

Federal Election Commission Inquiry
March 31, 2004

Democratic Party of Wisconsin
Identification Number: C00019331
Reference: February Monthly Report (1/1/04-1/31/04)

Response Due Date: April 30, 2004

Attn: Maureen Benitz
Campaign Finance Analysis, Reports Analysis Division

Request for additional information:

1) Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. Please provide the missing information or a detailed description of your procedures for requesting the information.

Response: The Democratic Party of Wisconsin (DPW) February Monthly Report has been amended, 4/20/04, FEC-117871 to correct this error. Additionally, the DPW has a policy of 1) telephone contact followed by 2) a written request for information, including a pre-addressed return envelope on a two week cycle, every two weeks, for all contribution records lacking full identification, including full name, mailing address, occupation and name of employer. The initial report filed by the DPW did not indicate best efforts, resulting from a new filer not familiar with DPW filing software specifications and options. This has been corrected.

2) Schedule A of your report discloses one or more contributions from an organization (s), which is not a political committee registered with the Commission. Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund.

Response: The DPW did miss-deposit contributions intended for a non-federal account into the federal account. These deposits have been returned to the contributors in question. Copies of letters and refund checks are being sent to the FEC by separate cover.

3) Schedule a supporting Line 17 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. Please clarify whether your committee assessed the usual and normal charge for goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged.

Response: The Democratic Party of Wisconsin (DPW) did assess the usual and normal charge for the goods and/or services provided to the purchasing entities. Consistent with FEC Advisory Opinion Number 2002-14, the DPW mailing list has been developed over a period of time, has a unique nature, and does not constitute merely a list or lists that were purchased from other sources. The DPW ascertains fair market value, consistent with it's understanding of similar commercial products, and then enters into a bona fide, contractual, arm's length transaction with the purchaser - with consistent pricing for similar product. The DPW, valuing its list, did not provide the goods and/or services at less than the usual and normal charge, and therefore concludes that no contribution has occurred.

4) Schedule A supporting Line 12 of your report discloses receipts identified as "Contributions" and "Deposit." Please clarify whether the figure disclosed on Schedule A includes any receipts that aggregate greater than \$200 from an individual/person in the calendar year. If this is the case, please amend your report by itemizing the receipts on

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Schedule A. 11 CFR 104.3(a)(2).

Response: The DPW February Monthly Report has been amended, 4/20/04, FEC-117871 to correct this error.

5) Your report does not disclose any payments for salary or wages on Schedule B supporting Line 30(b) of the Detailed Summary Page. Please provide clarification regarding the lack of payments for salary and wages disclosed by your committee.

Response: The Democratic Party of Wisconsin is monitoring employee activity on a monthly basis to comply with 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, non-federal and Levin accounts. Rather, only federal funds may be used. The first salary and wage payments for employees of the Democratic Party of Wisconsin, using only federal funds, in compliance of this requirement, occurred in January 2004, and is expected to continue, as required, for the balance of 2004. DPW employees will be paid from federal funds as they achieve the 25% monthly compensation time FEA trigger.

6) Your report does not include a Schedule H1 to disclose the ratio for the allocation of certain costs.

Response: The DPW February Monthly Report has been amended, 4/20/04, FEC-117871 to correct this error.

7) Schedule A supporting lines 12, 15 and 17 of your report discloses an aggregate year-to-date total(2) which appears to be incorrect. Please amend your report to provide the correct aggregate year-to-date total(s).

Response: The DPW February Monthly Report has been amended, 4/20/04, FEC-117871 to correct this error.

8) 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.

Response: The DPW February Monthly Report has been amended, 4/20/04, FEC-117871 to correct this error.