



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

August 12, 2014

MICHAEL F. CHILDERS, TREASURER  
DEMOCRATIC PARTY OF WISCONSIN  
15 N. PINCKNEY SUITE 200  
MADISON, WI 53703

**Response Due Date**  
**09/16/2014**

IDENTIFICATION NUMBER: C00019331

REFERENCE: MAY MONTHLY REPORT (04/01/2014 - 04/30/2014)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 item(s):

1. Schedule A of your report (see attached) discloses one or more contributions from an organization(s), which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. § 441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

To the extent that your committee has received prohibited funds, you may have to make a refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and (2) provided

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written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. (11 CFR §103.3(b)(1))

Please inform the Commission of your corrective action promptly in writing and provide a photocopy of your check for any transfer- out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

2. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "dental/life insurance" and "health insurance." 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 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.

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due

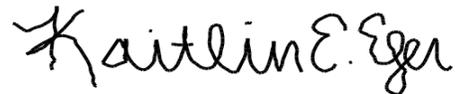
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date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

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) 694-1143.

Sincerely,

A handwritten signature in black ink that reads "Kaitlin Eger". The signature is written in a cursive style with a large initial "K".

Kaitlin Eger  
Sr. Campaign Finance & Reviewing Analyst  
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions  
Democratic Party of Wisconsin (C00019331)**

**Contributions from Unregistered Organizations**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Report</b>
Marinette County Democratic Party	4/17/14	\$13.25	2014 May Monthly
Oconto County Democratic Party	4/4/14	\$10.00	2014 May Monthly
Southwest Regional Democratic Organization	4/15/14	\$10.00	2014 May Monthly
Washington County Democratic Party	4/15/14	\$35.00	2014 May Monthly
Washington County Democratic Party	4/15/14	\$10.00	2014 May Monthly
Washington County Democratic Party	4/15/14	\$10.00	2014 May Monthly
Citizens for Zepnick	4/18/14	\$1,000.00	2014 May Monthly
Friends of Dave Hansen	4/18/14	\$1,000.00	2014 May Monthly
Friends of La Tonya Johnson	4/14/14	\$100.00	2014 May Monthly
Jon Erpenbach Senate Committee	4/25/14	\$1,000.00	2014 May Monthly
Milwaukee Police Association Police	4/18/14	\$250.00	2014 May Monthly
NARAL Pro-Choice Wisconsin	4/8/14	\$5,000.00	2014 May Monthly
Sara Lee Johann For Milwaukee D.A.	4/28/14	\$150.00	2014 May Monthly
Shilling for Senate	4/8/14	\$1,000.00	2014 May Monthly