



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

December 21, 2011

ANDREW TOBIAS, TREASURER  
DNC SERVICES CORPORATION/DEMOCRATIC  
NATIONAL COMMITTEE  
430 SOUTH CAPITOL STREET SE  
WASHINGTON, DC 20003

**Response Due Date**  
**01/25/2012**

IDENTIFICATION NUMBER: C00010603

REFERENCE: AMENDED SEPTEMBER MONTHLY REPORT (08/01/2011 - 08/31/2011),  
RECEIVED 11/16/2011

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. Your report discloses \$21,498.80 from "Obama Victory Fund 2012" in Offsets to Operating Expenditures on Line 15 of the Detailed Summary Page. Please be advised that if there are not corresponding expenditures for these entries, it may constitute an excessive or prohibited contribution. Please amend your report or provide an explanation for this apparent discrepancy. (2 U.S.C 434(b) & 11 CFR § 104.3(a) and (b))
2. Schedule A supporting Line 15 of your report discloses an offset to an operating expenditure(s) totaling \$59,503.95 from "Media Strategies & Research (MSR)"; however, there are \$5,000.00 in disbursements to this entity disclosed on your disbursement schedule(s). Please provide clarifying information regarding this discrepancy and amend your report(s) if necessary. (2 U.S.C. 434(b) and 11 CFR §104.3(a) and (b))
3. Schedule B supporting Line 21(b) of your report discloses negative entries for the receipt of apparent refunds/rebates of expenditures made during this or previous reporting periods. Please be advised that the receipt of offsets to operating expenditures should be disclosed on Schedule A supporting Line 15 of the Detailed Summary Page if the vendor wrote a refund/rebate check on its account. This method of reporting would clarify for the public record the total amount of receipts and more accurately disclose the cash-on-hand amount.

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Please amend your report to properly disclose this activity or provide clarifying information.

4. Your report discloses a payment(s) on Schedule D to "Bay View Funding f/k/a Harris O'Malley Marketing, Inc.", which has not been recorded on a disbursement schedule. Loan payments must be reflected on a Schedule B as well as on Schedule C, and debt payments must be reflected on a Schedule B, E, F, H4 or H6 as well as on Schedule D. Please amend your report to clarify this discrepancy. (2 U.S.C. §434(b)(5)(D) and (b)(8))

5. Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. In-kind contributions to affiliated committees should be properly disclosed on a separate Schedule B, supporting Line 22 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing. (2 U.S.C § 434(b) and FORM 3X Instructions)

6. Your calculations for debts on Schedule D are incorrect (Outstanding Balance Beginning This Period + Amount Incurred This Period - Payment This Period = Outstanding Balance at Close of This Period). (11 CFR § 104.3(d)) The full amount of any negative payments, refunds or voided checks must be added to the outstanding closing balance of a debt. Please amend your report to correct the discrepancy for the debt owed to "Allied Printing Services."

**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) 694-1133.

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Sincerely,

A handwritten signature in black ink, appearing to read "Chris Morse", written in a cursive style.

Christopher Morse  
Senior Campaign Finance Analyst  
Reports Analysis Division

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