



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Mark L. Sibley (Acting Asst. Tres.)
D. C. Republican Committee Federal Campaign
Committee
1501 M Street, NW, Suite 700
Washington, DC 20005

MAR 1 9 2003

Identification Number: C00191288

Reference: Amended October Quarterly Report (7/1/02-9/30/02), received 11/27/02

Dear Mr. Sibley:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule H4 discloses a disbursement(s) which is categorized as a fundraising expense(s); 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 §§106.5(f) and 106.6(d). Please file a Schedule H2 to disclose the ratio for the fundraising event(s).

-Schedule H4 discloses a disbursement(s) which is categorized as an exempt expense(s); however, a Schedule H2 has not been filed to disclose the allocation ratio. All committees are required to allocate the direct costs of each exempt activity in which the committee disburses funds for both federal and non-federal purposes. The costs are allocated according to the time and space method and reported on Schedule H2. 11 CFR §106.5(e). Please file a Schedule H2 to disclose the ratio for the exempt activity.

-Your EVENT YEAR-TO-DATE calculations for AC Event Mailing (12/01/2002) are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter

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Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous EVENT YEAR-TO-DATE total for that category or event. This running EVENT YEAR-TO-DATE total should be disclosed after each disbursement is listed. Please amend your report by providing the correct EVENT YEAR-TO-DATE totals.

-Schedule(s) H4 supporting Line(s) 21(a)(ii) of the Detailed Summary Page (pertinent portion(s) attached) discloses \$1,500 in disbursements for DCRC Fed. Acct. on behalf of Bob Dole. Please be advised that a state or local party committee may pay for campaign materials (such as bumper stickers) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §100.7(b)(15) and (17), 11 CFR §100.8(b)(16) and (18) and to the Campaign Guide for Party Committees.

Please clarify the nature of the aforementioned disbursement(s). If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B or F supporting Line 23 or 25 of the Detailed Summary Page as appropriate.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "Consulting fees". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule H4 of your report discloses payments for "petty cash." Please be advised that a political committee may maintain a petty cash fund out of which it may make expenditures not in excess of \$100 to any person per

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purchase or transaction. 11 CFR §102.11 Please provide clarifying information regarding these transactions.

-Schedule H4 of your report discloses an apparent contribution to DC Republican Committee Building Fund. Please be advised that contributions to federal committees and/or non-federal committees/organizations do not qualify as shared expenses to be allocated between your federal and non-federal accounts. Contributions to federal committees should be disclosed on a Schedule B supporting Line 23 of the Detailed Summary Page and contributions to non-federal committees/organizations on a separate Schedule B supporting Line 29. Any reimbursement from your committee's non-federal account for any portion of this contribution(s) is not permissible. 11 CFR §102.5(a)(1)(i)

The Commission recommends that you immediately transfer the funds received by your federal account, as reimbursement for the non-federal portion, back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. 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 need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,


Brandy Phillips
Campaign Finance Analyst
Reports Analysis Division

DISBURSEMENT SCHEDULE H4 (FEC Form 2X)
JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

PAGE 44/44
FOR LINE 21a OF FORM 2X

NAME OF COMMITTEE (in full)
DC REPUBLICAN COMMITTEE FEDERAL CAMPAIGN COMMITTEE

Full name (last, first, middle initial):
D29G Fed Act

Mailing Address:
1501 M Street, NW #A10
City: Washington State Zip Code: 20005 GRQ
Purpose/Event:
reg. transf. of \$10000.00
Description: Deb Debt

Type of Associated Activity:
 Administrator/Other Office
 Fundraising
 Direct Candidate Support
Event Year: 73-056
Date: 09/20/2002
Category Type: 1500.00

FEDERAL SHARE	+	NON-FEDERAL SHARE	=	TOTAL AMOUNT
0.00		1500.00		1500.00

Transaction ID: H4.0027

GRAND TOTAL of Joint Federal and Non-Federal Activity This Page

FEDERAL SHARE	+	NON-FEDERAL SHARE	=	TOTAL AMOUNT
0.00		1500.00		1500.00

GRAND TOTAL This Period (Use page for such info only; Federal share to 21(a)(1) and Non-Federal share to 21(a)(2))

FEDERAL SHARE	TOTAL AMOUNT
7182.80	40897.54

GRAND TOTAL This Period for the Non-Federal Share (used for line 21 of the detailed summary page)

NON-FEDERAL SHARE	TOTAL AMOUNT
3344.88	

FEC FORM 2X (Required Report)

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