FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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Michelle Seligman, Treasurer
Democrats 2000
1311 L Street, NW, Suite 300
Washington, DC 20005

OCT 25 2000

Identification Number: C00230342

Reference: July Quarterly Report (4/01/00-6/30/00)

Dear Ms. Seligman:

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

-The totals listed on Lines 29 and 30, 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.

-Your calculations for Line 11(a)(iii), Column B appear to be incorrect. FEC calculations disclose this amount(s) to be $383,114.75. Please provide the corrected total(s) on the Detailed Summary Page.

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR- TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category, not by individual purpose such as "Utilities" or "Rent". Please amend your report by providing the correct Administrative/Voter Drive EVENT YEAR-TO-DATE totals.

-Schedule H2 of your report indicates that your committee participated in fundraising and exempt 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 unique identifying code or title, or provide clarifying information regarding the activities on Schedule H2.

-Schedule H4 discloses a disbursement(s) which is categorized as a fundraising expense(s); however, a Schedule H2 has not been filed to 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 §§106.5(f) and 106.6(d). Please file a Schedule H2 to disclose the ratio for the fundraising event(s).

-On Schedule H2, you have checked the exempt box for AO13 Admin; however, on Schedule H4, disbursements for AO13 Admin are marked as Administrative/Voter Drive. For the public record, please clarify whether this event did in fact encompass more than one type of activity. If the activity or event should have been classified differently, please amend your report accordingly.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "Consultant fee", "Consulting", "Expenses" and "Office". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the purpose for the joint expenditure to Bell Atlantic. Note that the unique identifying code for an event is not considered an adequate description of purpose. Please amend your report to include this missing information.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have not included the full name and/or mailing address for the vendor(s) listed. Please amend your report accordingly.

-2 U.S.C. §434(b)(3) requires itemization of contributions from individuals and persons other than political committees, where the aggregate total from

the contributor exceeds $200 in a calendar year. In addition, 11 CFR §104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see Line 11(a)(ii) of the Detailed Summary Page). If a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized. 11 CFR §104.3(a)(4)(i) For future filings, please submit your reports in this order.

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Operating Expenditures should be properly disclosed on a separate Schedule B, supporting Line 21(b) of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

A written response or an 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. 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,

Thomas F. Maxwell, III

Thomas F. Maxwell, III
Reports Analyst
Reports Analysis Division

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