



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

June 15, 2005

J.B. Poersch, Treasurer
Democratic Senatorial Campaign Committee
120 Maryland Avenue, NE
Washington, DC 20002

**Response Due Date:
July 15, 2005**

Identification Number: C00042366

Reference: Year End Report (11/23/04-12/31/04)

Dear Treasurer:

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:

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30

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days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2))
The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-The identification of each contributor, including an adequate occupation and name of employer for each, must be provided if the person has contributed in excess of \$200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11(a)(i) for each entry inadequately identified as:

Employer	Occupation
US Public Health Service	Gov't Employee
R.E. Development	Self
Self-Employed	R.E. Mgmt.
NVCA	Federal Affairs
Self-Employed	Organization Co
Department Of Veterans Affairs	Government
State Of Texas	Senior District
VHAP	Psychologist
Self Employed	Sales
Midway Associates	Self-Employed
EPS	Physician
NYS	Dir Of Rehabilitation
Self Employed	RC Technical Services

-Schedule A supporting Line 15 of your report discloses a payment(s) from federal candidate committees and other federal committees for goods and/or

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services provided by your committee. 11 CFR §100.52(d)(1) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to all federal committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Please clarify all expenditures made for "Printing," "Data Processing Direct Mail," "Data Entry Direct Mail," "Letter Production/Mailing," "Postage/Shipping," "Cons/Prof. Serv. Direct Mail Dev.," "Telemarketing," "Catering/Facilities," "Fees-Fundraising Direct Mail," "Polling" and "Fees-Direct Mail Processing" on Schedule(s) B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule B supporting Line 21(b) of your report discloses negative entries for the receipt of apparent credits during this or previous reporting periods. Please be advised that the receipt of offsets to operating expenditures should be disclosed on Schedule A supporting Line 15 of the Detailed Summary Page if the vendor wrote a refund/rebate check on its account. If a check was not written by the vendor, and your committee received a credit instead, a negative entry may be used, but further clarifying information is required to ensure that your committee did not receive a prohibited corporate in-kind contribution 11 CFR. §100.52 (d)(1). Please amend your report to properly disclose this activity or provide clarifying information.

-Schedule E, supporting Line 24 of your report, discloses several independent expenditures on behalf of Daniel Mongiardo, Chris John, Brad

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Carson and Tom Daschle which appear to have been distributed or publicly disseminated after the general election date. Please be advised that if the communication is aired in one reporting period and the payment is made in a later reporting period, the independent expenditure should be reported as a memo entry on Schedule E when the communication is publicly disseminated and on a Schedule D if it is a reportable debt under 11 CFR 104.11. When the payment for the independent expenditure is made, the report should show a payment on Schedule E and the same payment on Schedule D, if applicable.

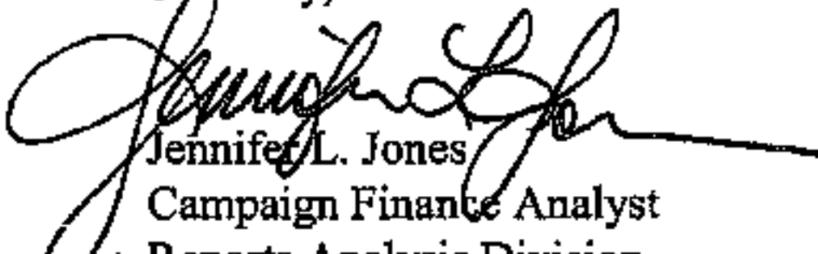
Please amend your report to provide further clarifying information regarding the independent expenditures disclosed after the general election dates.

-2 U.S.C. §434(b)(6)(B)(iii) requires that the supporting schedule for disclosing independent expenditures be signed by the treasurer. This is to attest to the fact that the expenditures were not made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee. Please amend your Schedule E accordingly.

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. **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 5 to reach the Reports Analysis Division) or my local number (202) 694-1393.

Sincerely,


Jennifer L. Jones
Campaign Finance Analyst
Reports Analysis Division

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