



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

AUG 2 2000

Evergreen Chou, Treasurer  
New York State Green Party  
P.O. Box 527-485  
Flushing, NY 11352

Identification Number: C00318907

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Mr. Chou:

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:

-Your report does not include a Schedule H1 to disclose the ratio for the allocation of administrative and generic voter drive costs. This ratio is determined at the beginning of each two-year election cycle. All shared administrative and generic voter drive costs incurred during the two-year cycle must be allocated according to this ratio, unless the federal account elects to pay a higher percentage of its cost. 11 CFR §106.5(h)(2), (d)(1), (d)(2) and 11 CFR §§104.10(b)(1)(ii)(B) and 106.6(c)

-Schedule H3 discloses the receipt of \$500 from your non-federal account for a administrative expenses which are listed as 100% non-federal on Schedule H2. A committee is permitted to pay the entire amount of an allocable activity from its federal account and receive a transfer(s) from its non-federal account solely to cover the non-federal share of the allocable expense(s). 11 CFR §106.5(g)(i). However, a 100% non-federal administrative expense does not fall within the definitions of an allocable expense, and constitutes an impermissible transfer of funds received by your federal account from your non-federal account.

The Commission recommends you immediately transfer the total amount received by your federal account back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD derived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each two-year election cycle. 11 CFR §106.5(d)

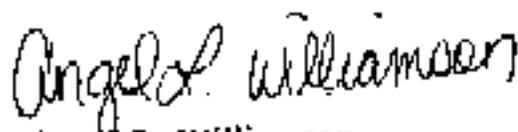
Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Be advised that you have used an incorrect committee identification number on the Summary Page of your report(s). Please file all future reports and correspondence using your correct identification number, C00318907, to avoid potential errors in entering your reports onto the public record.

A written 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. 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,



Angel L. Williamson  
Reports Analyst  
Reports Analysis Division

