



FEDERAL ELECTION COMMISSION RQ-3
WASHINGTON, D.C. 20543

May 1, 1997

Roger Winkelman, Treasurer
Michigan Democratic State Central
Committee/Federal Account
606 Townsend
Lansing, MI 48933

Identification Number: C00031054

Reference: 12 Day Pre-General (10/1/96-10/16/96), Amended 12 Day Pre-General (10/1/96-10/16/96 dated 2/6/97), 30 Day Post-General (10/17/96-11/25/96) and Year End (11/26/96-12/31/96) Reports

Dear Mr. Winkelman:

This letter is to inform you that as of April 30, 1997, the Commission has not received your response to our requests for additional information dated April 9, 1997. These notices request information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to these requests (copies enclosed).

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions regarding this matter, please contact Amy Reynolds on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Roger Winkelman, Treasurer
Michigan Democratic State Central
Committee/Federal Account
606 Townsend
Lansing, MI 48933

APR 9 1997

Identification Number: C00031054

Reference: 30 Day Post-General Report (10/17/96-11/25/96)

Dear Mr. Winkelman:

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:

-Schedule B and Schedule H4, both supporting Line 21 of the Detailed Summary Page, disclose many payments for activity categorized as exempt; however, the payments to Campaign Performance Group for "consulting & ad placement" and "production costs" and the payment made to Quality Mailing for "mailing costs" may not qualify as exempt activity. Additionally, Schedule A supporting Line 12 of the Detailed Summary Page discloses transfers-in from the Democratic National Committee and the Democratic Congressional Campaign Committee. Note that all state and local party committees may spend unlimited amounts of money on certain activities that benefit federal candidates but that are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used including distribution by direct mail; all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.7(b)(15) and (17) and to the Campaign Guide for Party Committees.

**MICHIGAN DEMOCRATIC STATE CENTRAL
COMMITTEE/FEDERAL COMMITTEE
PAGE 2**

Please clarify the nature of the payments to Campaign Performance Group and Quality Mailing and whether or not transfers-in from your national committees were used for subsequent payments for activity categorized as exempt. If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B or F supporting Line 23 or 25 of the Detailed Summary Page as appropriate.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.1(d) preclude a committee from receiving contributions from another political committee or person in excess of \$5,000 per calendar year.

The Commission notes that the committee's monetary and in-kind contributions from Friends of Senator Carl Levin may be composed of excess campaign funds because you state that the contributor "has no debt". If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information. If the contribution(s) you received exceeded the limits, you must seek reattribution of the contribution pursuant to 11 CFR §110.1(k), transfer-out the amount in excess of \$5,000 to an account not used to influence federal elections or refund the excessive amount to the donor(s) in accordance with 11 CFR §103.3(b). In the best interest of your committee, all reattributions, transfers-out, and refunds should be made within sixty days of the treasurer's receipt of the contribution(s). In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of granting written authorization for a reattribution or transfer-out to another account or receiving a refund.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds

**MICHIGAN DEMOCRATIC STATE CENTRAL
COMMITTEE/FEDERAL ACCOUNT
PAGE 3**

should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek redistribution, transfer-out or refund the excessive amount will be taken into consideration.

-Schedule A of your report (pertinent portion(s) attached) discloses a receipt(s) of \$9,111 from the MDP Victory '96 Federal Account. Although this receipt appears to be an internal transfer from another federal account held by the committee, please clarify whether this transfer(s) is from an account maintained by your committee for non-federal activity. If so, be advised that such a transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer(s) should be returned to the non-federal account. Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on Schedule B supporting Line 22 of your next report.

If this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should not be itemized as doing so inflates total receipts and cash on hand. If this is the case, please amend your report accordingly.

Although the Commission may take further legal action regarding the possible acceptance of funds from a non-federal account, your prompt transfer-out of the impermissible funds or clarification of the transaction, will be taken into consideration.

-The memo Schedule A provided by the Birthday Victory Fund (pertinent portion(s) attached) discloses a contribution(s) 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

MICHIGAN DEMOCRATIC STATE CENTRAL
COMMITTEE/FEDERAL ACCOUNT
PAGE 4

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 the contribution(s) 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 impermissible funds, the Commission recommends that you transfer the impermissible funds to an account not used to influence federal elections or refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the 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.

-Schedule H2 discloses the "GOTV postcards" and the "Mlg." events as exempt activity conducted by the committee; however, the disbursements for these events on Schedule H4 are reported to be for administrative/voter drive expenses. Please amend your report to disclose the correct categorization of these disbursements. Should these disbursements be determined to be "exempt", please provide additional confirmation that the

MICHIGAN DEMOCRATIC STATE CENTRAL
COMMITTEE/FEDERAL ACCOUNT
PAGE 5

payments qualify as disbursements exempt from the definitions of contributions and expenditures. For further guidance, refer to 11 CFR §100.7(b)(15) and (17) and pages 17 and 18 of the Campaign Guide for Political Party Committees.

-Please clarify the media rebate disbursement to the Democratic Congressional Campaign Committee (DCCC) disclosed on Schedule H4. In responding, please explain whether the transfer of the non-federal share of that rebate went to your non-federal account or a non-federal account of the DCCC.

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. The discrepancy appears to have occurred between pages 37 and 38. Please amend your report by providing the correct Administrative/Voter Drive EVENT YEAR-TO-DATE totals.

-2 U.S.C. §434(b)(3) requires itemization of contributions from individuals and persons other than political committees, where the aggregate total from the contributor exceeds \$200 in a calendar year. In addition, 11 CFR §104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see Line 11(a)(ii) of the Detailed Summary Page). If a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized. 11 CFR §104.3(a)(4)(i) For future filings, please submit your reports in this order.

-In disclosing the receipt by your committee of several in-kind contributions, you have correctly itemized each contribution on a Schedule A to show the receipt and on a Schedule B to offset the receipt of each particular good or service. In the future however, please note that the receipt entries should be reflected in the Line totals on the Detailed Summary Page where regular monetary contributions would be disclosed

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PAGE 6

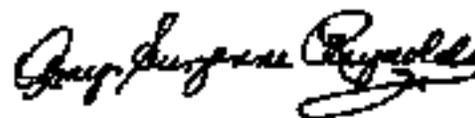
(contributions from individuals on Line 11(a)(i), from other registered non-party committees on Line 11(c) and from party committees on Line 12).

-You have received a contribution from NADA Limited Partnership which appears to be an unincorporated proprietorship or partnership. Generally, these types of contributions are to be attributed to each person based on their percentage of ownership in the firm. Each person who has contributed in excess of \$200 since January 1 should be identified by name, address, occupation, name of employer, amount of contribution, and aggregate total on Schedule A. 11 CFR §110.1(k) Please amend your report by providing the omitted information.

-Schedule H2 discloses the ratio for the E1007 fundraising event to be 100% federal, and the corresponding payment appears on Schedule B supporting Line 21(b) of the Detailed Summary Page. Because an event which is paid solely from the federal account is not included allocated, no allocation ration needs to be disclosed on the Schedule H2. In the future, you need not include a ratio for a 100% federal event on Schedule H2.

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) 219-3580.

Sincerely,



Amy Suzanne Reynolds
Reports Analyst
Reports Analysis Division

SCHEDULE A ITEMIZED RECEIPTS

Use Separate Schedules for each category of the Detailed Expenditure Page

PAGE 2 OF 4
FOR LINE NUMBER 11(c)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (in Full) MICHIGAN DEMOCRATIC STATE CENTRAL COMM.

Full Name, Mailing Address and ZIP Code CTTE TO ELECT GODFREY J DILLARD TO CONGRESS 65 CADILLAC SQ DETROIT MI 48226	Name of Employer Occupation	Date (month, day, year) 04/19/96	Amount of Each Receipt this Period \$125.00
Receipt For:	Aggregate Year-to-Date: \$125.00		
Full Name, Mailing Address and ZIP Code FRIENDS OF SENATOR CARL LEVIN PO BOX 47368 OAK PARK MI 48237	Name of Employer Occupation	Date (month, day, year) 04/19/96	Amount of Each Receipt this Period \$812.50
Receipt For:	Aggregate Year-to-Date: \$812.50		
Full Name, Mailing Address and ZIP Code BOB TRAXLER FOR CONGRESS CTTE PO BOX 839 BAY CITY MI 48707	Name of Employer Occupation	Date (month, day, year) 05/17/96	Amount of Each Receipt this Period \$55.00
Receipt For:	Aggregate Year-to-Date: \$55.00		
Full Name, Mailing Address and ZIP Code UNITED FOOD & COMMERCIAL WKRS INTERNATIONAL UNION AFL/CIO 1775 K STREET NW WASHINGTON DC 20006	Name of Employer Occupation	Date (month, day, year) 04/19/96	Amount of Each Receipt this Period \$1000.00
Receipt For:	Aggregate Year-to-Date: \$2450.00		
Full Name, Mailing Address and ZIP Code UAW LOCAL 257 29841 VAN BORN RD BGMULUS MI 48174	Name of Employer Occupation	Date (month, day, year) 04/10/96	Amount of Each Receipt this Period \$250.00
Receipt For:	Aggregate Year-to-Date: \$250.00		
Full Name, Mailing Address and ZIP Code IBEW LOCAL 665 5205 S PENNSYLVANIA AVE LANSING MI 48911	Name of Employer Occupation	Date (month, day, year) 04/02/96	Amount of Each Receipt this Period \$250.00
Receipt For:	Aggregate Year-to-Date: \$250.00		
Full Name, Mailing Address and ZIP Code IRONWORKERS POLITICAL ACTION LEAGUE MULTI CANDIDATE CTTE 1750 NEW YORK AVE NW WASHINGTON DC 20006	Name of Employer Occupation	Date (month, day, year) 04/02/96	Amount of Each Receipt this Period \$1000.00
Receipt For:	Aggregate Year-to-Date: \$1000.00		

SUBTOTAL of Receipts This Page (optional)	\$3492.50
TOTAL This Period (this page plus last page only)	

SCHEDULE A ITEMIZED RECEIPTS

Use Separate Schedule(s)
for each category of the
Detailed Summary Page

PAGE 1 OF 4
FOR LINE NUMBER
11(c)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (in Full) **MICHIGAN DEMOCRATIC STATE CENTRAL COMM.**

Full Name, Mailing Address and ZIP Code LEVIN FOR CONGRESS P O BOX 1092 Warren MI 48090	Name of Employer Occupation	Date (month, day, year) 08/14/96	Amount of Each Receipt this Period \$25.00
Receipt For:	Aggregate Year-to-date:	\$25.00	
Full Name, Mailing Address and ZIP Code STUPAK FOR CONGRESS 8179TH AVE MENOMINEE MI 49858	Name of Employer Occupation	Date (month, day, year) 09/10/96	Amount of Each Receipt this Period \$300.00
Receipt For:	Aggregate Year-to-date:	\$925.00	
Full Name, Mailing Address and ZIP Code BARCIA FOR CONGRESS PO BOX 775 BAY CITY MI 48707	Name of Employer Occupation	Date (month, day, year) 09/05/96	Amount of Each Receipt this Period \$100.00
Receipt For:	Aggregate Year-to-date:	\$350.00	
Full Name, Mailing Address and ZIP Code FRIENDS OF SENATOR CARL LEVIN PO BOX 47368 OAK PARK MI 48237	Name of Employer Occupation	Date (month, day, year) 09/10/96	Amount of Each Receipt this Period \$24.50
Receipt For:	Aggregate Year-to-date:	\$837.00	
Full Name, Mailing Address and ZIP Code KILPATRICK FOR U S CONGRESS	Name of Employer Occupation	Date (month, day, year) 09/05/96	Amount of Each Receipt this Period \$50.00
Receipt For:	Aggregate Year-to-date:	\$50.00	
Full Name, Mailing Address and ZIP Code TBEW COPE 1125 FIFTEENTH ST NW WASHINGTON DC 20005	Name of Employer Occupation	Date (month, day, year) 09/19/96	Amount of Each Receipt this Period \$5000.00
Receipt For:	Aggregate Year-to-date:	\$5000.00	
Full Name, Mailing Address and ZIP Code NEA PAC NATL. EDUCATION ASSN PAC 1201 16TH STREET NW WASHINGTON DC 20036	Name of Employer Occupation	Date (month, day, year) 08/14/96	Amount of Each Receipt this Period \$5000.00
Receipt For:	Aggregate Year-to-date:	\$5000.00	

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SUBTOTAL of Receipts This Page (rounded) **\$10499.50**
TOTAL This Period (last page this line number only)

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedules for each category of the Detailed Summary Page

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FOR LINE NUMBER 17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

Michigan Democratic State Central

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Democratic National Ctte. 430 S. Capital, S.E. Washington, D.C. 20003		10/17/96	853.96
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): in-kind salary	Occupation	Aggregate Year-to-Date > 8	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Democratic National Ctte. same as above		10/9/96	2964.00
Receipt For: <input checked="" type="checkbox"/> in-kind <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): consulting fees	Occupation	Aggregate Year-to-Date > 8	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Harry Philo, Jr. 2875 Troy Center #F5028 Troy, MI. 48064		10/18/96	224.00
Receipt For: <input checked="" type="checkbox"/> in-kind <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): postage	Occupation	Aggregate Year-to-Date > 8	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Participation 2000 236 Massachusetts Ave. N.E. Wash. D.C. 20002		1/1/96	500.00
Receipt For: <input checked="" type="checkbox"/> in-kind <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): salary	Occupation	Aggregate Year-to-Date > 8	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
James Rosenguat Box 4 Aripeka, FL. 34679		4/1/96	5,000.00
Receipt For: <input checked="" type="checkbox"/> in-kind <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): lithograph	Occupation	Aggregate Year-to-Date > 8	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Emme Stephens 6884 Niagara #F66 Romulus, Mi. 48174		10/22/96	24.64
Receipt For: <input checked="" type="checkbox"/> in-kind <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): postage	Occupation	Aggregate Year-to-Date > 8	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Friends of Sen. Carl Levin Box 1857 Detroit, Mi. 48231		11/5/96	5000.00
Receipt For: <input checked="" type="checkbox"/> in-kind <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): election site party rental fee	Occupation	Aggregate Year-to-Date > 8	

SUBTOTAL of Receipts This Page (optional)

TOTAL This Period (last page the line number only)

14,566.60

SCHEDULE A ITEMIZED RECEIPTS

 Use Separate Schedule(s)
 for each category of the
 Detailed Summary Page

PAGE 1 OF 3

FOR LINE NUMBER

11(c)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

 NAME OF COMMITTEE (in Full) **MICHIGAN DEMOCRATIC STATE CENTRAL COM.1.**

Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
LEVIN FOR CONGRESS P O BOX 1092 Warren MI 48090		10/29/96	\$1,500.00
Receipt For:	Aggregate Year-to-date:		\$1,525.00
Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
LEVIN FOR CONGRESS P O BOX 1092 Warren MI 48090		11/05/96	\$100.00
Receipt For:	Aggregate Year-to-date:		\$1,625.00
Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
STABENDOW FOR CONGRESS P O BOX 4945 EAST LANSING MI 48826		10/29/96	\$135.68
Receipt For:	Aggregate Year-to-date:		\$1,760.68
Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
FRIENDS OF SENATOR CARL LEVIN PO BOX 47168 OAK PARK MI 48237	(this ette. has no debt)	11/14/96	\$6,000.00
Receipt For:	Aggregate Year-to-date:		\$7,787.00
Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
MDP VICTORY 96 FEDERAL ACCOUNT ACCT 3026159 606 TOWNSEND LANSING MI 48933		11/05/96	\$911.00
Receipt For:	Aggregate Year-to-date:		\$8,698.00
Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
EMILY'S LIST SUITE 400 805 15TH ST NW WASHINGTON DC 20005		10/29/96	\$2,500.00
Receipt For:	Aggregate Year-to-date:		\$11,198.00
Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
AFL CIO COPE COMITE ON POLITICAL EDUCATION 815 16TH STREET NW WASHINGTON DC 20006		10/18/96	\$3,000.00
Receipt For:	Aggregate Year-to-date:		\$14,198.00

SUBTOTAL of Receipts This Page (optional)

\$24,346.68

TOTAL This Period (fill page this line number only)

Itemized Receipts
Schedule A
Birthday Victory Fund
for MI State Parties

<u>NAME</u> <u>ADDRESS</u>	<u>OCCUPATION/EMPLOYER</u>	<u>YTD</u> <u>AGGREGATE</u>	<u>STATE/FOREIGN</u> <u>DATE</u>	<u>AMOUNT</u>
Educators Political Action Com 5093 Exchange Dr Flint, MI 48907		\$100.00	8/28/96	\$100.00
Michigan Ed Association 37400 Garfield Suite 300 Clinton Township, MI 48036-3648		\$60.00	8/28/96	\$60.00
Michigan Education Assoc. 1216 Kendall Blvd PO Box 2573 East Lansing, MI 48826-2573		\$300.00	8/28/96	\$300.00
		Total Receipts:		\$460.00
		Total Itemized Receipts:		\$460.00
		Total Non-Itemized Receipts:		\$0.00

0.65