



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

February 6, 2008

Rudy Parker, Treasurer
Democratic Executive Committee of Florida
214 South Bronough Street
Tallahassee, FL 32302

**Response Due Date:
March 10, 2008**

Identification Number: C00005561

Reference: August Monthly Report (7/1/07-7/31/07)

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 10 items:

1. The totals listed on Lines 11(a)(i), 11(a)(iii), 11(b), 21(a)(i), 21(a)(ii), 21(b), and 32, Column B of the Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.
2. Schedule H2 of your report indicates that your committee participated in "Convention State" activities or events during the reporting period. However, there are no corresponding disbursements reflected on your Schedule H4. Note that you need not include activities on Schedule H2 if there are no corresponding payments made for the activity during the reporting period. If any disbursements were incorrectly reported, you should file an amended Schedule H4 with the correct activity or event identifier, or provide clarifying information regarding the activities on Schedule H2.
3. Schedule H4 discloses a disbursement(s) which is categorized as a fundraising expense(s); however, a Schedule H2 has not been filed to

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disclose the allocation ratio. All committees are required to allocate the direct costs of each fundraising event in which the committee collects both federal and non-federal funds. The costs are allocated according to the funds received ratio and reported on Schedule H2. 11 CFR §§106.6(d) and 106.7(d)(4). Please file a Schedule H2 to disclose the ratio for the fundraising event(s).

4. Schedule H3 of your report discloses "June Monthly" as the name of account(s) for transfers received from an apparent non-federal account for shared activity. Please verify if these transfers were received from a non-federal account of your committee and amend your report with any clarifying information.

5. Schedule H4 supporting Lines 21(a)(i) and 21(a)(ii) discloses a refund of a contribution received from "Edwin Walborsky." However, it appears that this contribution was not previously reported by your committee. Please amend the appropriate report(s) to disclose the original date of the contribution on Schedule A supporting Line 11(a)(i) of the Detailed Summary Page.

6. On Schedule H4, your allocated activity or event year-to-date total calculations for Administrative are incorrect. Allocated activity or event year-to-date totals for administrative, voter drive, exempt activity costs and expenses for public communications made by PACs referencing only political parties are derived by aggregating all disbursements during the calendar year for each separate category. Allocated activity or event year-to-date totals for fundraising and direct candidate support activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous event year-to-date total for that category or event. This running event year-to-date total should be disclosed after each disbursement is listed. Please amend your report by providing the correct event year-to-date totals.

7. On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the allocated activity or event year-to-date total amount for a payment(s) to "Brevard County DEC," "Lee County DEC," and "Collier County DEC." Please amend your report to include the missing event year-to-date total(s).

8. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Insurance," "Payroll," "Payroll Fees," "Payroll Tax," "Payroll Taxes," and "Salary." Please be advised that pursuant to 11 CFR

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§300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

9. Schedule H4 of your report discloses an apparent disbursement to "Edwin Walborsky" and "I.B.E.W. Educational Com." Please be advised that contributions and transfers to federal committees, non-federal committees/organizations and/or activity that was not previously allocable do not qualify as shared expenses to be allocated between your federal and non-federal accounts. Transfers to affiliated committees should be disclosed on Schedule B supporting Line 22 of the Detailed Summary Page, contributions to federal committees should be disclosed on a Schedule B supporting Line 23 of the Detailed Summary Page, refunds to individuals and other committees should be disclosed on Schedule B supporting Line 28 (a) or (c) of the Detailed Summary Page and contributions to non-federal committees/organizations on a separate Schedule B supporting Line 29. Any reimbursement from your committee's non-federal account for any portion of this activity is not permissible. 11 CFR §102.5(a)(1)(i)

The Commission recommends that you immediately transfer the funds received by your federal account, as reimbursement for the non-federal portion, back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

10. Please clarify all expenditures made for "Site Rental" on Schedule(s) B and H4. 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

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amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

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) 694-1153.

Sincerely,



Kristin DeCarminé
Senior Campaign Finance Analyst
Reports Analysis Division

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