

19L-18

REPORTS ANALYSIS DIVISION REFERRAL
TO
OFFICE OF GENERAL COUNSEL

DATE: July 15, 2019

ANALYST: Jack Baisden

- I. COMMITTEE: Integrity NJ
C00671099
Kathleen Donohue, Treasurer
PO Box 34
Manalapan, NJ 07726
- II. RELEVANT STATUTE: 52 U.S.C. § 30104(g)(1)
52 U.S.C. § 30104(g)(2)
11 CFR § 104.4(b)(2)
11 CFR § 104.4(c)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to File 24-Hour and 48-Hour Reports)

Integrity NJ (“the Committee”) failed to timely file two (2) 48-Hour Reports totaling \$125,125.00 to support three (3) independent expenditures disclosed on the 2018 12 Day Pre-General Report and failed to file one (1) 24-Hour Report totaling \$918,155.00 to support one (1) independent expenditure disclosed on the Amended 2018 30 Day Post-General Report, received January 20, 2019 (Attachment 2).

2018 12 Day Pre-General Report

On October 25, 2018, the Committee filed the 2018 12 Day Pre-General Report covering the period from October 1, 2018 through October 17, 2018, which included a Schedule E disclosing twelve (12) independent expenditures totaling \$468,565.00 made in opposition to one (1) federal candidate. The Committee failed to file two (2) 48-Hour Reports to support three (3) independent expenditures totaling \$125,125.00 for the 2018 New Jersey Senate General Election. (Images 201810259130951413-18, Attachment 2)

On December 16, 2018, a Request for Additional Information (RFAI) was sent to the Committee referencing the 2018 12 Day Pre-General Report. The RFAI noted that the Committee may have failed to file one or more of the required 48-Hour Reports regarding independent expenditures. A chart was included with the RFAI identifying the independent expenditures for which 48-Hour Reports had not been filed (Image 201812160300026834).

On January 29, 2019, Kathleen Donohue, Committee Treasurer, called the Reports Analysis Division (RAD) Analyst to discuss RFAIs sent on the Committee's reports. Ms. Donohue explained the Committee would be amending their 48-Hour Reports, but wanted to provide further clarification. The RAD Analyst advised filing a supplemental FEC Form 99 (Miscellaneous Electronic Submission) to provide a narrative response to the situation. The RAD Analyst also explained the issues outlined in the RFAI had the potential to be referred to the Commission for potential further action (Attachment 3).

On January 31, 2019, the Committee filed a FEC Form 99 referencing the RFAI sent on the Committee's 2018 12 Day Pre-General Report. The FEC Form 99 stated:

"In reference to the letters I received regarding the 12 day pre general report and the October quarterly report for 2018 I beleive the problem to be that the 48 hour report was filed on time, however, when originally filed I actually filed an estimated cost for Mottola Consulting for \$15000 and then when the actual amout was paid I filed the actual amount on the next 48 hour report each time making it look as though I didn't file timely and I paid an additional \$15000 to Mottola. I did try to contact you before the deadline however, you were in government shut down. So to try and correct it I amended the original 48 hour report and took off the expenditure for \$15000 to Mottola. After our conversation the other day, I don't think I needed to amend that report but rather than re-amend it again I left it as is. I beleive that the numbers should match now and the dates that I filed should fall into the proper time frame" (Image 201901319144431641).

On February 1, 2019, the RAD Analyst called Kathleen Donohue and discussed, among other issues, the Committee's FEC Form 99 they had filed on January 31, 2019. The RAD Analyst explained that after reviewing the Committee's response, the three (3) independent expenditures listed in the chart on the RFAI, referencing the 2018 12 Day Pre-General Report, did not appear to be disclosed on any 48-Hour Reports filed by the Committee. The RAD Analyst advised the Committee to provide further clarification, or to file the missing 48-Hour Reports if they were indeed missing. The RAD Analyst explained again the issue could be referred to the Commission for potential further action (Attachment 3).

On February 15, 2019, Kathleen Donohue called the RAD Analyst to discuss the RFAI referencing the 2018 12 Day Pre-General Report. Among other issues, Ms. Donohue explained that while she had created the 48-Hour Report in her filing software, she had determined it had never been uploaded to the Commission. The RAD Analyst advised filing the 48-Hour Report immediately, even though it would be late. The RAD Analyst

also explained that the Committee would be referred to the Commission for potential further action for failing to timely file the required 48-Hour Reports (Attachment 3).

On February 18, 2019, the Committee filed a 48-Hour Report disclosing three (3) independent expenditures totaling \$125,125.00 made in opposition to one (1) federal candidate for the 2018 New Jersey Senate General Election (Images 201902189145520951-52, Attachment 2).

Subsequently, on the same day, the Committee filed a FEC Form 99 referencing the RFAI sent on the Committee's 2018 12 Day Pre-General Report. The FEC Form 99 stated:

"In refrence to the letter I received regarding the 12 day pre-gneral report stating that I may not have filed a 48 hour report in a timely manner it appears that It appears that the report was done, however, I guess I never uploaded it. I was confused as to how it couldn't have been filed being it was in the system I can not find a confirmation that would show otherwise so its the only conclusion that I can make at this point. It wasn't intentional it was definitely just an oversight on my part. As per my FEC anyalysts suggestion I have now filed the report anyway" (Image 201902189145520970).

2018 30 Day Post-General Report

On December 6, 2018, the Committee filed the 2018 30 Day Post-General Report covering the period from October 18, 2018 through November 26, 2018, which included a Schedule E disclosing twelve (12) independent expenditures totaling \$3,305,344.63 made in opposition to one (1) federal candidate. The Committee failed to file one (1) 24-Hour Report to support one (1) independent expenditure totaling \$918,155.00 for the 2018 New Jersey Senate General Election. (Images 201812069134903298-303)

On January 20, 2019, the Committee filed an Amended 2018 30 Day Post-General Report. The Report contained no changes in independent expenditures from the original report (Images 201901209143893923-28, Attachment 2).

On March 24, 2019, a RFAI was sent to the Committee referencing the Amended 2018 30 Day Post-General Report, received January 20, 2019. The RFAI noted that the Committee may have failed to file one or more of the required 24-Hour Reports regarding independent expenditures. A chart was included with the RFAI identifying the independent expenditures for which a 24-Hour Report had not been filed (Image 201903240300036073).

On April 29, 2019, the Committee filed an FEC Form 99 referencing the RFAI sent on the Committee's 2018 Amended 30 Day Post-General Report, received January 20, 2019. The FEC Form 99 stated, in part:

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“The 2nd item in question was the payment to Pinpoint Media. I believe this to just have been human error It was simply missed as being reported during the 24 hour reporting period” (Image 201904299149604949).

On May 23, 2019, the RAD Analyst called Kathleen Donohue to discuss the RFAI sent on the Committee’s Amended 2018 30 Day Post-General Report, received January 20, 2019. The RAD Analyst left a message explaining that the Committee was being referred to the Commission for potential further action for failing to timely file 48-Hour Reports for independent expenditures on their 2018 12 Day Pre-General Report and for failing to file a 24-Hour Report for an independent expenditure disclosed on their 2018 30 Day Post-General Report. The RAD Analyst invited the Committee to provide any further clarification they had on the matter (Attachment 3).

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

O-Index (2019)															
Cmte. ID: C00671099 Cmte. Name: INTEGRITY NJ															
Treasurer Name: KATHLEEN DONOHUE Address: PO BOX 34, MANALAPAN, NJ 07726															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
MS-T			1/31/2019	1	201901319144431641				-	-	-	-	-	-	-
MS-T			2/18/2019	1	201902189145520970				-	-	-	-	-	-	-
MS-T			4/29/2019	1	201904299149604949				-	-	-	-	-	-	-
F3XN	Q1	N	4/15/2019	6	201904159146128228	1/1/2019	3/31/2019		\$22,000	\$0	\$750	\$21,250	-	-	\$0
Totals										\$0	\$750				

O-Index (2017-2018)															
Cmte. ID: C00671099 Cmte. Name: INTEGRITY NJ															
Treasurer Name: KATHLEEN DONOHUE Address: PO BOX 34, MANALAPAN, NJ 07726															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
RQ2	Q2	N	8/30/2018	2	201808300300019220	4/1/2018	6/30/2018	8/30/2018	-	-	-	-	-	-	-
RQ2	Q3	N	12/16/2018	3	201812160300026831	7/1/2018	9/30/2018	12/16/2018	-	-	-	-	-	-	-
RQ2	12G	N	12/16/2018	3	201812160300026834	10/1/2018	10/17/2018	12/16/2018	-	-	-	-	-	-	-
RQ2	30G	A	3/24/2019	4	201903240300036073	10/18/2018	11/26/2018	3/24/2019	-	-	-	-	-	-	-
F3XN	Q1	N	4/15/2018	8	201804159108137911	2/13/2018	3/31/2018		\$0	\$1,100,000	\$13,426	\$1,086,573	-	-	\$0
F3XN	Q2	N	7/15/2018	13	201807159115512531	4/1/2018	6/30/2018		\$1,086,573	\$1,025,000	\$140,571	\$1,971,001	-	-	\$0
F3XA	Q2	A	10/3/2018	13	201810039124276905	4/1/2018	6/30/2018		\$1,086,573	\$1,025,000	\$140,571	\$1,971,001	-	-	\$0
F3XN	Q3	N	10/15/2018	44	201810159125170662	7/1/2018	9/30/2018		\$1,971,001	\$2,387,000	\$3,464,170	\$893,831	-	-	\$0
F3XN	12G	N	10/25/2018	24	201810259130951395	10/1/2018	10/17/2018		\$893,831	\$1,724,720	\$512,645	\$2,105,905	-	-	\$0
F3XN	30G	N	12/6/2018	27	201812069134903277	10/18/2018	11/26/2018		\$2,105,905	\$1,251,000	\$3,333,391	\$23,513	-	-	\$0
F3XA	30G	A	1/20/2019	27	201901209143893902	10/18/2018	11/26/2018		\$2,105,905	\$1,251,000	\$3,333,391	\$23,513	-	-	\$0
F3XN	YE	N	1/31/2019	6	201901319144428692	11/27/2018	12/31/2018		\$23,513	\$0	\$1,513	\$22,000	-	-	\$0
F1		N	2/13/2018	8	201802230300197050				-	-	-	-	-	-	-
Totals										\$7,487,720	\$7,465,719				

O-Index (2015-2016)															
Cmte. ID: C00671099 Cmte. Name: INTEGRITY NJ															
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Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans

No records were found for this cycle.

Integrity NJ (C00671099)
 2018 12 Day Pre-General Report

48-Hour Reports Not Timely Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount	Candidate Opposed	Election	48-Hour Report Filed
Mottola Consulting	10/2/18	\$5,320.00	Robert Menendez	2018 General	2/18/19
Pinpoint Media	10/2/18 (48-Hour Report Required)	\$113,155.00	Robert Menendez	2018 General	2/18/19
Pinpoint Media	10/3/18 (48-Hour Report Required)	\$6,650.00 ¹	Robert Menendez	2018 General	2/18/19

¹ The Committee made an independent expenditure totaling \$87,500 on 10/8/2018 and failed to include this amount on the 48 hour report filed on 10/8/2018.

Integrity NJ (C00671099)

Amended 2018 30 Day Post-General Report, received 1/20/2019

24-Hour Report Not Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditur e Amount	Candidate Opposed	Election
Pinpoint Media	10/22/18 <i>(24-Hour Report Required)</i>	\$918,155.00	Robert Menendez	2018 General