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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 15, 2013

DAVID DONNELLY, TREASURER
FRIENDS OF DEMOCRACY
1133 19TH ST. NW, 9TH FLOOR
WASHINGTON, DC 20036

Response Due Date
03/22/2013

IDENTIFICATION NUMBER: C00520080

REFERENCE: AMENDED OCTOBER QUARTERLY REPORT (07/01/2012 - 09/30/2012), RECEIVED 12/21/2012

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 **6** item(s):

1. The beginning cash balance of this report does not equal the ending balance of your Amended July Quarterly Report (4/1/12-6/30/12), received 12/21/12. Please correct this discrepancy and amend all subsequent reports(s) that may be affected by the correction. (2 U.S.C. § 434)(b)(1))

2. 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. (2 U.S.C. § 434(b))

3. Itemized disbursements must include a brief statement or description of why each disbursement was made. Please amend Schedule B supporting Lines 21(b) and 29 of your report to clarify the following description(s): "Fundraising", "fundraising events" and "non-contribution account". For further guidance regarding acceptable purposes of disbursement, please refer to 11 CFR 104.3(b)(3)(i).

Additional clarification regarding inadequate purposes of disbursement published in the Federal Register can be found at http://www.fec.gov/law/policy/purposeofdisbursement/inadequate_purpose_list_3507.pdf.

4. Schedule B supporting Lines 21(b) and 29 of your report discloses reimbursements to individuals for expenses other than travel and subsistence. 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 or provide clarifying information if memo items are not required. (11 CFR §§ 104.3(b)(3)(i) and 104.9, and Advisory Opinions 1992-1 and 1996-20)

5. Schedule B supporting Line 29 of your report discloses $65,895.48 in activity identified as MEMO entries that do not appear to correspond with any itemized transaction(s). Please be advised, a memo entry is used to disclose additional information about an itemized transaction and the amount of a memo entry is not included in the total receipts or disbursements for the report. Please amend your report to provide clarifying information regarding this activity. (11 C.F.R. § 104.3(a) and (b))

6. Your committee has filed a 24 hour report for an independent expenditure opposing several federal candidates (see attached) which has not been itemized on Schedule E supporting Line 24 of the Detailed Summary Page. Please be advised that independent expenditures disclosed on 24 hour reports must also be itemized on a corresponding Schedule E or MEMO Schedule E and Schedule D (if applicable), in the appropriate reporting period. Further, if the actual payment(s) for the independent expenditure(s) occurs after the date of dissemination, the appropriate report(s) should continue to show payment on Schedule E and Schedule D, until the debt is fully extinguished. Please amend your report and any subsequent reports that may be affected by this correction. (11 CFR §104.4)

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**.

<u>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</u>

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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 Buckley
Senior Campaign Finance Analyst
Reports Analysis Division

226

Missing Schedule E (24 Hour Report)

Friends of Democracy (C00520080)

Name of Payee	Date	Amount	Candidate	Election
*Mission Control, Inc.	8/9/12	$7,105.00	COFFMAN, MICHAEL	G2012
*Mission Control, Inc.	8/9/12	$7,310.00	HAYWORTH, NAN	G2012
*Mission Control, Inc.	8/9/12	$7,145.00	RENACCI, JAMES B	G2012

*Your committee filed 24 Hour Reports on 8/9/12 and 8/10/12 disclosing two payments to this vendor for this amount. However, your 2012 October Quarterly Report only discloses one payment.