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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

April 14, 2004

Deborah Trudeli, Treasurer
Nevada State Democratic Party
1785 East Sahara, #496
Las Vegas, NV 89104

Response Due Date:
May 14, 2004

Identification Number: C00208991

Reference: Mid-Year Report (1/1/03-6/30/03)

Dear Ms. Trudell:

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 report discloses memo Schedule A's totaling \$6,501.10 from the NV Party Victory Fund, which appears to be a joint fundraising committee. However, there are no corresponding transfers-in from this committee disclosed on Schedule A supporting Line 12 of the Detailed Summary Page. Please clarify this apparent discrepancy.

-Your report does not disclose any payments for salary or wages on Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §100.24 defines as Federal Election Activity, services provided by an employee of a State, district or local party committee who spends more than 25 percent of their time during that month on activities in connection with a Federal election. You are advised that payments for salaries and wages for employees who spend more than 25 percent of their compensated time in a given month on Federal Election Activity or activities in connection with a Federal election must be made with Federal funds only. Please provide clarification regarding the lack of payments for salary and wages disclosed by your committee.

-Schedule B supporting Line 22 of your report discloses a disbursement for an apparent refund or rebate to your non-federal account for a previously

allocated expense. Please be advised the refund or rebate 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 using one of two methods.

The method of reporting described in Advisory Opinion 1995-22 allows a committee to itemize the refund or rebate as a negative entry on Schedule H4. Alternatively, a committee may disclose the receipt of the refund or rebate into the federal account on Schedule A supporting Line 15, and the transfer of the non-federal account's share to the non-federal account on Schedule H4. Please refer to the enclosed sample of properly reported refunds and rebates of allocable activity and amend your report as appropriate.

-Schedule H1 indicates that the federal allocation for administrative, generic voter drive and exempt activity costs is 36%. However, Commission calculations for the disbursements listed on Schedule H4 disclose the federal share to be 32%. Furthermore, Schedule H3 discloses a non-federal transfer(s) received based on the latter ratio. Please clarify this discrepancy and transfer the excessive non-federal amount back to the non-federal account, if appropriate.

-Schedule H4 of your report discloses a payment(s) to Voter Activation Network, Douglas County Clerk, Advanced Data Systems, and Carson City Clerk, which is categorized as an Administrative expense; however, the purpose(s) of disbursement disclosed is "voter file building" and "voter file data." Please be advised that payments made for your committee's generic voter drive activities should be categorized as a Voter Drive expense on Schedule H4. Please amend your report to clarify the appropriate category for this activity or provide clarifying information regarding this apparent discrepancy.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "entertainment." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

Unlike previous election cycles, 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.

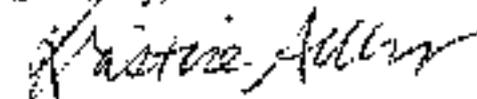
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Requests for extensions of time in which to respond will not be considered. Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement 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 1, then press 2 to reach the Reports Analysis Division) or my local number (202) 694-1141.

Sincerely,



Kristine Adams

Campaign Finance Analyst

Reports Analysis Division

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