FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

JUN 2 6 2003

James J. Bonham, Treasurer
Democratic Congressional
Campaign Committee - Expenditures
430 South Capitol Street SE, 2nd Floor
Washington, DC 20003

Identification Number: C00000935

Reference: December Monthly Report (11/1/01-11/30/01) and Year End Report (12/1/01-12/31/01)

Dear Mr. Bonham:

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:

-11 CFR §104.10(a)(1) requires a unique identifying title or code for each shared program or activity conducted on behalf of federal and non-federal candidates. On Schedule H2, you have failed to provide a unique identifying code for all fundraising events (see attachment(s)). Please amend all schedules where a unique title or code was not provided for an activity/event.

-Schedule F of your report discloses a coordinated expenditure made directly to a candidate committee (pertinent portion(s) attached). Please be advised that a coordinated expenditure is to be made on behalf of a candidate for the General Election. The money cannot be contributed directly to the candidate committee. As such your expenditure appears to be a contribution to a federal candidate and is subject to the limits set forth in the Act. Please amend your report to clarify your expenditures and record them on the appropriate schedule supporting the correct line of the Detailed Summary Page.

-Schedule F of your report discloses coordinated expenditures made on behalf of a candidate(s). Please be advised that your committee must be

authorized to make such expenditures by the State committee of your political party. If your committee has been designated to make such expenditures, please provide the name of the designating committee. If your committee has not been designated to make coordinated expenditures, they must be considered as in-kind contributions to the candidate(s) and be subject to the limitations of 2 U.S.C. §441a. Please amend your report with clarifying information. 2 U.S.C. §441a(d)

-Please clarify whether the disbursements on Schedule B for line 23 are earmarked contributions. Pursuant to 11 CFR §110.6(c), the original contributor for earmarked contributions must be disclosed on Schedule B. Please refer to the attached portions of the Federal Election Commission Campaign Guide for further guidance on the reporting of earmarked contributions and amend your report accordingly.

A 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. 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,

Edward D. Ryan

Edward D. Ryan
Campaign Finance Analyst
Reports Analysis Division

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SCHEDULE H2 (FEC Form 3X)
ALLOCATION RATIOS

NAME OF COMMITTEE (In Full)

Democratic Congressional Campaign Committee - Expenditures - 2001 December Monthly

ALLOCATION RATIOS FOR INDIVIDUAL FUND-RAISING EVENTS, EXEMPT ACTIVITIES, AND SHARED DIRECT CANDIDATE SUPPORT APPEARING ON THIS REPORT.

Methods of allocation :

I. **FUNDRAISING** activities are allocated using the 'funds received method' where the federal proportion of expenses must equal the federal proportion of monies raised.

II. **EXEMPT** activities are allocated using the 'time and space method' where the federal proportion of disbursements is based on the proportion of time or space devoted to federal candidates.

III. Shared **DIRECT CANDIDATE SUPPORT** activities are allocated according to benefit expected to be derived, where the federal proportion of disbursements is based on benefit derived by federal candidates from the activity.

NAME OF ACTIVITY OR EVENT	FEDERAL %	NON-FEDERAL %
Harriman Billable ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	30.00 %	70.00 % Transaction ID: H2-1142
Speakers Trust ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	60.00 %	40.00 % Transaction ID: H2-1143
Finance Clubs ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	45.00 %	55.00 % Transaction ID: H2-1144
Speakers Trust ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	30.00 %	70.00 % Transaction ID: H2-1145

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SCHEDULE H2 (FEC Form 3X)
ALLOCATION RATIOS

NAME OF COMMITTEE (In Full)

Democratic Congressional Campaign Committee - Expenditures 2001 Year End Report

ALLOCATION RATIOS FOR INDIVIDUAL FUND-RAISING EVENTS, EXEMPT ACTIVITIES, AND SHARED DIRECT CANDIDATE SUPPORT APPEARING ON THIS REPORT.

Methods of allocation :

I. **FUNDRAISING** activities are allocated using the 'funds received method' where the federal proportion of expenses must equal the federal proportion of monies raised.

II. **EXEMPT** activities are allocated using the 'time and space method' where the federal proportion of disbursements is based on the proportion of time or space devoted to federal candidates.

III. Shared **DIRECT CANDIDATE SUPPORT** activities are allocated according to benefit expected to be derived, where the federal proportion of disbursements is based on benefit derived by federal candidates from the activity.

NAME OF ACTIVITY OR EVENT	FEDERAL %	NON-FEDERAL %
Harriman Billable ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	30.00 %	70.00 % Transaction ID: H2-1319
Speakers Trust ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	60.00 %	40.00 % Transaction ID: H2-1320
Finance Clubs ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	45.00 %	55.00 % Transaction ID: H2-1321
Speakers Trust ACTIVITY IS: [X] Fundraising [ ] Exempt [ ] Direct Candidate Support CHECK IF THE RATIO IS: [ ] New [ ] Revised [X] Same as Previously Reported	30.00 %	70.00 % Transaction ID: H2-1322

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SCHEDULE F (FEC Form 3X)
ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE
(2 U.S.C. §441a(d)) (To be used only by Political Committees in the General Election)

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FOR LINE 25 OF FORM 3X

NAME OF COMMITTEE (In Full)
NF #9 2001 DECEMBER MONTHLY REPORT

Has your committee been designated to make coordinated expenditures by a political party committee?
YES X NO
If YES, name the designating committee:

Full Name of Subordinate Committee

Mailing Address

City State ZIP Code

Full Name (Last, First, Middle Initial) of Each Payee	Purpose of Expenditure	IND Category/Type
Mike Hathorn for Congress	Travel	
Mailing Address: PO Box 4055, 321 West Center St	Date: 11 / 16 / 2001	
City: Fayetteville, State: AR, ZIP Code: 72702		
Name of Federal Candidate Supported: Hathorn Mike; Office Sought: X House / Senate / Presidential; State: AR; District: 03	Amount: 836.90	EDC
Aggregate General Election Expenditure for this Candidate ▶ 24578.51		
Transaction ID: G25-14111		

Full Name (Last, First, Middle Initial) of Each Payee	Purpose of Expenditure	IND Category/Type
Mike Hathorn for Congress	Travel	
Mailing Address: PO Box 4055, 321 West Center St	Date: 11 / 15 / 2001	
City: Fayetteville, State: AR, ZIP Code: 72702		
Name of Federal Candidate Supported: Hathorn Mike; Office Sought: X House / Senate / Presidential; State: AR; District: 03	Amount: 1741.61	EDC
Aggregate General Election Expenditure for this Candidate ▶ 24578.51		
Transaction ID: G25-14112		

Full Name (Last, First, Middle Initial) of Each Payee	Purpose of Expenditure	Category/Type
Mike Hathorn for Congress	Catering Services	
Mailing Address: PO Box 4055, 321 West Center St	Date: 11 / 29 / 2001	
City: Fayetteville, State: AR, ZIP Code: 72702		
Name of Federal Candidate Supported: Hathorn Mike; Office Sought: X House / Senate / Presidential; State: AR; District: 03	Amount: 2000.00	EDC
Aggregate General Election Expenditure for this Candidate ▶ 24578.51		
Transaction ID: G25-14110		

SUBTOTAL of Expenditures This Page (optional) ▶ 4578.51

TOTAL This Period (last page this line number only) ▶

SCHEDULE F (FEC Form 3X)

ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE

(2 U.S.C. §441a(d)) (To be used only by Political Committees in the General Election)

NAME OF COMMITTEE (In Full)
NF #9 2001 DECEMBER MONTHLY REPORT

Has your committee been designated to make coordinated expenditures by a political party committee?
YES X NO
IF YES, name the designating committee:

Full Name of Subordinate Committee

Mailing Address

City State ZIP Code

Full Name (Last, First, Middle Initial) of Each Payee: Phelps for Congress
Purpose of Expenditure: Polling
Category/Type:
Mailing Address: 225 Jacob Road
City: El Dorado State: IL ZIP Code: 62930
Date: 11 / 07 / 2001
Name of Federal Candidate Supported: Phelps David
Office Sought: X House; Senate; Presidential
State: IL District: 19
Amount: 10590.00
Aggregate General Election Expenditure for this Candidate ▶ 10590.00
Transaction ID: G25-13990

Full Name (Last, First, Middle Initial) of Each Payee: Stephen Lynch for Congress Committee
Purpose of Expenditure: Polling
Category/Type:
Mailing Address: 56 G Street
City: Boston State: MA ZIP Code: 02127
Date: 11 / 01 / 2001
Name of Federal Candidate Supported: Lynch Stephen
Office Sought: X House; Senate; Presidential
State: MA District: 09
Amount: 16464.95
Aggregate General Election Expenditure for this Candidate ▶ 44464.95
Transaction ID: G25-14106

SUBTOTAL of Expenditures This Page (optional) ▶ 27054.95

TOTAL This Period (last page this line number only) ▶ 31633.46

SCHEDULE F (FEC Form 3X)
ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE
(2 U.S.C. §441a(d)) (To be used only by Political Committees in the General Election)

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FOR LINE 25 OF FORM 3X

NAME OF COMMITTEE (in Full)
NF #9 2001 YEAR END REPORT

Has your committee been designated to make coordinated expenditures by a political party committee?
YES X NO
If YES, name the designating committee:

Full Name of Subordinate Committee

Mailing Address

City State ZIP Code

Full Name (Last, First, Middle Initial) of Each Payee
Mike Hathorn for Congress

Mailing Address
PO Box 4055 321 West Center St

City State ZIP Code
Fayetteville AR 72702

Name of Federal Candidate Supported: Hathorn Mike
Office Sought: X House / Senate / Presidential
State: AR District: 03

Aggregate General Election Expenditure for this Candidate ▶ 25884.13
Transaction ID: G25-14285

Purpose of Expenditure: Travel
IND Category/Type

Date: 12 14 2001

Amount: 1305.62 SDR

Full Name (Last, First, Middle Initial) of Each Payee
Stephen Lynch for Congress Committee

Mailing Address
55 G Street

City State ZIP Code
Boston MA 02127

Name of Federal Candidate Supported: Lynch Stephen
Office Sought: X House / Senate / Presidential
State: MA District: 09

Aggregate General Election Expenditure for this Candidate ▶ 69545.28
Transaction ID: G25-14281

Purpose of Expenditure: Polling
ORG Category/Type

Date: 12 11 2001

Amount: 2000.00 EDR

Full Name (Last, First, Middle Initial) of Each Payee
Stephen Lynch for Congress Committee

Mailing Address
55 G Street

City State ZIP Code
Boston MA 02127

Name of Federal Candidate Supported: Lynch Stephen
Office Sought: X House / Senate / Presidential
State: MA District: 09

Aggregate General Election Expenditure for this Candidate ▶ 69545.28
Transaction ID: G25-14283

Purpose of Expenditure: Polling
ORG Category/Type

Date: 12 11 2001

Amount: 5000.00 EDR

SUBTOTAL of Expenditures This Page (optional) ▶ 8305.62

TOTAL This Period (last page this line number only) ▶

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SCHEDULE F (FEC Form 3X)
ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE
(2 U.S.C. §441a(d)) (To be used only by Political Committees in the General Election)

PAGE 221 / 221
FOR LINE 25 OF FORM 3X

NAME OF COMMITTEE (In Full)
NF #9 2001 YEAR END REPORT

Has your committee been designated to make coordinated expenditures by a political party committee?
YES X NO
If YES, name the designating committee:

Full Name of Subordinate Committee

Mailing Address

City State ZIP Code

Full Name (Last, First, Middle Initial) of Each Payee
Stephen Lynch for Congress Committee

Purpose of Expenditure
Media Services

Category/Type

Mailing Address
55 G Street

City: Boston State: MA ZIP Code: 02127

Date: 12 / 11 / 2001

Name of Federal Candidate Supported: Lynch Stephen
Office Sought: X House / Senate / Presidential
State: MA District: 09

Amount: 18080.33

Aggregate General Election Expenditure for this Candidate ▶ 69545.28

Transaction ID: G25-14282

Full Name (Last, First, Middle Initial) of Each Payee
Steve Israel for Congress

Purpose of Expenditure
Posting

Category/Type

Mailing Address
16 Ormond Street

City: Dix Hills State: NY ZIP Code: 11746-6331

Date: 12 / 11 / 2001

Name of Federal Candidate Supported: Israel Steve
Office Sought: X House / Senate / Presidential
State: NY District: 02

Amount: 7000.00

Aggregate General Election Expenditure for this Candidate ▶ 7000.00

Transaction ID: G25-14284

SUBTOTAL of Expenditures This Page (optional) ▶ 25080.33

TOTAL This Period (last page this line number only) ▶ 33385.95

FEC Schedule F (Form 3X) (Revised 1/2001)

4. Reporting Conduit Activity

The conduit must comply with special reporting rules, which vary depending on whether the contribution was deposited in the conduit's bank account or was passed on directly to the campaign in the form of the original contributor's check. 110.6(c)(1)(v).

Report Filed with the Government

Registered Political Committee
A registered nonconnected committee acting as a conduit must disclose its activity on its next regularly scheduled FEC report. 110.6(c)(1)(ii).

Unregistered Entity
An individual or other unregistered entity acting as a conduit must disclose the activity in a letter to the FEC within 30 days after forwarding the earmarked contribution. 110.6(c)(1)(ii).

The letter should contain all the information listed below for conduits.

Contributions Deposited in Committee's Account

Schedule A
If an earmarked contribution passes through a nonconnected committee's account, the committee reports the following information on Schedule A:

- The name and mailing address of each person making an earmarked contribution (including earmarked contributions of $200 or less) (110.6(c)(1)(iv)(A));
- The occupation and employer of each individual making an earmarked contribution exceeding $200 (110.6(c)(1)(iv)(A));
- The candidate designated by the contributor as the recipient of the contribution (110.6(c)(1)(iv)(B));
- The election for which the contribution was designated, if any (see 110.1(b)(3)(i));
- The amount of the earmarked contribution (110.6(c)(1)(iv)(B)); and
- The date the contribution was received by the conduit (110.6(c)(1)(iv)(C)).

EARMARKED CONTRIBUTIONS

SCHEDULE A — ITEMIZED RECEIPTS
Contributions from Individuals
PAGE ___ OF ___
FOR LINE NUMBER: 11(a)(i)

NAME OF COMMITTEE (in Full): Fund for a Better Government

A. Full name, mailing address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Michael Chaplin 4 River Road City, State ZIP	American Corporation Vice president	8/19/94	$500.00
Above contribution earmarked for Sam Jones, House candidate, 2nd (State).			

SCHEDULE H — ITEMIZED DISBURSEMENTS
Contributions to Candidates
PAGE ___ OF ___
FOR LINE NUMBER: 23

NAME OF COMMITTEE (in Full): Fund for a Better Government

A. Full name, mailing address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Sam Jones, House candidate, 2nd (State) 312 Main Street, City, State ZIP	see below	8/25/94	$500.00
Above contribution earmarked by Michael Chaplin and transmitted by committee check.			

These reporting procedures apply when the committee deposits an earmarked contribution before transmitting the funds to the candidate for whom the contributor earmarked them. When the committee transmits the contributor's original check, the procedures are the same, but the dollar amounts are listed as memo entries.

Schedule B
Once the committee has forwarded the contribution to the candidate (after depositing it in its own account), the committee reports on Schedule B:

- The candidate designated by the contributor (110.6(c)(1)(iv)(A));
- The date the contribution was forwarded (110.6(c)(1)(iv)(C));
- The amount forwarded to the candidate (110.6(c)(1)(iv)(B));
- The election designated by the contributor, if any (see 110.1(b)(3)(i));
- The name of the contributor (110.6(c)(1)(iv)(A));
- A notation that the contribution was forwarded in the form of a check drawn on the conduit's account (110.6(c)(1)(iv)(C); and
- A statement indicating that the conduit's limit was also affected, if appropriate. (110.6(d)(2)).

Undeposited Contributions

If the committee forwards the contribution without depositing it first (i.e., in the form of the contributor's original check), the committee must itemize the same information listed above in memo entries on Schedules A and B. The entries should indicate that the contribution was passed on in the form of the contributor's original check and, if appropriate, should indicate that the conduit's limits for that candidate were affected.