



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Jan Churchill, Treasurer
Nevada State Democratic Party
1785 East Sahara #496
Las Vegas, NV 89104

DEC 23 1998

Identification Number: C00208991

Reference: October Quarterly Report (7/1/98-9/30/98)

Dear Ms. Churchill:

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:

-Your calculations for Line 31, Columns A and B appear to be incorrect. FEC calculations disclose this amount(s) to be \$378,748.10 and \$532,399.56, respectively. Please provide the corrected total(s) on the Detailed Summary Page.

-Line 25 of the Detailed Summary Page of your report discloses a total of \$0 in Coordinated Expenditures. The sum of the entries itemized on Schedule F, however, indicates the total to be \$24,400. Please amend your report to clarify the discrepancy.

-Line 21(a)(i) of the Detailed Summary Page of your report discloses a total of \$376,232.10 in the federal share of allocable expenses. The sum of the entries itemized on Schedule H4, however, indicates the total to be \$351,832.10 (This appears to be the result of including memo entries in the total). Please amend your report to clarify the discrepancy.

-Schedule A supporting Line 12 discloses a transfer-in from Democratic National Committee, Democratic Senatorial Campaign Committee and Democratic Congressional Campaign Committee. Schedule H4 supporting Line 21(a) reflects payments for "Vote By Mail brochure". Payments for

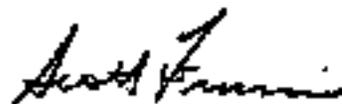
this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used including distribution by direct mail; all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §100.7(b)(15) and (17) and to the Campaign Guide for Party Committees.

Please clarify the nature of the transfers-in and subsequent payments for "Vote By Mail brochure". If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B or F supporting Line 23 or 25 of the Detailed Summary Page as appropriate.

Please clarify all expenditures made for Film Production & Media Placement, Media Placement, Media, and Media Production 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 Schedule B or F supporting Line 23 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

A written response or an 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. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,



Scott Francis
Reports Analyst
Reports Analysis Division

