

RQ-2

Mr Milico Dejohn, Treasurer 16th Congressional District Democratic Party 950 Morau Lincoln Park, MI 48146

AUG 1 3 2003

Identification Number:

C00157404

Reference:

Termination Report (1/1/03-6/30/03)

Dear Mr. DeJohn:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review taised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Each state or local party committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD detived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each calendar year. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be provided during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Your committee has requested that the Commission permit your committee to terminate pursuant to 2 U.S.C. §433(d) and 11 CFR §102.3. Preliminary review of the above referenced report(s) raised questions concerning certain information disclosed by your committee. Your committee must continue to file all required reports with the Commission until this matter has been resolved. The Commission will notify you when your request to terminate has been approved and the committee is no longer required to file reports with the Commission.

A response or 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. <u>Electronic filers must file amendments</u> (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 need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Lik W. Koeppen

Senior Campaign Finance Analyst

Reports Analysis Division