



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Patricia Blevins, Treasurer
Democratic State Committee Delaware
P.O. Box 2065
Wilmington, DE 19899

MAY 29 2002

Identification Number: C00211763

Reference: Year End Report (7/1/01-12/31/01)

Dear Ms. Blevins:

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 supporting Line 15 of the Detailed Summary Page discloses a refund(s) or rebate(s) of what appears to be a previously disclosed allocable expense(s) from several vendors. Please be advised that when a committee receives a refund or rebate of an allocable expense, it must be allocated between the federal and non-federal accounts according to the same allocation ratio used to allocate the original disbursement. Furthermore, the federal account must transfer the non-federal portion to the non-federal account and disclose this transfer-out on Schedule H4. Your report does not appear to disclose a transfer-out of the non-federal portion of this refund(s) or rebate(s). Please provide clarification regarding this apparent omission.

-Schedule H3 of your report discloses a transfer(s)-in from a non-federal account(s) for Administrative/Voter Drive expenses which appears to exceed the permissible amount(s) indicated by your allocation ratio for this category. Please be advised that transfers for shared activity must not exceed the non-federal share of the joint disbursements and that these transfers must be made within a 70-day time period: no more than 10 days before or 60 days after payment to the vendor. 11 CFR §§106.5(g)(2) and 106.6(e)(2) Please clarify the nature of this transfer(s)-in from the non-federal account.

The Commission recommends that you immediately transfer the total excessive amount received by your federal account back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "consulting fee". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Your report discloses an outstanding balance(s) beginning this period for a debt(s) owed to Hickman-Brown Research. However, an outstanding balance(s) at the close of the period was not disclosed on your 2001 Mid-Year Report. Please amend your report(s) to clarify this discrepancy.

A response or 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. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Julie Perry
Reports Analyst
Reports Analysis Division

