



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

November 24, 2010

Daniel Wedderburn, Treasurer  
DC Democratic State Committee  
3539 T Street NW  
Washington, DC 20007

**Response Due Date:  
December 29, 2010**

Identification Number: C00295964

Reference: October Quarterly Report (7/1/10 – 9/30/10)

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. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 items:

1. Your report(s) was not signed by the treasurer or designated agent listed on your Statement of Organization. Please amend your report(s) by providing the signature of an individual that is authorized to sign the report(s). 2 U.S.C. §434(a)(1) and 11 CFR §104.14(a) and (d) If a new treasurer has been appointed, please file an amended Statement of Organization (FORM 1) or a letter (if not an electronic filer) to reflect this change.

2. Schedule A supporting Lines 11(c) and 12 of your report discloses a payment(s) from an organization(s) which is not a political committee(s) registered with the Commission (see attached). It appears the receipt(s) was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". 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. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

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Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution(s) received by your committee from an unregistered organization(s) and is prohibited subject to the limits set forth at 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b).

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. "Other Federal receipts (Dividends, Interest, etc.)" should be properly disclosed on a separate Schedule A, supporting Line 17 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. 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. **Requests for extensions of time in which to respond will not be considered.**

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) 694-1159.

Sincerely,



Allen Norfleet  
Senior Campaign Finance Analyst  
Reports Analysis Division

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DC DEMOCRATIC STATE COMMITTEE

Page 3

Contributor Name	Date	Amount
Gray for Mayor	7/9/10	\$3,800
Mendelson for Council 2010	8/26/10	\$1,800
Orange for Chair	8/11/10	\$2,100
Smith for Ward 1	9/20/10	\$500

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