



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

February 13, 2007

Michael F. Childers, Treasurer
Democratic Party Of Wisconsin Federal Account
222 W. Washington Avenue
Suite 150
Madison, WI 53703

Response Due Date:
March 19, 2007

Identification Number: C00019331

Reference: 30 Day Post General Report (10/19/06-11/27/06)

Dear Mr. Childers:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-The totals listed on Lines 11(a)(i) and 11(a)(ii), 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. When an individual's aggregate exceeds the \$200 threshold, the amount should not be deducted from the Column B figure for Line 11(a)(ii). Please amend your report and any subsequent reports that may be affected by this correction.

-The totals listed on Lines 21(a)(i), 21(a)(ii), 21(c), 30(b), 30(c) and 32, Column B of the Detailed Summary Page(s) 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. Please amend your report and any subsequent reports that may be affected by this correction.

-Schedule A supporting Line(s) 11(c) of your report discloses a receipt(s) from "Herbert Kohl for US. Senate," "Kind For Congress" and "A Lot of People for Dave Obey Campaign" which requires further clarification. For example, if this activity represents a transfer of funds, please indicate

"transfer" on Schedule A supporting Line 11(c) of your report. If this activity represents a reimbursement for services provided to this committee, please indicate this on Schedule A supporting Line 15 of your report. Please amend your report to clarify the type of activity this receipt(s) represents.

-Schedule A of your report discloses a contribution from a political committee, which based on the name and identification number disclosed on your report, appears to be terminated. The following committee name from your report needs further clarification: "IUPAT Member & Family Fundraising PC Account."

Please amend your report to clarify this receipt.

-Schedule A supporting Line 15 of your report discloses a payment(s) from an organization(s) which is not a political committee(s) registered with the Commission (see attached). It appears the receipt(s) was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution(s) received by your committee from an unregistered organization(s) and is prohibited subject to the limits set forth at 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b).

-A review of the reports filed by your committee (see attached) indicates that your committee received a contribution from "**Brady Voter Education Fund**" which has not been disclosed on their report(s) of receipts and disbursements. Please provide clarifying information regarding the source of the transfer(s) received by your committee.

-The Commission notes the transfer-out on Schedule B to "DPW State Account" for the apparent misdeposit of contributions originally intended for the non-federal account. Please be advised, contributions deposited in

either a federal account or an account used for both federal and non-federal activity must meet the following conditions: the contributions are designated or expressly solicited for use in connection with federal elections and contributors are informed that their contributions are subject to the limits and prohibitions of the Act. 11 CFR §102.5(a)

Although the Commission may take further legal action regarding the misdeposited funds, your prompt action in refunding or transferring out this amount will be taken into consideration.

-Schedule A of your report discloses one or more transfers from the "**Democratic National Committee**" (see attached). In addition, your report discloses "Transfer of Non Federal Funds" with each transfer from the "Democratic National Committee." Please be advised that your committee is prohibited from receiving transfers comprised of non-federal funds from this committee.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the refund. In addition, the refund should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which it is made.

Although the Commission may take further legal action regarding the acceptance of prohibited funds, your prompt refund or clarification of these transactions, will be taken into consideration.

-Schedule A supporting Line 15 of your report discloses an offset to an operating expenditure(s) totaling \$15,292.43 from "Friends of Judy Robson," "Stratasoft, Inc." and "@dvocacy, Inc."; however, your report(s) does not appear to disclose a disbursement to this entity. Please provide clarifying information regarding this activity and amend your report(s) if necessary.

-Schedule B supporting Line 30(b) of your report discloses a payment(s) for "Auto Dial Equipment," which is categorized as Federal Election Activity and therefore, may require the disclosure of the candidate(s) this activity should be attributed to. Expenditures and disbursements for public communications that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s).

Further, please be advised that public communications that meet the definition of Federal Election Activity and that also contain express

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have failed to disclose a transfer-out for the non-federal portion of these voided checks issued for allocable expenses. Please provide clarifying information regarding the non-federal portion and, in addition, please clarify if and when these checks were reissued. If they were not reissued, please clarify the steps your committee has taken to account for the federal portion of these voided or returned checks in order to avoid the acceptance of a prohibited in-kind contribution.

-On Schedule H4, your allocated activity or event year-to-date total calculations for the Administrative category are incorrect. Allocated activity or event year-to-date totals for administrative, voter drive, exempt activity costs and expenses for public communications made by PACs referencing only political parties are derived by aggregating all disbursements during the calendar year for each separate category. Allocated activity or event year-to-date totals for fundraising and direct candidate support activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous event year-to-date total for that category or event. This running event year-to-date total should be disclosed after each disbursement is listed. Please amend your report by providing the correct event year-to-date totals.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to check the appropriate allocated activity or event category box for the payment(s) made to "Kelly, Dan" and "Einstein Brothers Bagels." Please amend your report to disclose the appropriate category.

-Please clarify all expenditures made for "Event Facility," "Fundraiser Sound System," "Fundraising Event Posters" and "Fundraising Facility" on Schedule(s) B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Please clarify all expenditures made for "Room Rental" on Schedule H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

Alternatively, if the payment(s) on Schedule H4 is associated with fundraising activity conducted for your committee's federal and non-federal

accounts, it must be allocated according to the funds received method and the ratio reflected on Schedule H2. Further, it must be categorized as a fundraising activity on Schedule H4. Please provide clarifying information regarding the nature of this transaction(s) and amend your report(s) as appropriate.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

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 should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694- 1135.

Sincerely,



Maureen Benitz
Senior Campaign Finance Analyst
Reports Analysis Division

DEMOCRATIC PARTY OF WISCONSIN FEDERAL ACCOUNT
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Receipts for Usual and Normal Charges:

Contributor Name	Date	Amount
State Senate Democratic Committee	10/20/06	\$362.60
Doyle For Wisconsin	10/20/06	\$47.00
Friends of Mason	11/20/06	\$300.00
John Lehman for Senate	10/30/06	\$1,684.50
Sinicki for Assembly	11/03/06	\$1,000.00
Friends of Mason	11/20/06	\$3,369.00
Friends of Judy Robson	11/27/06	\$2,246.00
Grail for Assembly	11/27/06	\$417.62
Friends of Mason	11/20/06	\$1,214.80
State Senate Democratic Committee	10/20/06	\$359.57
Friends of Mason	11/03/06	\$2,200.00
State Senate Democratic Committee	10/20/06	\$394.83
John Lehman for Senate	11/03/06	\$27.24
Doyle For Wisconsin	10/25/06	\$508.00

Contribution not reported on donor report:

Contributor Name	Date	Amount	Report
Brady Voter Education Fund	10/30/06	\$1,000.00	30 Day Post General

Contribution from possible non-federal source

Contributor Name	Date	Amount	Report
Democratic National Committee	10/25/06	\$25,000.00	30 Day Post General
Democratic National Committee	10/27/06	\$25,000.00	30 Day Post General
Democratic National Committee	10/30/06	\$100,000.00	30 Day Post General

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