



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

David Alpert, Treasurer
New York State Democratic Committee
60 Madison Avenue, Suite 1201
New York, NY 10010

JUN 12 2002

Identification Number: C00143230

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

Dear Mr. Alpert:

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:

-The totals listed on Lines 6(c), 7, 15, 21(a)(i), 21(a)(ii), 21(b), 22, and 29, Column B of the Summary and 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.

-Your calculations for Lines 19, 20, 21(c), 30, and 31, Column B appear to be incorrect. Please provide the corrected totals on the Detailed Summary Page.

-On Schedule D of your previous report, you disclosed debts owed to the following vendors that have been omitted from this report:

Associated Financial/Novell Inc.
AT&T Teleconference
Buffalo Convention Center
Communications Services
DNC Travel Offset
Fort Orange Press
Hanley Sign Co., Inc.

CHUBB Life America
Conotabs Network
Eskay Business Systems
Harper Collins Publishers
NY Native Advertising
Payco/Mobile Comm.
Personal Supply Co.

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Chinese American Planning Council
Integrity Distribution
National Credit Inc.
NYNEX
Oxford Health Plans
Picotte Companies
Pier Waterfront Café
Public Works
Radisson Suite Hotel Buffalo
Ross Mailing Services
Rudin Management Corp.
Sprint
Telecom, Inc.
Central Computer Services

ImageCore Ltd.
PSI Net/Pipeline
Stonewall News
The November Group
Unity Environmental Corp.
Venture Graphics
Filtered Water Service Corp.
Specialized Audiovisual, Inc.
NCA
Helmsley Spear
Mobile Media
Sheraton Hotel and Towers
Time Warner Cable NYC
Nationwide Credit Inc.

Please amend your report to include these debts on Schedule D and Line 10 of the Summary Page. All debts and obligations must be disclosed until extinguished. 11 CFR §104.11

-The Detailed Summary Page, on Line 18 Column A of your report, discloses \$1,036,000 in transfers from the non-federal account for joint activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$972,885.15 as the non-federal share for joint activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for shared activity, transfers for shared activity must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. 11 CFR §§106.5(g)(2) and 106.6(e)(2) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-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 American Express Corporate Card, Fleet Bank, Harleysville Insurance, OnSite Access, Inc., Providian National Bank, The Journal News, US Treasury, and Verizon. 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.

-Please amend Schedule A supporting Line 15 of your report to clarify the following description: expense refund.

-Schedule B supporting Line 22 of your report discloses a disbursement for an apparent refund or rebate to your non-federal account for a previously allocated expense. Please be advised the refund or rebate 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 using one of two methods.

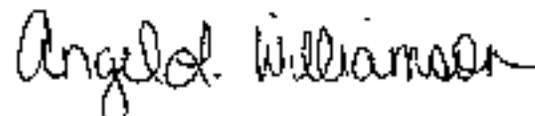
The method of reporting described in Advisory Opinion 1995-22 allows a committee to itemize the refund or rebate as a negative entry on Schedule H4. Alternatively, a committee may disclose the receipt of the refund or rebate into the federal account on Schedule A supporting Line 15, and the transfer of the non-federal account's share to the non-federal account on Schedule H4. Please refer to the enclosed sample of properly reported refunds and rebates of allocable activity and amend your report as appropriate.

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt 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 of your report, you disclose payments totaling \$16,835.11 to American Express Corporate Card for credit card purchases relating to "travel" expenses; however, the sum of the memo entries supporting these payments total \$32,636.33. Payments to credit card companies must identify as memo entries, the original vendors from which you have purchased an item or service regardless of amount. In addition, the sum memo entries should equal the payments made to the credit card companies. Please amend your report 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,



Angel L. Williamson
Senior Reports Analyst
Reports Analysis Division

