



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

April 4, 2007

Patricia Blevins, Treasurer  
Democratic State Committee Delaware  
P.O. Box 2065  
Wilmington, DE 19899

**Response Due Date:**  
**May 4, 2007**

Identification Number: C00211763

Reference: Year End Report (11/28/06-12/31/06)

Dear Ms. Blevins:

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:

-Your 2005 February Monthly through 2006 30 Day Post-General Reports combined disclose memo Schedule A's totaling \$11,095 for "Dollars for Democrats," which appears to be your committee's share of the gross contributions received from a joint fundraising committee. However, there are no corresponding transfers-in from the related joint fundraising committee disclosed on Schedule A supporting Line 12 of the Detailed Summary Page. Please amend your report(s) to clarify this apparent discrepancy.

-Your October Monthly Report (9/1/06-9/30/06) discloses memo Schedule A's totaling \$2,272.40 for "DE Party Victory Fund," which appears to be your committee's share of the gross contributions received from a joint fundraising committee. The Commission notes that your October Monthly Report (9/1/06-9/30/06) includes memo text clarification for memo entries related to the DE Party Victory Fund joint fundraising program which states, "The committee expects to receive transfers at some point in the three months following this reporting period." However, there are no corresponding transfers-in from the related joint fundraising committee disclosed on Schedule A supporting Line 12 of the Detailed Summary Page of your 12 Day Pre-General (10/1/06-10/18/06), Amended 30 Day Post-General (10/19/06-11/27/06), received 2/22/07 and Year End (11/28/06-

27039415266

12/31/06) Reports. Please amend your report(s) to clarify this apparent discrepancy.

-Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Staff Salary." Your report also discloses lump sum payments to "Payroll Management Assistance" for payroll purposes on Schedule H4. Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is the case, each person who provided services to the committee or was paid through or received fringe benefits via "Payroll Management Assistance" must be identified in a memo entry on Schedule H4 regardless of the amount. Please amend your report by providing the name, date, amount, and purpose for such payments as required by 11 CFR §§104.10 and 104.17. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

-Schedule A supporting Line 17 of the Detailed Summary Page discloses a refund(s) or rebate(s) of what appears to be a previously disclosed allocable expense(s) from "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.

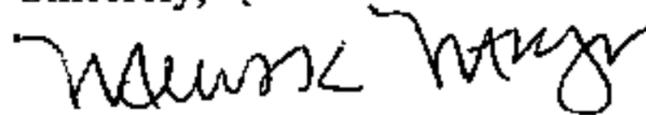
**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for**

27039413267

**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) 694-1397.

Sincerely, .



Melissa Meyer  
Campaign Finance Analyst  
Reports Analysis Division

27039413268

27039413269