



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Joan M. Thomas, Treasurer
DC Democratic State Committee
715 Varnum Street, NW
Washington, DC 20011

JUL 8 1998

Identification Number: C00295964

Reference: Year End Report (7/1/97-12/31/97)

Dear Ms. Thomas:

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:

-Line 6(a) of the Summary Page represents the total cash-on-hand as of January 1, 1997. This figure should be the same on all the reports covering the calendar year. Please amend your report to clarify the change made in Line 6(a).

-The Summary Page discloses \$3,844.30 on Line 6(c), Column B, but the Detailed Summary Page shows the Line 19, Column B total to be \$3,335.31. These figures should be the same. Please amend your report accordingly.

-Please provide the totals for Lines 7 and 8, Column B of the Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

-Please provide the Column B totals for Lines 20, 30 and 31, Column B of the Detailed Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

-Please provide the totals for Lines 30 and 31, Column A of the Detailed Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

-Your report discloses limited payments for administrative expenses. 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 submitted each year. 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.

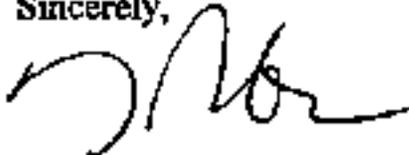
Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose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

-Your report disclosed certain categories of financial activity that have been reflected on the wrong lines of the Detailed Summary Page. Receipts from party committees should be properly disclosed on a separate Schedule A, supporting Line 12 of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

-For future reporting, please be advised that contributions to federal candidates and political committees should be itemized on a separate Schedule B supporting Line 23 of the Detailed Summary Page. Contributions to non-federal candidates and committees should be itemized on Schedule B supporting Line 29.

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. My local number is (202) 694-1130.

Sincerely,



Neil Evans
Reports Analyst
Reports Analysis Division

