



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

Kathleen A. Daley, Treasurer
Lincoln Club of Riverside County
P.O. Box 20065
Riverside, CA 92516

OCT 5 2001

Identification Number: C00241323

Reference: Amended July Quarterly Report (4/1/00-6/30/00), dated 9/6/00

Dear Ms. Daley:

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:

-It appears that your committee has established a federal account and a non-federal account. Please be advised that your committee must allocate between its federal and non-federal account all expenses for administrative costs, generic voter drives and fundraising programs or events. 11 CFR §106.6(b)(2)

Party committees must allocate any administrative expenses between the federal and non-federal accounts in proportion to the ballot composition method derived from FEC Schedule H1. 11 CFR §106.5

Schedule H2 is used by all political committees to report the allocation ratios of their joint federal and non-federal fundraising events and direct candidate support programs. Schedule H2 is filed with each report that discloses a disbursement for a shared activity. Schedule H3 is used by all political committees to report transfers received by the federal account from the non-federal account(s) to pay the non-federal share of allocable expenses.

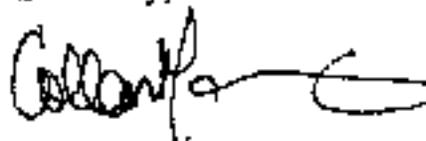
Any expenditures made on behalf of both federal and non-federal candidates (including in-kind contributions, independent expenditures and coordinated expenditures) must also be allocated between your committee's

candidates (including in-kind contributions, independent expenditures and coordinated expenditures) must also be allocated between your committee's federal and non-federal accounts. Schedule H4 is used by all political committees to report payments for allocable expenses. 11 CFR §§106.1(a) and 106.5

Please clarify the procedures you are currently using to allocate shared activity. The Commission recommends that you take steps to correct any non-compliance with the regulations. Also, your committee should establish procedures to ensure future compliance with the allocation regulations.

Any amendment or clarification should be filed with the Federal Election Commission. 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,



Colleen Manning
Reports Analyst
Reports Analysis Division

