



RESEND: Letter attached !

Paul Stichick

to:

rknop@fec.gov

01/13/2014 03:49 PM

Cc:

"ABell@fec.gov", "chemsley@fec.gov", "EHeiden@fec.gov"

Hide Details

From: Paul Stichick <stichickp@hotmail.com>

To: "rknop@fec.gov" <rknop@fec.gov>,

Cc: "ABell@fec.gov" <abell@fec.gov>, "chemsley@fec.gov" <chemsley@fec.gov>,

"EHeiden@fec.gov" <eheiden@fec.gov>

History: This message has been forwarded.

AO-2014-01

1 Attachment



January 2014 Fec Advisory Opinion Cvr Ltr.pdf

Mr. Knop, et al

Senior moments are common among us retired folks.

My apologies for forgetting the attachment on the previous email

Paul Stichick

From: stichickp@hotmail.com

To: rknop@fec.gov

CC: abell@fec.gov; chemsley@fec.gov; eheiden@fec.gov

Subject: RE: Questions re: Submission dated May 6 on behalf of Solano County Democratic Central Committee

Date: Mon, 13 Jan 2014 12:45:54 -0800

Mr. Knop,

Attached is my Advisory Opinion request.

Thank you, Ms Heiden, and Ms Chemsley for the assistance in attempting to resolve our committee dilemma regarding the unused funds. Your assistance is appreciated.

As I have explained, I delayed re-submission to allow for the Federal shut-down, and the holiday season.

Paul Stichick

9 January 2014

FEDERAL ELECTION COMMISSION

Policy Division

Attn: Policy Division,

Office of General Counsel; Cheryl Hemsley, Esq. / Esther Heiden, Esq. / Mr. Robert Knop

999 E Street, NW

Washington, DC 20463

Subject: Request for Advisory Opinion permitting use of 2004-2008 residual committee funds

From: Paul Stichick, Treasurer, Solano County Democratic Central Committee

Attached is my finalized advisory opinion request concerning the use of existing funds remaining in an account belonging to the Solano County Democratic Central Committee in Fairfield, California.

Delays in re-submitting are as a result of the Federal shut-down, the holiday period, and my own health issues.

Hopefully, this will complete my efforts to obtain permission for our committee to employ these funds.

Thank you for the assistance.



**Paul Stichick
Treasurer, SCDC**

9 January 2014

FEDERAL ELECTION COMMISSION

Policy Division

Attn: Policy Division,

Office of General Counsel; Cheryl Hemsley, Esq. / Esther Heiden, Esq.

999 E Street, NW

Washington, DC 20463

Subject: Request for Advisory Opinion permitting use of 2004-2008 residual committee funds

From: Paul Stichtek, Treasurer, Solano County Democratic Central Committee

This is a request for an FEC Advisory Opinion to authorize the use of committee funds remaining isolated in a bank account since 2008. The funds, in the amount of \$10,808.81, remain in a Solano County Democratic Central committee bank account established in 2004, but subsequently unreported to the FEC during years 2004 - 2005 at which time the FEC terminated the SCDCC. The termination was not discovered by the chairman or the other SCDCC officers until October 2008. Upon discovery in 2008, the committee chairman immediately isolated the account from further use at that time. The funds have remained untouched in the account, frozen from use by the committee, and nearly forgotten until 2012.

Reasons for the reporting deficiency during the period 2004-2008 remain unclear. The account had been unused from 2008 till until June 2012. In 2012 when the presence of the account was discovered, the newly elected treasurer in 2012, made an exception for fund expenditure to pay bank management fees and bank administrative interaction charges in order to verify the existence of the account, and to obtain the available bank records necessary to determine all account activity as a part of after-the-fact inquiry regarding funds activity.

This narrative is submitted pursuant to direction from Mr. Jeff Jordan, FEC Compliance Division, following submission to his office as an official "Sua Sponte" submission informing of the non-reported account. The initial "Sua Sponte" submission resulted in telephonic instructions from the FEC compliance division counsel indicating that a Sua Sponte submission is not required. The Compliance Division general counsel directed that contact be made with FEC Policy Division counsel to request an FEC policy division opinion regarding use of funds remaining in the account.

The following information regarding the questioned account are described, including the circumstances and the situation. In June 2012, upon election as Treasurer of the SCDCC it was learned from a long-previous committee chair that a Federal and a non-Federal bank account had been established by a previous volunteer treasurer in August 2004 for use by the SCDCC - FEC ID C 004 06 108. However, for reasons known only to the 2004 committee treasurer "NO" FEC reports were submitted in accordance with FEC guidelines during the period 2004 - 2005. The FEC notified that treasurer in September 2005 of committee termination as a result of the absence of required FEC reporting from 2004 - 2005.

The Solano County Democratic Central Committee apparently continued to function with fund-raising and supportive active political campaign activity without committee members or officers having knowledge of the absence of FEC reporting or of the 2005 termination.

The treasurer continued to provide verbal treasurer reports at committee member meetings throughout the period 2004 - October 2008. His monthly reports at that time indicated that the committee was fully in compliance with directives. Committee officers and members were remained unaware of FEC termination throughout.

A 2012 inquiry disclosed that the Committee Chairman from 2004 - 2008 was apparently a co-signatory to the SCDCC account at that time, but was unaware of the FEC non-reporting status of the account nor of FEC termination.

Apparently, during the 2008 election year, a Federal campaign donation was made to the committee Chair. An attempt to deposit the donation was rejected citing absence of a valid FEC account number. Further investigation by the Chairman revealed that the FEC had terminated the committee in October 2008.

Under questioning, the volunteer treasurer admitted, at that time, that required FEC reports had not been submitted and that the FEC had terminated the SCDCC due to absence of required reporting. The chairman immediately took action to isolate the account from further committee use. The chairman notified the committee membership in approximately August 2008 of the discrepancy. He announced that he had isolated the account from further use. No other action appears to have been taken by the chairman subsequent to that 2008 action.

Following discovery of the account reporting discrepancy, a new committee was registered with the FEC changing the name of the committee from Solano County Democratic Central Committee FEC ID C 004 06 108, to The Solano County United Democratic Central Committee C 004 55 865. A certified financial management agency was retained for funds management, reporting, and control. Apparently, no other action was taken. The account remained unused and was placed in dormant status by the bank.

The account was not used between October 2008 until 2012 when the account was discovered by the newly elected treasurer and a change of signatory was initiated. The non-Federal account balance was less than \$ 3.00 and was closed in August 2012.

It was learned during a 2012 inquiry that despite nine separate registered-mail notifications of non-reporting no action had been taken by the SCDCC treasurer in office at that time to comply with FEC reporting requirements. Upon discovery by the newly elected treasurer an inquiry was initiated. The 2004-2005 era Central Committee treasurer admitted to not having submitted FEC reports. He cited overwhelming personal issues during the period 2004-2008 that caused distraction from treasurer duties.

Information ascertained through various conversations with former central committee members and SCDCC officers reveal only vague recollection of events during the period 2005-2008. Verbal reports could not accurately be verified by personal observation during the inquiry into circumstances occurring during the period in question.

The exact circumstances of the banking situation, and / or any actions taken in an attempt to rectify the reporting absence remain unclear. However, it was determined that no funds were used from the "frozen" account between the time of discovery of the non-reporting in October 2008, until the presence of the account was discovered by the newly elected treasurer in June 2012. The account remains unused, and was in a dormant status until 2012 when the current committee treasurer initiated a change of account signatory.

Several attempts to locate any actual central committee records pertaining to the account were unsuccessful. Bank records were obtained but did not identify contributors or expenses payments. Furthermore, a full range of bank records were not available due to elapsed time, and the dormant status of the account.

Committee political activities during the 2004-2008 unreported period are assumed to have been typical such as: phone banking, precinct walking, printing campaign materials, and staffing of campaign offices created to support State and Federal political campaigns, as well as committee fund raising events.

A complete set of bank records could not be retrieved due to elapsed time since the opening of the account. Committee documentation pertaining to bank records could not be located. The absence of records was apparently due to several committee office re-locations since 2004.

I am requesting an FEC advisory opinion to permit use of the \$10,808.81 remaining in the account. The funds in the account were more likely than not to have been obtained through legitimate fund raising activities such as dinners, auctions, sales, and small community donations. Committee historical operations strongly suggest that all donations and contributions were made in accordance with FEC financial standards. Committee expenditures historically have also been compliant with FEC guidance. The single discrepancy involved appears to be the absence of reporting by a volunteer treasurer.

General committee policy regarding acceptance of contributions and expenditure are well disciplined in a manner consistent with FEC guidance. There is no compelling reason to suggest that any exceptions may have made during the 2004 - 2008 time frame. Committee financial procedures at the time strongly suggest that only authorized contributions and expenditures were authorized. However, a full and accurate summary of records showing committee banking activity that might identify contributors or recipient could not be located.

Your positive action in permitting general use of these funds would be greatly appreciated.



Paul Stichick, Treasurer, SCDCC