



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

May 24, 2006

David M. Shindell, Treasurer
Washtenaw County Democratic –
Federal Account
2698 Roseland Drive
Ann Arbor, MI 48103

**Response Due Date:
June 26, 2006**

Identification Number: C00399071

Reference: Amended April Quarterly Report (1/1/05-3/31/05), received 5/24/06

Dear Mr. Shindell:

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. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule D supporting Line 10 discloses several debts owed to "Mr. Douglas C. Kelley" with negative ending balances totaling -\$1,505.55 (see attached). The purposes of these debts are disclosed as "Pay down loan for merchandize", "Pay back of loan for merchandize", "Pay down of loan" "Partial repayment of loan for merchandiz", "Partial repayment of loan for DSS m & l" and "Pay back on loan for literature." If these transactions represent repayments of a loan, please be advised that any payments made to reduce the principal of a loan must be reflected on Schedule B supporting Line 26 as well as on Schedule C. Payments for interest on a loan should be disclosed as operating expenditures on Schedule B supporting Line 21(b) when payments to one vendor aggregate over \$200 per calendar year. On the other hand, properly reporting your debt payments as positive entries in the "Payments this Period" field would clarify for the public record the total amount of debt payments actually disbursed, the amount of debts actually owed by your committee, and more accurately reflect your committee's cash-on-hand amount. Please amend your report to clarify the nature of these transactions and properly disclose this activity. 2 U.S.C. §434(b)(5)(D)

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-Schedule D of your report discloses the purpose for a debt(s) owed to "Mr. Douglas C. Kelley" to be "Loan for initial literature", "Loan for copying of literature", "Loan for copying of literature", "Addl loan to buy merchandize", "Addl loan to buy merchandize", "Loan to buy initial merchandize for sale" and "Addl loan to buy merchandize". Please be advised that all loans received should be properly disclosed on a Schedule C until repaid. Further, the original receipt of a loan should be itemized on Schedule A, supporting Line 13. Please disclose this activity on the appropriate schedule or provide clarifying information regarding the nature of this transaction.

If the entry(s) disclosed on Schedule D is not a loan(s), but rather a debt(s) owed by your committee for goods and/or services it has received, you are advised that non-travel advances must be disclosed as memo entries on Schedule A supporting Line 11(a)(i) of the Detailed Summary Page in addition to Schedule D, as appropriate. Please amend your report to properly disclose this activity or provide clarifying information. 11 CFR §116.5(b) and Advisory Opinion 1992-1

-For your information, all contributions received that aggregate \$200 or less per individual for the calendar year should be reported on Line 11(a)(ii). Contributions received aggregating over \$200 per individual for the calendar year should be reported on Line 11(a)(i) and itemized on Schedule A.

-Your report includes multiple H1 Schedules. Please be advised that a State, District, or Local party committee should submit only one Schedule H1 to disclose the allocation ratio for shared administrative, generic voter drive, and exempt activity costs incurred. The Schedule H1 should be filed with the first report of each calendar year that discloses allocable activity. Please amend your report to clarify this discrepancy.

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

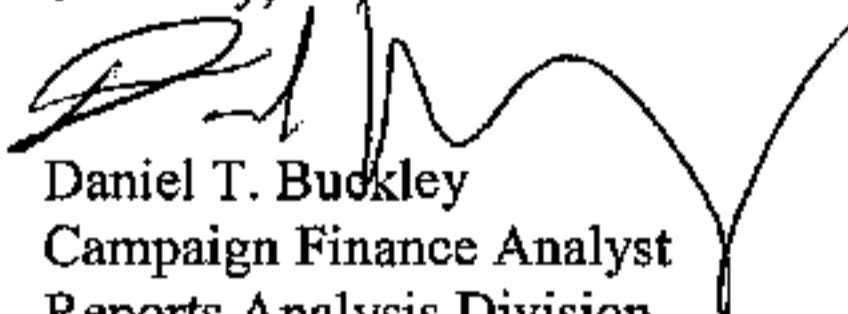
Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather

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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) 694-1141.

Sincerely,



Daniel T. Buckley
Campaign Finance Analyst
Reports Analysis Division

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Name	Opening Balance	Incurred Balance	Payment	Closing Balance
Mr. Douglas C. Kelley	\$0.00	-\$371.11	\$0.00	-\$371.11
Mr. Douglas C. Kelley	\$0.00	-\$280.38	\$0.00	-\$280.38
Mr. Douglas C. Kelley	\$0.00	-\$277.00	\$0.00	-\$277.00
Mr. Douglas C. Kelley	\$0.00	-\$270.00	\$0.00	-\$270.00
Mr. Douglas C. Kelley	\$0.00	-\$100.00	\$0.00	-\$100.00
Mr. Douglas C. Kelley	\$0.00	-\$74.44	\$0.00	-\$74.44
Mr. Douglas C. Kelley	\$0.00	-\$69.62	\$0.00	-\$69.62
Mr. Douglas C. Kelley	\$0.00	-\$40.00	\$0.00	-\$40.00
Mr. Douglas C. Kelley	\$0.00	-\$23.00	\$0.00	-\$23.00

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