections are prohibited.

As noted, the New Jersey Committee had disclosed a $34,288.16 disbursement on September 20, 1989, to the New Jersey Democratic State Operating Account for a "transfer deposit made in error to the account," and due to the Jersey Committee's failure to itemize the receipt, the source of funds and actual deposit date was unknown. The amendments to the New Jersey Committee reports have revealed the source and date of the $34,288.16 in misdeposits disclosed on the 1989 Year End Reports (one from NJDSC Decision '88 in the amount of $29,602.16 on 11/19/88 and the other from NYSDC in the amount of $4,687.50 on 11/2/88) and it took approximately ten months for the New Jersey Committee to transfer out these purportedly misdeposited funds.

The committees in question are non-federal committees and are not subject to the prohibitions and limitations of the Act. Furthermore, under New York and New Jersey law, political committees may receive contributions from banks, corporations and labor unions. Therefore, the above mentioned deposits or misdeposits to the federal account may have been made with funds that contain contributions prohibited by 2 U.S.C. § 441b.

It also appears that the New Jersey Committee also received an incorrectly deposited corporate contribution ($2,000) from Leslie Fay Company, Inc. Moreover, while the receipt indicates

7 2 0 4 0 9 1 4 1 1 3

that the transaction would be corrected by a transfer out of the same amount in a subsequent report, this transfer out has not occurred on any of the reports subsequently filed by the New Jersey Committee. Furthermore, it also appears that the New Jersey Committee may have received an additional incorrectly deposited check from "NYSDC" of $4,687.50 for reimbursement of media expenses.

Based on the foregoing, it appears that these transactions may constitute violations of 11 C.F.R. §§ 102.5(a) and 441b. Accordingly, there is reason to believe the New Jersey Committee and Robert Menedez, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(a).

7 2 0 4 0 7 1 4 1 1 7

OOC 3532

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

888 SIXTEENTH STREET, N.W.

WASHINGTON, D.C. 20006-4103

202-296-8600

TELECOPIER
202-296-8781

TELEX
279546

150 NORTH MICHIGAN AVENUE
CHICAGO, ILLINOIS 60601-7567
312-558-1000

529 FIFTH AVENUE
NEW YORK, NEW YORK 10017-4608
212-949-7075

580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08875-6739
201-563-2700

DAVID M. IFSHIN

November 26, 1991

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 NOV 26 PM 3:24

Ms. Deborah Curry, Esq.
Federal Election Commission
999 E Street NW
Washington, DC 20463

Dear Ms. Curry:

We represent the New Jersey Democratic State Committee ("NJDC") in MUR 3441. Enclosed please find the signed designation of counsel form as well as letters from Ms. Jacquelyn Johnson and Ms. Deborah Lux attesting that NJDC received notification of the MUR on November 18, 1991.

As I discussed with Mr. Bernstein on Friday, November 22nd and with you earlier today, we have several other matters pending before the Commission that require our immediate attention. Because of the complexity of MUR 3441 and these other commitments we request an extension of 30 days to respond to this matter. During this period we will attempt to determine whether to request pre-probable cause conciliation.

Your consideration is greatly appreciated.

Sincerely,

David M. Ifshin

92040714120

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3441

NAME OF COUNSEL: David M. Ifshin & Philip S. Friedman

ADDRESS: 888 16th Street, NW
Washington, DC 20006-4103

TELEPHONE: 202-296-8600

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

November 25, 1991
Date

Signature

RESPONDENT'S NAME: Steve DeMicco

ADDRESS: 150 West State Street
Trenton, New Jersey 08608

HOME PHONE:

BUSINESS PHONE: 609 - 392 - 3367

92040914121

150 WEST
STATE STREET

TRENTON,
NEW JERSEY
08608

TEL: (609)392-3367
FAX: (609)396-4778

Philip M. Keegan
State Chairman

Geraldine N. Moon
State Vice Chair

Robert Menendez
Treasurer

Edward B. Pulver
Secretary

Steve DeMicco
Executive Director

Lewis Katz
Finance Chairman

Karen J. Kessler
Finance Advisor

Angelo J. Genova
General Counsel

Stephen J. Edelstein
Special Counsel

Thomas M. McCormack
Corporate Counsel

THE NEW JERSEY DEMOCRATIC STATE COMMITTEE

November 21, 1991

Angelo Genova
Genova, Burns and Schott
354 Eisenhower Parkway
Livingston, New Jersey 07039

Dear Mr. Genova,

Re: Federal Election Comm. letter dated 11/8/91
Menendez, Treasurer

This letter is to confirm that I (Jacquelyn Johnson) received the above mentioned letter from Deborah Lux on Monday, November 18. 1991. I immediately sent you a copy via Federal Express on November 18, 1991. The package was received by your office on November 19, 1991 at 9:54 am.

Sincerely,

Jacquelyn Johnson

Jacquelyn Johnson
Controller

150 WEST
STATE STREET

TRENTON,
NEW JERSEY
08608

TEL: (609)392-3367
FAX: (609)396-4778

Philip M. Keegan
State Chairman

Geraldine N. Moon
State Vice Chair

Robert Menendez
Treasurer

Edward B. Pulver
Secretary

Steve DeMicco
Executive Director

Lewis Katz
Finance Chairman

Karen J. Kessler
Finance Advisor

Angelo J. Genova
General Counsel

Stephen J. Edelstein
Special Counsel

Thomas M. McCormack
Corporate Counsel

THE NEW JERSEY DEMOCRATIC STATE COMMITTEE

November 21, 1991

Genova, Burns and Schott
354 Eisenhower Parkway
Livingston, New Jersey 07039
Attn: Angelo Genova

Dear Mr. Genova

Re: Letter dated 11/8/91 from the Federal Election Commission to R. Menendez, Treasurer

I received the above mentioned letter on Monday, November 18, 1991. I then turned the letter over to Jacquelyn Johnson, our controller, for further disposition.

I distinctly recall receiving the letter on 11/18/91 because I was delayed coming to ~~wrk~~ work that day due to the fact that my car was broken into in New York City that morning. The letter was on my desk when I came into work later that day.

Sincerely,

Deborah Lux

Deborah Lux
Special Assistant to the Chairman

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 5, 1991

David M. Ifshin, Esquire
Ross & Hardies
888 Sixteenth Street, N.W.
Washington, D.C. 20006-4103

RE: MUR 3441
New Jersey Democratic
State Committee and
Robert Menendez, as treasurer

Dear Mr. Ifshin:

This is in response to your letter dated November 26, 1991, which we received on November 26, 1991, requesting an extension of 30 days to respond to the Commission's reason to believe findings in this matter. According to your letter and the letters submitted as attachments, the Commission's notification was not received by your clients until November 18, 1991. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on January 2, 1992.

Per your conversation with the staff member assigned to this matter, please note that we will not recommend that the Commission enter into conciliation negotiations until we have received a substantive response. If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

Jonathan Bernstein

BY: Jonathan Bernstein
Assistant General Counsel

92040914124

BOC 3968

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

888 SIXTEENTH STREET, N.W.

WASHINGTON, D.C. 20006-4103

202-296-8600

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TELEX
2795 46

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312-558-1000

529 FIFTH AVENUE
NEW YORK, NEW YORK 10017-4608
212-949-7075

580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08875-6739
201-563-2700

DAVID M. IFSHIN

January 2, 1992

Deborah Curry, Esquire
Federal Election Commission
999 E Street NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JAN -3 PM 4:00 5:25

RE: MUR 3441
New Jersey Democratic State Committee & Robert Menendez as treasurer.

Dear Ms. Curry:

This letter is in partial response to the Commission's reason to believe finding in the above referenced matter. As recently discussed with both you and Mr. Bernstein, we are gathering all of the necessary information to provide you with a thorough and complete response. In addition to retaining our services, the New Jersey State Committee, (the "Committee" or "NJDSC"), has hired an independent accountant to review all of the relevant records. We will continue to submit additional information to you as it becomes available to us.[1]

I. Violation of 2 U.S.C. ss 434 (b)

In the factual and legal analysis provided by the Commission, it was noted that the $80,905.47 cash-on-hand discrepancy between the cash-on-hand balance of the 1988 Year-End

[1] See attachment A

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Report and the beginning cash-on-hand balance of the 1989 Mid-Year Report has been corrected by the NJDSC through its amendments to the 1988 October Quarterly, 12 Day Pre-General, 30 Day Post-General and Year End Reports. The Commission, however, questioned whether NJDSC accurately recharacterized $18,240 from a coordinated expenditure on behalf of Rep. Jim Florio to an operating expenditure. Moreover, there is some question as to whether the amendments provided by NJDSC clearly explained their recategorizations to the Commission. The following explains some of these transactions with supporting documentation, where available.

The Commission questioned NJDSC's rationale for recharacterization of $18,240 in coordinated expenditures on behalf of Rep. Jim Florio to operating expenditures. A portion of the amount in question is specifically addressed by NJDSC's previous counsel, Ms. Lyn Utrecht in a February 15, 1989 letter to the Commission's Reports Analysis Division. Page two, item 4, of the letter, states:

> Page 1 of 1, line number 12, entry A, was incorrectly reported as a transfer from an affiliated/other party committee. This payment was not a contribution. Rather, it was a payment for services provided by NJDSC to Democrats for a New Direction 88, and unrelated to **federal** candidates.(emphasis added) We have requested an accounting from Democrats for a New Direction 88 who have informed us that they had sufficient funds permissible under the Act so that there was no commingling of improper funds by acceptance of the payment from them.[2]

It is important to note that Jim Florio was a candidate for

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[2] See Attachment B (Letter from Lyn Utrecht to Robert Dinardo, February 15, 1989.)

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federal office in 1988 and that he did not seek election to state office until 1989. The amount paid to NJDSC by Democrats for a New Direction in 88 was $14,630.00. In NJDSC's amended October 15,

Quarterly Report filed on July 26, 1990, NJDSC again included this same receipt in error as a coordinated expenditure instead of including it under line item 15 as an offset to an operating expense. NJDSC is in the process of correcting this error through another amendment to this report and will submit it to the Commission upon its completion.

Moreover, the remaining difference between the $14,630.00 paid to NJDSC and the $18,240.00 erroneously listed as a coordinated expenditure on behalf of Rep. Jim Florio is, on information and belief, an operating expenditure of the Committee for services provided to Bill Simon. A review of the amended October 15, Quarterly Report for example, discloses two receipts from the Friends of Bill Simon, one on the 23rd of September in the amount of $1,800.00 and another on September 30th in the amount of $1,860.00. While there appears to be no corresponding offsetting expense for Bill Simon, the identical amounts on those same dates were paid to "Excel Color Graphics," and partially attributed to Jim Florio. That attribution to Jim Florio was on information and belief, in error. As stated above, the NJDSC is seeking to obtain documentation to further explain and substantiate these transactions and it will be provided to the Commission as soon as it becomes available.

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II. Violation of 2 U.S.C. ss 441 (b)

The Commission also questions NJDSC's possible receipt of impermissible funds and cites the receipt of $2000.00 from Leslie Fay Company on October 31, 1988 as reported in the Amended 30 Day Post-General Report. NJDSC initially reported in its Amended 30 day Post-General Report that the receipt was "incorrectly deposited' - transfer to be reported in a subsequent report." The transfer out did in fact occur and was reported by the committee in its October 15th Quarterly Report in 1990.[3]

The other receipt that the Commission questions is one from "NYSDC" in the amount of $4,687.50 for reimbursement of media expenses. NJSDC is presently seeking documentation to support this reporting and will provide it to the Commission as it becomes available.

As earlier noted, the information provided in this letter is a partial response to the questions presented by the Commission. We are continuing our efforts to obtain all available information to fully respond to the Commission's concerns and to more adequately consider our current intention to formally request, at a later date, pre-probable cause conciliation under the provisions of 11 C.F.R. ss 111.18 (d).

Sincerely,

Philip S. Friedman

[3] See Attachment C.

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Attachment A

130 WEST
STATE STREET
TRENTON,
NEW JERSEY
08608
TEL: (609)392-3367
FAX: (609)396-4778

Philip M. Keegan
State Chairman
Geraldine N. Moon
State Vice Chair
Robert Menendez
Treasurer
Edward B. Pulver
Secretary
Steve DeMicco
Executive Director
Lewis Katz
Finance Chairman
Karen J. Kessler
Finance Advisor
Angelo J. Genova
General Counsel
Stephen J. Edelstein
Special Counsel
Thomas M. McCormack
Corporate Counsel

Attachment A

THE NEW JERSEY DEMOCRATIC STATE COMMITTEE

2 January 1992

Robin Gross, Esq.
Philip Friedman, Esq.
Ross & Hardies
888 Sixteenth Street, NW
Washington, DC 20006-4103

Dear Robin and Phil,

As part of the State Committee's ongoing effort to substantively respond to the Federal Election Commission's MUR: 3441, the following steps have been taken to date. Michael Cortese, CPA, has been put on retainer and is in the process of reviewing previously filed FEC reports.

Contributing to the longevity of these matters has been the difficulty in locating the individuals who prepared the reports in question. As you know, their affiliation with the New Jersey Democratic State Committee ended over two years ago.

I have spoken with the following individuals by phone to discuss their role in preparing the reports in question:

David and Debra Jones
4 Pattie Lane
Randolph, NJ 07869

While Mr. & Mrs. Jones have been unable to recall any useful specifics, they are reviewing any records they may have in their possession. Efforts have been made to contact Ms. Sandra Turner, the individual responsible for the hands-on preparation of the reports in question. To date these efforts have be unsuccessful. Correspondence has been forwarded to Ms. Turner's last known residence.

We continue to make diligent effort to resolve these matters promptly. Thank you for your ongoing efforts on behalf of the State Committee.

Very truly yours,

Robert J. Long

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Attachment B

Attachment B

MANATT, PHELPS, ROTHENBERG & PHILLIPS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
1200 NEW HAMPSHIRE AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036
TELEPHONE (202) 463-4300

LOS ANGELES
1888 WEST OLYMPIC BOULEVARD
LOS ANGELES, CALIFORNIA 90064
(213) 312-4000

February 15, 1989

Robert DiNardo
Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: New Jersey Democratic State Committee (C00104471)
October Quarterly Report and
12 Day Pre-Election Report

Dear Mr. DiNardo:

This letter is a partial response to your requests for additional information concerning the New Jersey Democratic State Committee's (NJDSC) 1988 October Quarterly and 12 Day Pre-Election Reports. As we have informed you, the bookkeeper is on maternity leave, and was unable for several weeks to assist us in responding to your inquiries. She is now making time available to aid us but is able to do so only to a limited extent. This response addresses your questions which we can answer at this time. We will continue to research your remaining questions and will update this response as soon as possible.

With respect to your request for additional information for the October Quarterly Report:

1. Page 1 of 1, line number 12, entries B and C, were incorrectly reported as transfers from affiliated committees. Both entries should have been reported on line 15 as offsets to operating expenditures. These receipts from Friends of Bill Simon and Pallone for Congress were payments for mailing services provided by NJDSC. NJDSC will amend its report to itemize the costs of the mailings as operating expenditures on line 19 and the payments to NJDSC from the candidate.

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committees as offsets to operating expenditures on line 15.

2. Page 1 of 1, line number 12, entry D, was incorrectly reported as a transfer from an affiliated committee. This entry should have been reported as a contribution on line 11(c). This contribution was from the candidate's excess campaign funds from his 1984 campaign and is not subject to any contribution limit. 11 C.F.R. § 113.2(c). NJDSC will amend its report accordingly.

3. Page 1 of 1, line number 11(b), entry A, was incorrectly reported as a contribution from the Alabama State Democratic Executive Committee. This entry should have been reported as a transfer from another party committee on line 12. Apparently, there has been some confusion over this contribution. NJDSC was informed at the time the check was received, that it was a transfer from the Alabama State Party's federal account. The check was made out to "Victory Fund '88" which was the name of the NJDSC 1988 general election federal account. This was also the name of the DNC's general election program. We have contacted the Alabama State Party and have determined that the check was drawn on their federal account. They reported making the contribution to the DNC Victory Fund, however, and not to NJDSC Victory Fund. NJDSC properly reported the contribution as coming from Alabama, since the check was from the Alabama Party and was directly deposited into the NJDSC account. Apparently, it was not made clear to the Alabama Party that the check was intended for New Jersey.

4. Page 1 of 1, line number 12, entry A, was incorrectly reported as a transfer from an affiliated/other party committee. This payment was not a contribution. Rather, it was a payment for services provided by NJDSC to Democrats for a New Direction 88, and unrelated to federal candidates. We have requested an accounting from Democrats for a New Direction 88 who have informed us that they had sufficient funds permissible under the Act so that there was no commingling of improper funds by acceptance of the payment from them.

5. Pages 1 and 2 of 3, line number 19, disclose payments made by the NJDSC federal account to the Victory '88 Disbursement Account. You have questioned whether these payments represent reimbursements for payments previously made by NJDSC's non-federal account. They do not. Victory '88 Disbursement Account is the escrow account established by NJDSC to pay its operating and vendor bills which must be allocated between federal

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and non-federal funds. As specifically permitted by the Commission, NJDSC has elected to pay its vendors with a single check from the disbursement account. The appropriate federal share is transferred to the disbursement account from the federal account. Schedules are provided itemizing the federal share of each payment made by the disbursement account in an amount equal to each amount transferred to the disbursement account. FEC Advisory Opinion 1978-67. The payments made to Political Americana from the disbursement account were for exempt campaign materials referencing both federal and state candidates. The portions of these payments allocable to federal candidates are itemized as required on the Attachments to Schedule B.

6. The amounts reported as coordinated expenditures on behalf of Frank Pallone on Schedule F were incorrectly designated as coordinated expenditures. As discussed in # 1 above, NJDSC was paid by Pallone for Congress for the cost of services rendered. The reports will be amended to disclose NJDSC's disbursements as operating expenditures and the payments from Pallone for Congress as offsets to operating expenditures.

7. You have questioned whether transfers from the national party committee were used to finance payments for exempt campaign materials. They were not. NJDSC financed its exempt activities from contributions it received from individuals and non-political party committees, and not from any funds transferred in from the national party. As you can see from the October Quarterly Report, NJDSC had receipts during that period of $429,356.88, less than one quarter of which were from the national party. Moreover, the ASDC - Dollars for Democrats, and ASDC - Democratic Victory Fund are direct mail and telephone solicitations performed under contract with the DNC and represent funds raised in New Jersey, not funds transferred from the national party.

8. The attachments itemizing the transfers to the disbursement account state "expenses" as the purpose for a number of entries. These reimbursements were primarily for travel, i.e., gas, mileage, tolls, taxis. NJDSC will review the underlying records and will obtain greater detail for those expenditures in excess of $200. Since NJDSC was not required to itemize expenditures aggregating less than $201 to a single payee, it was not required to provide any purpose for those amounts less than $201.

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9. The NJDSC's bookkeeper informs us that she submitted a request for approval of the computer produced schedules. She believed she had received such approval and is reviewing her records. If she is unable to find it, NJDSC will submit a new request.

With respect to the request for additional information regarding the 12 Day Pre-Election Report:

1. With respect to the receipts disclosed on page 1 of 1, line number 15, please see the responses to ## 1 and 6 above. These receipts were not contributions. They were offsets to operating expenditures.

2. Regarding the transfers from DNC and ASDC, please see the response to # 7 above.

3. The attachments referred to in support of line number 19 will be supplied as soon as the bookkeeper is able to prepare them.

If you have any additional questions concerning this response, please feel free to contact me. As indicated above, NJDSC will file the amended reports necessary as soon as the bookkeeper is able to work with someone to prepare them. The Committee has retained the services of a new accountant to work with her as soon as possible.

Sincerely,

Lyn Utrecht

Lyn Utrecht
Manatt, Phelps, Rothenberg
& Phillips

9204091413 5

Attachment C

4091436

For Other Than An Authorized Committee
(Summary Page)

Attachment C.

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
New JerseyDemocratic State Committee

ADDRESS (number and street) ☐ Check if different than previously reported
150 West State Street

2. FEC IDENTIFICATION NUMBER
C 001004471

CITY, STATE and ZIP CODE
Trenton, New Jersey 08608

3. ☐ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☒ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Termination Report

Monthly Report Due On:
☐ February 20 ☐ June 20 ☐ October 20
☐ March 20 ☐ July 20 ☐ November 20
☐ April 20 ☐ August 20 ☐ December 20
☐ May 20 ☐ September 20 ☐ January 31

☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? ☐ YES ☒ NO

SUMMARY

5. Covering Period 7-1-90 through 9-30-90

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6.	(a) Cash on Hand January 1, 1990		$ 31,932.53
	(b) Cash on Hand at Beginning of Reporting Period	$ 28,030.23	
	(c) Total Receipts (from Line 18)	$ 29,000.00	$ 41,806.94
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 57,030.23	$ 73,739.47
7.	Total Disbursements (from Line 28)	$ 8,436.25	$ 25,145.49
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 48,593.98	$ 48,593.98
9.	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ 500.00	
10.	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 6,353.38	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer
Steve DeMicco

Signature of Treasurer

Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X
(revised 4/87)

92040914137

SCHEDULE B

ITEMIZED DISBURSEMENTS

Separate schedule(s) for each category of the Detailed Summary Page

PAGE 2 OF 1

FOR LINE NUMBER: 7

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

New Jersey Democratic State Committee

A. Full Name, Mailing Address and ZIP Code New Jersey Dem. State Committee 150 West State Street Trenton, New Jersey 08608	Purpose of Disbursement deposit in error 10/88 from Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 8/2/90	Amount of Each Disbursement This Period 2,000.00
B. Full Name, Mailing Address and ZIP Code New Jersey DEm, State Committee 150 West State Street Trenton, NEw Jersey 08608	Purpose of Disbursement deposit of excess contribution from Frank G. Wells Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 8/2/90	Amount of Each Disbursement This Period 5,000.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)	
TOTAL This Period (last page this line number only)	7,000.00

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NEW JERSEY DEMOCRATIC STATE COMMITTEE

EXPENDITURE AUTHORIZATION

ACCOUNT:

OPERATING ____ CAMPAIGN ____ MAIL ____ FEDERAL ✓

____ NOTICE OF ENCUMBRANCE ____ CHECK/PAYMENT

PAYEE/VENDOR CODE ____

PAYEE/VENDOR NAME N.J. DSC - Operating Account

MAILING ADDRESS 150 W. STATE STREET
TRENTON, N.J. 08608

PURPOSE Contribution to F.E.C. from Leslie Fay Co, Inc. ~~She~~ should have been deposited to Operating (detailed description) Account

AMOUNT 2000.00 (actual or estimated) DATE NEEDED ~~7/25/90~~ due

REQUESTED BY J. Johnson DATE 7/25/90

APPROVAL AND PROCESSING AUTHORIZATION

AUTHORIZED BY ____

APPROVED BY [illegible] 8-2-90

ACCOUNTING INFORMATION

BUDGET CODES: ____ ____ CHECK#: 1360

CHECK DISTRIBUTED ON: 8/2/90 TO: J

DATE ENTERED: ____ BY: ____

ADDITIONAL INFORMATION OR INSTRUCTIONS:

FUNDRAISING EVENT: ____ EVENT CODE: ____

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NEW JERSEY DEMOCRATIC STATE COMMITTEE
FEDERAL ELECTION ACCOUNT

1360

8/2 1990

FEC-73 312-01

New Jersey Democratic State Committee $ 2,000.00

Two Thousand Dollars & 00/100 DOLLARS

NEW JERSEY NATIONAL BANK
MAIN OFFICE
TRENTON, N.J. 08603

Berlinton Co. Elec for Continuance

⑈001360⑈ ⑆031200730⑆ 3148611⑈ ⑈0000200000⑈

FOR DEPOSIT ONLY
131 Pref

1505 11564

⑆031 200 730⑆
NEW JERSEY NATL BK
PHILA. PA.
⑆031 200 730⑆

AUG 23 90

AG 28 031

1204091414 0

CN1
PENNINGTON NJ 085

Attachment C, p. 5

PAGE 1

PERIOD ENDING 08/31/90
PREVIOUS PERIOD 07/31/90

NEW JERSEY DEMOCRATIC STATE COMMITTEE
FEDERAL ELECTION ACCT
150 W STATE ST
TRENTON NJ 08608

ACCOUNT NO 314-861-1

H

CYC	BR	TYP	DISP	ENC
31	01	01	100	4

JERSEY DEMOCRATIC STATE COMMITTEE

CHECKING ACCOUNT NO 314-861-1

CHECKS PAID

CHECKS	AMOUNT	PAID DATE	REFERENCE	CHECKS	AMOUNT	PAID DATE	REFERENCE
1359	8,369.24	08/01/90	1058750	1361	5,000.00	08/03/90	2425463
1360	2,000.00	08/03/90	2425461	1362	41,130.23	08/30/90	3031908

TOTAL CHECKS: 4 TOTAL AMOUNT: 56,498.47

TE	DESCRIPTION OF YOUR ACTIVITY		CHECKS/ DEBITS	DEPOSITS/ CREDITS	BALANCE
	OPENING BALANCE				56,498.47
/01	CHECKS PAID TODAY:	1	8,368.24		48,130.23
/03	CHECKS PAID TODAY:	2	7,000.00		41,130.23
/30	CHECKS PAID TODAY:	1	41,130.23		
	CLOSING BALANCE				.00

CHECKING SUMMARY

PREVIOUS BALANCE	TOT CREDITS & DEPOSITS	TOT CHECKS & DEBITS	SERVICE CHARGES	NEW BALANCE
56,498.47	.00	56,498.47	.00	.00

NUMBER CHECKS	NUMBER MAC DEBITS	NUMBER DEPOSITS	ITEMS DEPOSITED	AVERAGE COLLECTED BAL
4	0	0	0	38,928.00

4

ASE EXAMINE THIS STATEMENT PROMPTLY.

STIONS REGARDING STATEMENT INFORMATION SHOULD BE DIRECTED TO YOUR RELATIONSHIP MANAGER OR
TRAL CUSTOMER SERVICE 1-800-222-0033.
MAC INQUIRIES SHOULD BE DIRECTED TO: 1-800-642-7428. AFTER 8:00 PM WEEKDAYS AND HOLIDAYS, DIRECT ONLY
ORTS OF LOST OR STOLEN MAC CARDS TO: 1-800-833-3010.

Final Statement
account closed

AGENDA DOCUMENT [illegible]2-43

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

SENSITIVE

May 27, 1992

JUN 2 1992

MEMORANDUM

EXECUTIVE SESSION

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

Lois G. Lerner
Associate General Counsel

SUBJECT: Matters Under Review and Exercise of Prosecutorial Discretion

I. BACKGROUND

In April 1992 this Office circulated a memorandum to the Commission containing a list of cases which we believed warranted the exercise of prosecutorial discretion by the closing of the file. The memorandum also invited the Commission to suggest additional cases for consideration of such action. Presented below are the cases included in our memorandum as well as those suggested to us by a Commissioner for inclusion (as denoted by an asterick).

This report recommends closing certain matters, not closing others, and holding one matter in abeyance. This Office's recommendations as to whether the file should be closed in each matter reflect numerous factors including our present workload, the age of the case, the amount of financial activity involved, and the seriousness of the violation. Closing cases under these circumstances should not necessarily be seen as a decision on how to handle similar cases in the future.

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PAGES 2-18 AND 20-32 DO NOT PERTAIN TO THESE RESPONDENTS.

92040914143

10) **MUR 3441* (I) New Jersey Democratic State Committee**
(Opened 10-22-91)

This matter is a RAD referral involving reporting errors and deposits of impermissible funds into the Federal Account. While a few questions remain, the Committee has clarified or corrected the major problems in the matter.

It is unclear how the substantial cash discrepancy between the 1988 Year-End Report and the 1989 Mid-Year Report occurred. As noted in the First General Counsel's Report, however, the Committee has corrected the $80,905 mathematical discrepancy through amendments of its reports, showing $100,053.30 in previously undisclosed receipts mostly in the form of transfers from affiliated committees and $19,147.83 in previously undisclosed disbursements. Another issue was whether the Committee had appropriately recharacterized as operating expenditures disbursements of $18,240 initially reported as coordinated expenditures made on behalf of Jim Florio. The Committee's response explains that most of the reported disbursement was not in fact a disbursement but actually a receipt of $14,630 from Democrats for A New Direction 88 for services the Committee provided to this organization that were unrelated to federal candidates. The Committee was also informed by this organization that it had sufficient funds permissible under the Act so there was no commingling of impermissible funds by virtue of the Committee's acceptance of payment.

As noted in the First General Counsel's Report, the Committee has provided details on the transfer out from the Federal Account to the Non-federal Account of $34,288.16 that had been deposited in error to the Federal Account. The Committee's Amended 30 Day Post-General Election Report disclosed that the $34,288.16 transfer out was predicated on two deposits in error to the Federal Account ($4,687.50 from NYSDC and $29,601.16 from NJDSC - Decision '88). Consequently, the above mentioned deposits in error to the Federal Account have been corrected. Moreover, the Committee's response to reason to believe shows an additional transfer out of the $2,000 corporate contribution received from Leslie Fay Company, Inc. that was also deposited in error to the Federal Account.

The major issues in this matter have been resolved or clarified by the Committee. The Committee has corrected the $80,905 mathematical discrepancy by amendment of its reports, the recharacterization of expenditures have largely been explained, and impermissible funds deposited in error to the Federal Account have been corrected by transfer out of the amounts deposited in error. For these reasons, this Office recommends that the Commission take no further action and close the file in this matter.

9 2 0 4 0 9 1 4 1 4 4

III. RECOMMENDATIONS

1. Take no further action and close the file in:
   a) MUR 3177
   b) MUR 3419
   c) MUR 2745
   d) MUR 2934
   e) MUR 3099
   f) MUR 3127
   g) MUR 3271
   h) MUR 3371
   i) MUR 3441
   j) MUR 3482
   k) MUR 3151
   l) MUR 3239

2. Decline to open a Matter Under Review in:
   a) RAD Referral 92NF-02
   b) RAD Referral 91L-76
   c) Pre-MUR 245

3.

4. Approve the appropriate letters containing admonishment language.

2 2 0 4 0 9 1 4 1 4 5

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Agenda Document
Matters Under Review and Exercise	)	#X92-43
of Prosecutorial Discretion	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 2, 1992, do hereby certify that the Commission took the following actions with respect to the above-captioned matters:

1. Decided by a vote of 5-0 to

   a) Take no further action and close the file in MUR 3177, MUR 3419, MUR 2745, MUR 3099, MUR 3127, MUR 3271, MUR 3371, MUR 3441, MUR 3482, MUR 3151, and MUR 3239.

   b) Decline to open a Matter Under Review in RAD Referral 92NF-02, RAD Referral 91L-76, and Pre-MUR 245.

   c)

   d) Approve the appropriate letters containing admonishment language, as recommended in the General Counsel's report dated May 27, 1992.

   Commissioners Aikens, Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present at the meeting.

(continued)

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2. Decided by a vote of 4-0 to take no further action and close the file in MUR 2934.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision. Commissioner McDonald was not present at the meeting. Commissioner Potter recused with respect to MUR 2934 and did not cast a vote.

Attest:

6-4-92
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

CLOSED

July 7, 1992

David M. Ifshin, Esquire
Philip S. Friedman, Esquire
Ross & Hardies
888 Sixteenth Street, N.W.
Washington, D.C. 20006-4103

RE: MUR 3441
New Jersey Democratic State Committee
and Raymond J. Lesniak, as treasurer

Dear Mr. Ifshin and Mr. Friedman:

On November 8, 1991, the New Jersey Democratic State Committee ("Committee") was notified that the Federal Election Commission found reason to believe the Committee violated 2 U.S.C. §§ 434(b) and 441b and 11 C.F.R. § 102.5(a). On January 3, 1992, the Committee submitted a response to the Commission's reason to believe findings.

After considering all the circumstances of the matter, and in the exercise of its prosecutorial discretion, the Commission determined on June 2, 1992, to take no further action against New Jersey Democratic State Committee and its treasurer and closed the file. The Commission reminds the Committee that inaccurate reporting of contributions and expenditures, and the receipt and deposit of corporate funds into a federal account constitute violations of 2 U.S.C. §§ 434 and 441b and 11 C.F.R. § 102.5(a). You should take immediate steps to insure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following

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certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Deborah Curry

Deborah Curry
Attorney

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THIS IS THE END OF MUR # 3441

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