



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

October 25, 2012

KATHERINE MORET, TREASURER
DEMOCRATIC STATE CENTRAL COMMITTEE
OF CA - FEDERAL
1401 21ST STREET, SUITE 200
SACRAMENTO, CA 95811-5221

Response Due Date
11/29/2012

IDENTIFICATION NUMBER: C00105668

REFERENCE: AMENDED FEBRUARY MONTHLY REPORT (01/01/2012 - 01/31/2012),
RECEIVED 07/24/2012

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 5 item(s):

1. Your Amended February Monthly Report (1/1/12 - 1/31/12), received 7/24/12, discloses an increase in debts owed to one or more vendors from the amounts disclosed on your original reports (see attached). Please amend your report or provide an explanation to clarify why this additional activity was not provided with your original reports. (11 CFR § 104.3)
2. Your report does not include a Schedule H1 to disclose the ratio for the allocation of certain costs. For State, District and Local party committees, Schedule H1 must be filed in the first report each calendar year that discloses an allocable disbursement. Further, all shared administrative, generic voter drive and exempt activity costs incurred during the two-year cycle must be allocated according to the appropriate fixed ratio, unless the federal account elects to pay a higher percentage of its cost. (11 CFR §§106.7(d)(2) and (3))
3. Schedule H3 discloses a transfer-in which is categorized as a fundraising expense associated with the event "Newsom 10/24/11 (265)"; 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 § §106.6(d) and 106.7(d)(4)) Please file a Schedule H2 to disclose the ratio for

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the fundraising event(s).

4. Schedule H4 of your report discloses reimbursements to individuals for "flowers," "flowers, gifts" and "office equipment charges." 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)

5. Please clarify all expenditures made for "f/r consulting (manage donor files)" and "fundraising software" 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.

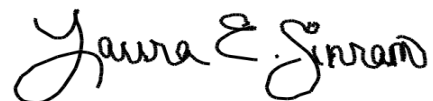
Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions 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) 694-1157.

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Sincerely,

A handwritten signature in black ink that reads "Laura E. Sinram". The signature is written in a cursive style with a large initial 'L' and a distinct 'E'.

Laura Sinram
Senior Campaign Finance Analyst
Reports Analysis Division

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Democratic State Central Committee of CA - Federal (C00105668)

Overview of Additional Debts

Report Name	Total Additional Debts	Line Number(s)
2012 February Monthly /Amended 2012 February Monthly, received 7/24/12	\$1,239.97	10
Total Additional Debts	\$1,239.97	

Total Increase in Activity on Amended Reports: \$1,239.97