

19L-20**REPORTS ANALYSIS DIVISION REFERRAL****TO****OFFICE OF GENERAL COUNSEL**

DATE: July 15, 2019

ANALYST: Nataliya Ioffe

I. COMMITTEE:

Renacci for US Senate
C00466359
Russell Corwin, Treasurer
150 Smokerise Drive
Wadsworth, OH 44281-8701

II. RELEVANT STATUTE:

52 U.S.C. § 30104(b)
11 CFR §104.3

III. BACKGROUND:**Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)**

Renacci for US Senate (“the Committee”) amended its 2018 July Quarterly Report to disclose additional receipts of \$4,001,590.00 and additional disbursements of \$4,012,908.93 that were not included in the original report. The Committee also amended its 2018 12 Day Pre-General Report to disclose additional disbursements of \$500,188.57 that were not included in the original report (Attachments 2 and 3).

2018 July Quarterly Report

On July 18, 2018, the Committee filed the original 2018 July Quarterly Report covering the period from April 19, 2018 through June 30, 2018. The report disclosed \$556,102.79 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals) and no receipts on Line 13(a) (Loans Made or Guaranteed by the Candidate) of the Detailed Summary Page (Image 201807200200631032, Attachment 2). The report also disclosed \$1,430,718.13 on Line 17 (Operating Expenditures) and no disbursements on Line 19(a) (Repayments of Loans Made or Guaranteed by the Candidate) of the Detailed Summary Page (Image 201807200200631033, Attachment 2).

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On October 15, 2018, the Committee filed an Amended 2018 July Quarterly Report that disclosed \$556,692.79 on Line 11(a)(i) and no receipts on Line 13(a) of the Detailed Summary Page (Image 201810159124892075, Attachment 2). The report also disclosed \$1,432,218.13 on Line 17 and no disbursements on Line 19(a) of the Detailed Summary Page (Image 201810159124892076, Attachment 2).

On December 4, 2018, the Committee's reporting consultant, Jill Michalski, called the Reports Analysis Division (RAD) Analyst. Among other items discussed in regards to the Committee's 2018 July Quarterly Report, Ms. Michalski indicated that the Committee did not disclose its repayment of a personal loan received from the candidate after the 2018 Ohio Primary Election and the candidate's loan of the funds back to the Committee for the 2018 General Election. The RAD Analyst advised the Committee to amend the 2018 July Quarterly Report to disclose these transactions (Attachment 4).

On December 19, 2018, Ms. Michalski made a follow-up call to the RAD Analyst concerning amending the 2018 July Quarterly Report. The Analyst advised Ms. Michalski to disclose the loan repayment to the candidate and the new candidate personal loan on the amendment (Attachment 4).

On December 21, 2018, the Committee filed an Amended 2018 July Quarterly Report that disclosed \$557,692.79 on Line 11(a)(i) and \$4,000,000.00 on Line 13(a) of the Detailed Summary Page (Image 201812219143654907, Attachment 2), a total increase in receipts of \$4,001,590.00 from the original report. The report also disclosed \$1,443,627.06 on Line 17 and \$4,000,000.00 on Line 19(a) of the Detailed Summary Page, a total increase of \$4,012,908.93 in disbursements from the original report (Image 201812219143654908, Attachment 2).

On February 18, 2019, a Request for Additional Information ("RFAI") was sent to the Committee, referencing the Amended 2018 July Quarterly Report, received December 21, 2018. The RFAI requested clarification regarding the substantial increase in receipts and disbursements disclosed in the amended report (Image 201902180300031098).

On March 25, 2019, the Committee filed an FEC Form 99 (Miscellaneous Electronic Submission) stating, in part:

"In reference to the amended July Quarterly Report (4/19/18 - 6/30/18): ... The amended report disclosed an increase in receipts and disbursements related to the repayment of the candidate for the loan for the Primary election and the new loan for the General election. There was no net cash effect and was erroneously missed in the original filing" (Image 201903259145941403).

On May 30, 2019, the RAD Analyst spoke with Ms. Michalski concerning the February 18, 2019 RFAI, among other matters. The Analyst explained that the RFAI sent on the Amended 2018 July Quarterly Report cited increases in receipts and disbursements, which are referable for potential further Commission action. The Analyst noted that these

increases are largely due to the addition of the candidate loan repayment and loan receipt missing from the original report. The Analyst advised that the Form 99 submitted by the Committee would be taken into consideration and encouraged the Committee to provide any further response. Ms. Michalski explained the increases in activity were caused by the Committee's difficulties with reconciling their accounts and switching reporting software, as the candidate ran for the offices of U.S. Representative, Ohio Governor, and U.S. Senator during the same election cycle. Since Ms. Michalski had indicated the Committee was winding down, the Analyst advised her the Committee will not be eligible to terminate until this matter is resolved and should continue filing reports (Attachment 4).

2018 12 Day Pre-General Report

On October 25, 2018, the Committee filed the original 2018 12 Day Pre-General Report covering the period from October 1, 2018 through October 17, 2018. The report disclosed \$369,148.26 on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 201810259131028392, Attachment 3).

On March 25, 2019, the Committee filed an Amended 2018 12 Day Pre-General Report that disclosed \$869,336.83 on Line 17 of the Detailed Summary Page, a \$500,188.57 increase in disbursements from the original report (201903259145924317, Attachment 3).

On April 14, 2019, an RFAI was sent to the Committee, referencing the Amended 12 Day Pre-General Report, received March 25, 2019. The RFAI requested clarification regarding the substantial increase in disbursements disclosed in the amended report (Image 201904140300037279).

On May 20, 2019, the Committee filed a Form 99 stating, in part:

“This letter is in reference to the FEC Request for Additional Information dated April 14, 2019 referencing the Amended 12 Day Pre-General Report (10/1/2018 - 10/17/2018)...Disbursements increased by \$500,188.57 from the original report that was filed. This is primarily due to one invoice for \$500,000 due to OnMessage Inc. These funds were wired directly from the Raymond James investment account to OnMessage to pay for media. We had not received the bank statement showing this disbursement until after the report was due to be filed and were not aware the disbursement had actually taken place until we reconciled” (Image 201905209149757648).

On May 30, 2019, the RAD Analyst spoke with Ms. Michalski concerning the April 14, 2019 RFAI, among other matters. The Analyst explained that the RFAI sent on the Amended 2018 12 Day Pre-General Report cited an increase in disbursements, which is referable for potential further Commission action. The Analyst noted that this increase is largely due to the addition of the \$500,188.57 disbursement noted in the Committee's Form 99, which was missing from the original report. The Analyst advised that the Form 99 submitted by the Committee would be taken into consideration and encouraged the

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Committee to provide any further response. Ms. Michalski explained the increases in activity were caused by the Committee's difficulties with reconciling their accounts and switching reporting software, as the candidate ran for the offices of U.S. Representative, Ohio Governor, and U.S. Senator during the same election cycle. Since Ms. Michalski had indicated the Committee was winding down, the Analyst advised her the Committee will not be eligible to terminate until this matter is resolved and should continue filing reports (Attachment 4).

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

O-Index (2019)															
Cmte. ID: C00466359 Cmte. Name: RENACCI FOR US SENATE															
Treasurer Name: CORWIN, RUSSELL Address: 150 SMOKERISE DRIVE, WADSWORTH, OH 44281-8701															
Cmte. Type: S (SENATE) Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) 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			1/28/2019	4	201901290300257835				-	-	-	-	-	-	-
MS-T			3/25/2019	2	201903259145941403				-	-	-	-	-	-	-
MS-T			5/20/2019	1	201905209149757648				-	-	-	-	-	-	-
F3N	Q1	N	4/15/2019	20	201904159146158288	1/1/2019	3/31/2019		\$22,225	\$7,700	\$12,831	\$17,094	\$12,794	\$250,000	\$262,794
Totals										\$7,700	\$12,831				

O-Index (2017-2018)															
Cmte. ID: C00466359 Cmte. Name: RENACCI FOR US SENATE															
Treasurer Name: CORWIN, RUSSELL Address: 150 SMOKERISE DRIVE, WADSWORTH, OH 44281-8701															
Cmte. Type: S (SENATE) Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) 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			6/9/2017	3	201706120300158886				-	-	-	-	-	-	-
MS-T			12/21/2018	1	201812219143656819				-	-	-	-	-	-	-
RQ2	Q2	N	8/8/2017	2	201708080300089191	4/1/2017	6/30/2017	8/8/2017	-	-	-	-	-	-	-
RQ2	Q1	N	11/18/2018	2	201811180300025559	1/1/2018	3/31/2018	11/18/2018	-	-	-	-	-	-	-
RQ2	12P	A	11/18/2018	2	201811180300025561	4/1/2018	4/18/2018	11/18/2018	-	-	-	-	-	-	-
RQ7	12P		4/27/2018	2	201804270300007379	4/1/2018	4/18/2018	4/27/2018	-	-	-	-	-	-	-
RQ2	Q2	A	11/18/2018	12	201811180300025563	4/19/2018	6/30/2018	11/18/2018	-	-	-	-	-	-	-
RQ2	Q2	A	2/18/2019	2	201902180300031098	4/19/2018	6/30/2018	2/18/2019	-	-	-	-	-	-	-
RQ2	Q3	N	2/18/2019	2	201902180300031112	7/1/2018	9/30/2018	2/18/2019	-	-	-	-	-	-	-
RQ2	12G	N	2/18/2019	5	201902180300031114	10/1/2018	10/17/2018	2/18/2019	-	-	-	-	-	-	-
RQ2	12G	A	4/14/2019	2	201904140300037279	10/1/2018	10/17/2018	4/14/2019	-	-	-	-	-	-	-
RQ2	30G	N	2/18/2019	6	201902180300031119	10/18/2018	11/26/2018	2/18/2019	-	-	-	-	-	-	-
RQ2	30G	A	4/14/2019	2	201904140300037281	10/18/2018	11/26/2018	4/14/2019	-	-	-	-	-	-	-
F3N	Q1	N	4/14/2017	96	201704149052164330	1/1/2017	3/31/2017		\$624,545	\$142,229	\$374,393	\$392,381	\$30,325	-	\$30,325
F3N	Q2	N	7/14/2017	40	201707149066648403	4/1/2017	6/30/2017		\$392,381	\$32,623	\$122,707	\$302,297	\$200	-	\$200
F3A	Q2	A	9/18/2017	41	201709189074742888	4/1/2017	6/30/2017		\$392,381	\$32,623	\$122,707	\$302,297	\$4,607	-	\$4,607
F3A	Q2	A	10/13/2017	52	201710139075634324	4/1/2017	6/30/2017		\$392,381	\$32,623	\$122,707	\$302,297	\$12,545	-	\$12,545
F3N	Q3	N	10/13/2017	34	201710139075635606	7/1/2017	9/30/2017		\$302,297	\$7	\$16,646	\$285,658	\$527	-	\$527
F3N	YE	N	1/31/2018	10	201801319091014299	10/1/2017	12/31/2017		\$285,658	\$48	\$52,272	\$233,433	\$0	-	\$0
F3	Q1	N	4/14/2018	154	201804190200311227	1/1/2018	3/31/2018		\$233,433	\$4,260,713	\$277,543	\$4,216,603	\$57,477	\$4,000,000	\$4,057,477
F3A	Q1	A	12/10/2018	152	201812109142260530	1/1/2018	3/31/2018		\$233,433	\$4,260,713	\$277,543	\$4,216,603	\$57,477	\$4,000,000	\$4,057,477
F3	12P	N	4/26/2018	109	201805110200366482	4/1/2018	4/18/2018		\$4,216,603	\$238,680	\$361,332	\$4,093,951	\$62,812	\$4,000,000	\$4,062,812
F3A	12P	A	10/15/2018	105	201810159124880056	4/1/2018	4/18/2018		\$4,216,603	\$233,005	\$361,332	\$4,088,276	\$62,650	\$4,000,000	\$4,062,650
F3A	12P	A	12/10/2018	105	201812109142268540	4/1/2018	4/18/2018		\$4,216,603	\$233,005	\$361,332	\$4,088,276	\$62,650	\$4,000,000	\$4,062,650
F3	Q2	N	7/18/2018	1904	201807200200631030	4/19/2018	6/30/2018		\$4,093,951	\$1,549,693	\$1,448,179	\$4,195,465	\$355,191	\$4,000,000	\$4,355,191
F3A	Q2	A	10/15/2018	1902	201810159124892073	4/19/2018	6/30/2018		\$4,088,276	\$1,549,683	\$1,449,679	\$4,188,280	\$362,224	\$4,000,000	\$4,362,224
F3A	Q2	A	12/21/2018	1914	201812219143654905	4/19/2018	6/30/2018		\$4,088,276	\$5,540,658	\$5,461,088	\$4,167,846	\$362,224	\$4,000,000	\$4,362,224
F3N	Q3	N	10/15/2018	1024	201810159124951317	7/1/2018	9/30/2018		\$4,188,280	\$1,133,359	\$961,333	\$4,360,306	\$249,417	\$4,000,000	\$4,249,417
F3A	Q3	A	3/25/2019	1028	201903259145923286	7/1/2018	9/30/2018		\$4,167,846	\$1,133,359	\$961,333	\$4,339,872	\$249,417	\$4,000,000	\$4,249,417
F3N	12G	N	10/25/2018	1247	201810259131028389	10/1/2018	10/17/2018		\$4,360,306	\$473,239	\$369,148	\$4,464,397	\$95,991	\$4,000,000	\$4,095,991
F3A	12G	A	3/25/2019	1248	201903259145924314	10/1/2018	10/17/2018		\$4,339,872	\$473,239	\$869,336	\$3,943,775	\$95,991	\$4,000,000	\$4,095,991
F3N	30G	N	12/6/2018	860	201812069134559087	10/18/2018	11/26/2018		\$3,964,397	\$212,594	\$4,172,774	\$4,217	\$7,152	\$250,000	\$257,152
F3A	30G	A	3/25/2019	859	201903259145925562	10/18/2018	11/26/2018		\$3,943,775	\$212,594	\$4,172,799	(\$16,429)	\$44,977	\$250,000	\$294,977
F3N	YE	N	1/31/2019	33	201901319144475625	11/27/2018	12/31/2018		\$4,217	\$33,306	(\$5,348)	\$42,872	\$12,794	\$250,000	\$262,794
F6		N	4/30/2018	5	201804300200362196				-	-	-	-	-	-	-
F6		N	4/26/2018	13	201804270200362072				-	-	-	-	-	-	-

F3N	30G	N	12/8/2016	102	201612089037817481	10/20/2016	11/28/2016		\$986,098	\$111,852	\$352,298	\$745,653	\$11,932	-	\$11,932
F3N	YE	N	1/31/2017	43	201701319042234586	11/29/2016	12/31/2016		\$745,653	\$18,610	\$139,718	\$624,545	\$26,498	-	\$26,498
F1A		A	6/30/2016	5	201606309020104557				-	-	-	-	-	-	-
F6N			11/7/2016	1	201611079037128379				-	-	-	-	-	-	-
F6N			11/7/2016	1	201611079037133706				-	-	-	-	-	-	-
F6N			11/8/2016	1	201611089037137737				-	-	-	-	-	-	-
F6N			10/31/2016	2	201610319037013949				-	-	-	-	-	-	-
F6N			3/11/2016	5	201603119009735939				-	-	-	-	-	-	-
F6N			3/2/2016	1	201603029009634273				-	-	-	-	-	-	-
F6N			2/25/2016	1	201602259009622882				-	-	-	-	-	-	-
F6N			2/29/2016	1	201602299009631080				-	-	-	-	-	-	-
F6N			3/1/2016	5	201603019009631942				-	-	-	-	-	-	-
F6N			10/24/2016	3	201610249034541018				-	-	-	-	-	-	-
F6N			10/27/2016	1	201610279034725965				-	-	-	-	-	-	-
F6N			10/28/2016	1	201610289037004301				-	-	-	-	-	-	-
F6N			10/21/2016	2	201610219034504830				-	-	-	-	-	-	-
Totals										\$2,107,393	\$1,768,258				

Renacci for US Senate (C00466359)

2018 July Quarterly Report/Amended 2018 July Quarterly Report, received 12/21/2018

Overview of Additional Receipts

Report Line	Original 2018 July Quarterly Report (Image 201807200200631032)	Amended 2018 July Quarterly Report, received 12/21/2018 (Image 201812219143654907)	Variance Amount
Line 11(a)(i): Itemized Contributions from Individuals	\$556,102.79	\$557,692.79	\$1,590.00
Line 13(a): Loans Made or Guaranteed by the Candidate	\$0.00	\$4,000,000.00	\$4,000,000.00
Total Variance:			\$4,001,590.00

Overview of Additional Disbursements

Report Line	Original 2018 July Quarterly Report (Image 201807200200631033)	Amended 2018 July Quarterly Report, received 12/21/2018 (Image 201812219143654908)	Variance Amount
Line 17: Operating Expenditures	\$1,430,718.13	\$1,443,627.06	\$12,908.93
Line 19(a): Repayments of Loans Made or Guaranteed by the Candidate	\$0.00	\$4,000,000.00	\$4,000,000.00
Total Variance:			\$4,012,908.93

Renacci for US Senate (C00466359)

2018 12 Day Pre-General Report/Amended 2018 12 Day Pre-General Report, received
3/25/2019

Overview of Additional Disbursements

Report Line	Original 2018 12 Day Pre-General Report (Image 201810259131028392)	Amended 2018 12 Day Pre-General Report, received 3/25/2019 (Image 201903259145924317)	Variance Amount
Line 17: Operating Expenditures	\$369,148.26	\$869,336.83	\$500,188.57
		Total Variance:	\$500,188.57