



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

FEB 20 2004

**Mr. Robert Fyrst, Treasurer
Democratic Party of Wisconsin Federal Account
222 W. Washington Avenue, Suite 150
Madison, WI 53703**

RE: MUR 5413

Dear Mr. Fyrst:

On February 18, 2004, the Federal Election Commission found that there is reason to believe that the Democratic Party of Wisconsin Federal Account and you, as treasurer, violated 2 U.S.C. §§ 432(c)(5) and 432(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and 11 C.F.R. § 102.9(b), a regulation promulgated pursuant to the Act. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing pre-probable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

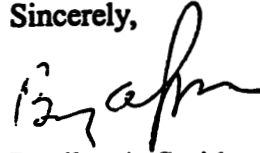
If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such

counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Delbert K. Rigsby, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,



Bradley A. Smith
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR

5413

RESPONDENTS:

**Democratic Party of Wisconsin Federal Account and
Robert Fyrst, as treasurer**

I. INTRODUCTION

This matter was generated by an audit of the Democratic Party of Wisconsin Federal Account (the "Committee") and Robert Fyrst, as treasurer, undertaken in accordance with 2 U.S.C. § 438(b). The audit covered the period between January 1, 1999 and December 31, 2000.

II. FACTUAL AND LEGAL ANALYSIS

The treasurer of a political committee shall keep an account of the name and address of every person to whom any disbursement is made, the date, amount, and purpose of the disbursement, and the name of the candidate and the office sought by the candidate, if any, for whom the disbursement was made, including a receipt, invoice, or cancelled check for each disbursement in excess of \$200. 2 U.S.C. § 432(c)(5) and 11 C.F.R. § 102.9(b). The treasurer of a political committee shall preserve all required records of disbursements and copies of reports for three years after the report is filed. *See* 2 U.S.C. § 432(d). In its Final Audit Report approved April 10, 2003, the Commission determined that, based on a sample review of disbursements, the Committee failed to maintain a cancelled check, invoice or receipt for approximately 11% of its disbursements in excess of \$200, and had failed to preserve required records of these disbursements for three years.

Therefore, there is reason to believe that the Democratic Party of Wisconsin Federal Account and Robert Fyrst, as treasurer, violated 2 U.S.C. §§ 432(c)(5) and 432(d) and 11 C.F.R. § 102.9(d).