



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

May 23, 2011

KEN SAGAR, TREASURER
IOWA DEMOCRATIC PARTY
5661 FLEUR DRIVE
DES MOINES, IA 50321

Response Due Date

06/27/2011

IDENTIFICATION NUMBER: C00035600

REFERENCE: 30 DAY POST-GENERAL REPORT (10/14/2010 - 11/22/2010)

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 6 item(s):

1. Schedule A of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.1(c) prohibit a State, district or local party committee (combined) from receiving any contribution from a person or non-multicandidate political committee in excess of \$10,000 per calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any request from a donor for a refund must be honored.

Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund

IOWA DEMOCRATIC PARTY

Page 2 of 4

must be honored.

If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

2. The limitation on making coordinated party expenditures on behalf of a House candidate in the State of Iowa for the 2010 general election is \$43,500.00. Your reports, however, disclose coordinated party expenditures made on behalf of Bruce Braley, totaling \$86,000.00, which appear to exceed the limitations under 2 U.S.C. §441a(d) (see attached).

If any apparently excessive expenditure in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have made an excessive coordinated party expenditure, you must notify the candidate and request a refund of the amount in excess of the limitation.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund request sent to the candidate. In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

Although the Commission may take further legal action concerning the excessive coordinated party expenditures, prompt action in obtaining a refund will be taken into consideration

3. Schedule F of your report discloses the Aggregate General Election

IOWA DEMOCRATIC PARTY

Page 3 of 4

Expenditure(s) for Roxanne Conlin, to be \$4,838.55. However, FEC calculations disclose this amount(s) to be \$18,064.58. Please amend your report to clarify this discrepancy.

4. Schedule A supporting Line 12 discloses a transfer(s)-in from "Democratic Congressional Campaign Committee" and "DNC SERVICES CORPORATION/DEMOCRATIC NATIONAL COMMI." Schedule B supporting Line 30(b) reflects payments for "Postage/Production - Exempt Mail/Braley" and "Postage/Production - Exempt Mail/Loebsack." Please be advised that a state or local party committee may pay for campaign materials (such as pins, posters, bumper stickers and yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election and for voter drive activity conducted on behalf of the party's Presidential and Vice Presidential nominees. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.87 and 100.147 and to the Campaign Guide for Party Committees.

Please clarify the nature of the transfer(s)-in and subsequent payments for the aforementioned disbursement(s). If the activity disclosed on your report does not meet the definition of 'exempt' activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate.

5. Schedule B supporting Line 30(b) of your report discloses a payment(s) for "Phones," "Room Rental and **Phones**," and "Slate Card" which is categorized as Federal Election Activity and therefore, may require the disclosure of the candidate(s) this activity should be attributed to. Expenditures and disbursements for public communications that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s).

Further, please be advised that public communications that meet the definition

IOWA DEMOCRATIC PARTY

Page 4 of 4

of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, but do not meet the conditions of exempt activity, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate rather than on Schedule B for Line 30(b). Please clarify if this activity meets the definition of Federal Election Activity or if it contains express advocacy and amend your report to properly disclose this activity, if necessary.

6. Schedule H5 of your report discloses a \$153,000.00 transfer-in of Levin funds to your federal account for GOTV activity. However, Schedule L-B supporting Line 4(c) of the Schedule L Aggregation Page for the CC Levin account discloses a \$0.00 transfer(s)-out of Levin funds for this activity. Please amend your report to clarify this apparent discrepancy.

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) 694-1144.

Sincerely,



Edward Ryan
Senior Campaign Finance Analyst
Reports Analysis Division

Excessive Contribution(s) from a Committee/Individual

Contributor Name	Date	Amount	Report
Miles, David W	5/18/10	\$1,000	2010 June Monthly
Miles, David W	5/18/10	\$5,000	2010 June Monthly
Miles, David	10/29/10	\$5,000	2010 30 Day Post-General
Miles, David	10/29/10	\$3,750	2010 30 Day Post-General

Excessive Coordinated Expenditure to a Candidate

Recipient Name	Date	Amount	Election	Report
Braley, Bruce	10/20/10	\$86,000	G-2010	2010 30 Day Post-General