

ETEXT ATTACHMENT

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This is to reply to a letter sent to the Fairfax Democratic Committee on April 15, 2005, containing the document control number 25038761332. The letter from Campaign Finance Analyst Ryan J. Lantz raised three questions about the report of the Fairfax County Democratic Committee covering the period 4-1-2004 to 6-30-2004, and is referenced as the "July Quarterly Report."

In a telephone conversation with Mr. Lantz on May 19, 2005, it was established that the Fairfax County Democratic Committee never received this letter from the FEC. Mr. Lantz agreed that an extended filing deadline of Thursday, May 26, would apply before this report would be referred to the Office of General Counsel for additional action.

The first question raised by Mr. Lantz concerns payment for salaries. The Fairfax County Democratic Committee is an entirely volunteer non profit political organization. There are no paid staff on the Committee, and no other employer pays someone to spend their compensated time working for the Fairfax County Democratic Committee.

The next question raised by the letter regards classification of fund raising materials as public communications, as either in-kind contributions, independent expenditures, or coordinated party expenditures.

Two of the items cited are not Federal Election Activity: \$4,077.60 in postage was for fundraising involving only a local elected official, not a Federal candidate; and the \$150.00 bulk mail permit is a yearly administrative expense so that all of the Committee's bulk mailings qualify for reduced postage rates. These items, which are not Federal Election Activity, remain on line 21(b) of the July Quarterly Report.

The other items cited were fundraising that meet the definition of Federal Election Activity, and therefore were reported incorrectly on Line 21(b) of the July Quarterly Report. A revised report is transmitted on the same day as this response to reclassify these errors correctly as independent expenditures on Line 24 of the report.

Finally, your letter expected a different reporting treatment of transfers between political party committees, anticipating that these should be handled as "contributions" to other political party committees. In fact, the Fairfax County Democratic Committee was collections agent for a significant amount of voluntary caucus fees payable to these other committees. For the convenience of not having to require each caucus filer to write three different checks for \$5, \$5, and \$10, one check to the Fairfax Committee was then transferred to the appropriate committee for the proper portion of one \$20 check issued in payment of the fees. The funds collected for the various other committees were redistributed to them (not contributed) to settle the fee amounts to which they were entitled by whom filed to attend the caucus.

I hope you find this responsive to the concerns raised in the letter of April 15,

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2005, from Mr. Ryan J. Lanz, Campaign Finance Analyst.

Submitted for the Fairfax County Democratic Committee
this Tuesday, the 24th day of May, 2005.

Bruce H. Neilson Treasurer
Fairfax County Democratic Committee