



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

February 15, 2006

Ralph Campbell Jr., Treasurer
North Carolina Democratic Party - Federal
220 Hillsborough Street
Raleigh, NC 27603

Response Due Date:
March 20, 2006

Identification Number: C00165688

Reference: Year End Report (12/1/05-12/31/05)

Dear Mr. Campbell:

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:

-Please clarify all expenditures made for "1000.26/CATERING" on Schedule(s) B. 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 amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule B of your report discloses reimbursements to individuals for "1000.26/BEVERAGES AND DECORATIONS." Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in excess of \$200 in a calendar year, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information and clearly identify on the Schedule B, which reimbursement each memo entry relates to. If itemization is not necessary, you must indicate so in an amendment to this report. 11 CFR §104.9, and Advisory Opinions 1992-1 and 1996-20, footnote 3

-Schedule H4 discloses payments made to credit card companies for shared federal and non-federal activity. Please be advised that these payments

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must identify as memo entries, the original vendors from which you have purchased an item or service regardless of the amount. Please amend your report by providing the name and mailing address of the original vendor, along with the date, amount and purpose of each expenditure and **clearly identify on the Schedule H4, which credit card payment each memo entry relates to.** 11 CFR §§104.10 and 104.17

-Schedule H4 of your report discloses a payment to “Voter Activation Network”, which is categorized as an Administrative expense; however, the purpose of disbursement disclosed is “1000.20/Voter File Consulting”. Please be advised that payments made for your committee’s generic voter drive activities that do not qualify as Federal election activities and that are not party exempt activities should be categorized as a Voter Drive expense on Schedule H4. Please amend your report to clarify the appropriate category for this activity or provide clarifying information regarding this apparent discrepancy.

-Please clarify all expenditures made for “1000.25/Catering” on Schedule 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 amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

Alternatively, if the payment(s) on Schedule H4 is associated with fundraising activity conducted for your committee’s federal and non-federal accounts, it must be allocated according to the funds received method and the ratio reflected on Schedule H2. Further, it must be categorized as a fundraising activity on Schedule H4. Please provide clarifying information regarding the nature of this transaction(s) and amend your report(s) as appropriate.

-Schedule H4 of your report discloses reimbursements to individuals for “1000.05/Reimb for Ofc. Supplies” and “1000.41/Office Supplies and Travel.” Please be advised that when itemizing reimbursements to individuals for goods or services, payment to the original vendors must be itemized as memo entries regardless of amount. Each memo entry must include the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information and clearly identify on the Schedule H4, which reimbursement each memo entry relates to. 11 CFR §§104.10 and 104.17, and Advisory Opinions 1992-1 and 1996-20, footnote 3

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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 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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