

North Carolina Democratic Party

220 Hillsborough Street Raleigh, NC 27603

January 4, 2001

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Ms. Lois Lerner General Counsel

**Federal Election Commission** 

999 E Street, NW

Washington, DC 20463

Officers 
Barbara Allen

Chair

www.ncdp.org

Dear Ms. Lerner:

Sen. Frank Ballance

Dear Ms. Lemer

First Vice Chair

Edward T. Smith

Pursuant to 2 U.S.C. 437f, the North Carolina Democratic Party seeks an Advisory Opinion on the following:

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Second Vice Chair

The North Carolina Democratic Party is preparing to embark on a wholesale restoration and renovation of its historic headquarters building in Raleigh, NC.

Jennifer Gullette Third Vice Chair

James B. Stephenson, II Secretary

W. Lyndo Tippett Treasurer We believe, based on past policy and opinions of the Commission, that the actual expenditures for the restoration and renovation, machinery and equipment, furniture and fixtures, and other similar property may be made from the Party's Building Fund (see A.O.1998-7).

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There are two specific areas that we seek clarification on:

- 1. May expenditures such as construction management and architectural fees directly and solely related to the restoration and renovation project be paid from the Party's Building Fund?
- 2. Based on the Funds received method of allocating expenses, may fundraising expenses be paid from the Party's Building Fund? (As an example, if the Party hires an employee or consultant whose **sole** responsibility is raising funds into the Building Fund for this project, may the salary or fee and other expenses associated with that employee or consultant be paid for from the Party's Building Fund?)

If you need further information, please feel free to contact me. We look forward to a reply as soon as possible.

Sincerely.

Scott R. Falmlen
Executive Director

Contributions to the North Carolina Democratic Party are not tax deductible as charitable contributions for Federal income tax purposes.