



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

October 6, 2006

Rob Fyrst, Treasurer
Democratic Party Of Wisconsin Federal Account
222 W. Washington Avenue
Suite 150
Madison, WI 53703

**Response Due Date:
November 6, 2006**

Identification Number: C00019331

Reference: September Monthly Report (8/1/06-8/31/06)

Dear Mr. Fyrst:

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:

-Your report(s) was not signed by the treasurer or designated agent listed on your Statement of Organization. Please amend your report(s) by providing the signature of an individual that is authorized to sign the report(s). 2 U.S.C. §434(a)(1) and 11 CFR §104.14(a) and (d) If a new treasurer has been appointed, please file an amended Statement of Organization (FORM 1) or a letter (if not an electronic filer) to reflect this change.

-The totals listed on Lines 6(c), 19 and 20, Column B of the Summary and 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 8 appear to be incorrect. Cash-on-hand at the close of the current reporting period should always equal the closing calendar year-to-date cash-on-hand amount. Please provide the corrected total on the Summary Page.

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-Schedule A supporting Line(s) 11(c) of your report discloses a receipt(s) from "Herb Kohl for U.S. Senate Inc" which requires further clarification. For example, if this activity represents a transfer of funds, please indicate "transfer" on Schedule A supporting Line 11(c) of your report. If this activity represents a reimbursement for services provided to this committee, please indicate this on Schedule A supporting Line 15 of your report. Please amend your report to clarify the type of activity this receipt(s) represents.

-Schedule A supporting Lines 15 and 17 of your report discloses a payment(s) from an organization(s) which is not a political committee(s) registered with the Commission (see attached). It appears the receipt(s) was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution(s) received by your committee from an unregistered organization(s) and is prohibited subject to the limits set forth at 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b).

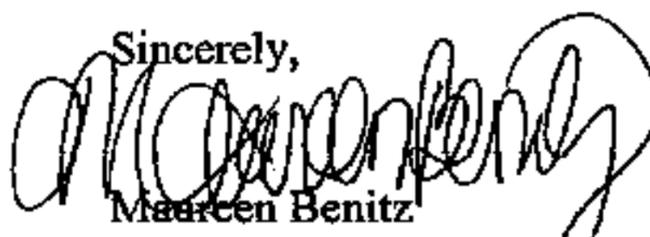
-Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Health Stipend," "Payroll," "Payroll Processing" and "Payroll Taxes." Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

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) 694-1135.

Sincerely,



Maureen Benitz

Senior Campaign Finance Analyst
Reports Analysis Division

DEMOCRATIC PARTY OF WISCONSIN FEDERAL ACCOUNT
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Contributor Name	Date	Amount
Democratic Party Of Sauk County	08/28/06	\$15.00
Assembly Democratic Campaign Committee	08/30/06	\$2,115.35
Friends of Mark Miller	08/08/06	\$1,000.00
Committee to Elect Lena Taylor	08/16/06	\$2,000.00

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