

This letter is in response to FEC Letter Inquiring about Committee Amended Monthly Report of September 2008 (covering receipts and expenditures from 8/1/2008 to 8/31/2008) and Amended 30-Day Post-General Report (10/16/2008 to 11/24/2008).

In a letter dated May 8, 2009, Ms. Laura E. Sinram, Senior Campaign Financial Analyst, Reports Analysis Division, questioned whether items reported as Federal Election Activity on Schedule B supporting line 30(b) of our reports also contain express advocacy but do not meet the conditions of exempt activity, and therefore should be reported as in-kind contributions, independent expenditures or coordinated party expenditures to candidates for Federal office.

Each of the Committee's activities on behalf of Federal candidates and reported as FEA qualifies as exempt activity because of the Committee's strict observance of rules for using volunteers. Letters, precinct letters, sample ballots, flyers, back to school materials or other advocacy on behalf of our Federal candidates are hand delivered by volunteers, or they are folded, stuffed, addressed, stamped, and delivered to the Post Office exclusively by volunteers. The majority of tabloids were distributed door-to-door by volunteers, with a small number of them addressed, stamped and delivered to the Post Office by Committee volunteers where door-to-door delivery was not feasible.

None of the materials we produce as a Committee are coordinated with the Democratic Party or the candidates for office. Therefore, committee expenditures do not meet the definition of independent expenditures or coordinated party expenditures. Because of the volunteer component, each potential in-kind contribution is FEA exempt, and therefore not a reportable in-kind contribution to any candidate.

The Committee implemented new database software in 2008 to track our fund raising activity. During the learning curve of the new implementation, we mistakenly believed that if we included the term "volunteer exempt" in the note field of a disbursement record in our database, it would be displayed in Schedule B supporting line 30 (b) transactions in our reports. However, the note field did not get displayed for any of the Committee's federal election activity entries in our reports to the FEC. We now understand the procedures to follow for proper labeling of our FEA exempt expenditures.

We have amended the Report Memo Text for each of the reports questioned in this letter, so that it is clear that all of the Committee's activities on behalf of Federal candidates and reported as FEA were volunteer exempt. When future reports of the Committee include line 30 (b) activity which is also volunteer exempt, the report will note this exemption status for line 30 (b) disbursements in the Report Memo Text for each report.

Respectfully submitted,

Bruce H Neilson, Treasurer
Fairfax County Democratic Committee
6/15/2009
