



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

April 21, 2000

TO: Ronald M. Harris
Chief, Press Office

FROM: Kim Leslie Bright *KL*
Associate General Counsel

Rhonda J. Vosdingh *RJ*
Assistant General Counsel

SUBJECT: Public Issuance of the Statement of Reasons for the 1996 Democratic National Convention Committee, Inc. (LRA #471)

Attached please find a copy of the above-referenced Statement of Reasons which the Commission approved on April 13, 2000.

Informational copies of the Statement of Reasons have been received by all parties involved and the document may be released to the public.

Attachments as stated.

cc: Audit Division
FEC Library
Public Disclosure
Reports Analysis Division



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

The 1996 Democratic National)	
Convention Committee, Inc.	)	LRA #471
)	
)	
)	

STATEMENT OF REASONS

On April 13, 2000, the Federal Election Commission (the "Commission") determined that the telephone expenses paid by Chicago's Committee for '96 (the "Host Committee") and the City of Chicago on behalf of the 1996 Democratic National Convention Committee, Inc. (the "Convention Committee") are permissible expenses under 11 C.F.R. §§ 9008.52(c)(1)(v) and 9008.53(b)(1) and thus, the telephone expenses are not in-kind contributions to the Convention Committee that count against the Convention Committee's expenditure limit. 11 C.F.R. § 9008.8(b)(1). The Commission also determined that there is no repayment due by the Convention Committee and the Democratic National Committee (the "DNC") to the United States Treasury. This Statement of Reasons sets forth the legal and factual basis for the Commission's determination that no repayment is due. 11 C.F.R. § 9007.2(c)(3).

I. BACKGROUND

On June 6, 1995, the Convention Committee registered with the Commission as a national convention committee of the Democratic Party. The Convention Committee received \$12,364,000 in public funds under the Presidential Election Campaign Fund Act. 26 U.S.C. §§ 9001-9013. After the Convention was completed, the Commission conducted an audit and examination of the Convention Committee's receipts and disbursements, as provided in the

Presidential Election Campaign Fund Act and the Commission regulations. Attachment A; 26 U.S.C. § 9008(g); 11 C.F.R. § 9008.11.

The Host Committee was established to serve as a host committee for the Democratic National Convention pursuant to 11 C.F.R. §§ 9008.50 - 9008.54. The Host Committee did not receive any public funds pursuant to Title 26 of the United States Code. However, the Host Committee received \$21,481,973 from other sources, and it spent \$20,960,388 in connection with the 1996 Democratic National Convention.¹

On August 7, 1997, the Commission's Audit staff held an exit conference with the Convention Committee to discuss preliminary findings and recommendations based upon information obtained during the audit that the Audit staff planned to submit to the Commission for approval. *See* 11 C.F.R. §§ 9008.11, 9038:1(b)(2)(iii) and 9007.1(b)(2)(iii). The Audit Division's preliminary findings and recommendations were contained in an Exit Conference Memorandum ("ECM"). *See id.* In the ECM, the Audit staff identified payments to Ameritech totaling \$512,637 from the Host Committee and \$105,621 from the City of Chicago for local telephone charges related to Convention Committee telephone numbers or accounts assigned to the Convention Committee. Attachment A at 11. The Audit staff also identified payments to AT&T totaling \$87,688 from the Host Committee and \$20,889 from the City of Chicago for long distance charges related to Convention Committee telephone numbers or accounts assigned to the Convention Committee. *Id.* Memoranda from the Host Committee also attributed the expenditures for telephone charges to the Convention Committee. *Id.*

¹ Pursuant to 11 C.F.R. § 9008.54, the Commission audited the Host Committee, and the receipts and expenditures stated above are as of March 31, 1997, the effective date of the Audit Report. The Commission approved the Host Committee's Audit Report on June 25, 1998.

The Audit staff requested that the Convention Committee provide documentation that the telephone charges were a permissible host committee expense pursuant to 11 C.F.R. § 9008.52(c). *Id.* The Audit staff also cited the Explanation and Justification for 11 C.F.R. § 9008.52, 59 Fed. Reg. 33614 (June 29, 1994), which states that the revised rules do not permit host committees to pay for the convention committee's or the national party's overhead expenses for the convention. *Id.* at 10. Finally, the Audit staff concluded that the telephone charges were an overhead expense of the convention, and did not promote the City of Chicago or prepare the convention site. *Id.* at 12.

On October 21, 1997, the Convention Committee filed its written response to the ECM. The Convention Committee stated that it interpreted 11 C.F.R. § 9008.52(c) to permit the Host Committee to pay for telephone service charges for the convention, and that the regulation does not distinguish between the costs of office telephones and the costs of using the telephones. Attachment A at 11. Moreover, the Convention Committee argued that the Explanation and Justification for 11 C.F.R. § 9008.52 should not be given precedence over the plain language of the regulation, and that the language of the Explanation and Justification is ambiguous. *Id.*

On June 25, 1998, the Commission approved the Audit Report of the Convention Committee, including a determination that the Host Committee made in-kind contributions totaling \$600,325 to the Convention Committee, and the City of Chicago made in-kind contributions totaling \$126,510. *Id.* Thus, the Commission determined that the Convention Committee should make a repayment of \$726,835 to the United States Treasury for the in-kind contributions received from the Host Committee and the City of Chicago. *Id.* at 12; 26 U.S.C. § 9008(h); 11 C.F.R. § 9008.12(b)(3).

On September 8, 1998, the Convention Committee submitted legal and factual materials to demonstrate that no repayment is required to be paid to the United States Treasury.

Attachment B;² 11 C.F.R. § 9007.2(c)(2)(i). The Convention Committee also requested an opportunity to address the Commission in open session pursuant to 11 C.F.R. § 9007.2(c)(2)(ii).

Attachment B at 1. On November 8, 1998, the Commission granted the Convention Committee's request for an oral hearing, which was held on January 13, 1999. Attachment D.

Within five days after the oral hearing, the Convention Committee submitted a supplemental submission. Attachment E.

II. CONVENTION COMMITTEE'S RESPONSE TO THE REPAYMENT DETERMINATION

The Convention Committee disputes the repayment determination based on the conclusion that telephone charges paid by the Host Committee and the City of Chicago are in-kind contributions to the Convention Committee. Attachment B at 1. The Convention Committee states that there should be no repayment because the Commission did not provide "fair notice" that 11 C.F.R. § 9008.52(c) prohibited a host committee's payment of telephone service charges. *Id.* at 2. The Convention Committee argues that the Commission is imposing a "civil sanction"³ against the Convention Committee without giving the Convention Committee notice of the conduct that is prohibited. *Id.* at 3.

² The Commission's Audit Division noted that there was no need to modify the conclusions reached in the Audit Report based on these materials. Attachment C.

³ There is a critical distinction between repayments and civil liability or violations of law. A repayment involves the return of public funds received by a political committee to the United States Treasury. Contrary to the Convention Committee's assertion, the Commission's repayment determination does not impose any civil penalty upon the Convention Committee. *See Kennedy v. FEC*, 734 F.2d 1558, 1565 (1984); *see also Reagan Bush Comm. v. FEC*, 525 F. Supp. 1330, 1337 (1981) (repayment determinations are not considered to involve violations of law).

Specifically, the Convention Committee asserts that the language of the regulation does not enable persons to distinguish between equipment, facilities and services that are permissible host committee expenses and telephone charges. *Id.* at 4. In addition to items specifically mentioned in 11 C.F.R. § 9008.52, the regulation provides that host committees may pay for “other similar convention-related facilities and services.” 11 C.F.R. § 9008.52(c)(xi). The Convention Committee argues that telephone service charges should be considered as other similar convention-related facilities and services. *Id.* Moreover, it argues that telephone service charges should not be considered any different from items such as air conditioning and electricity, which are specifically mentioned in the regulation as permissible host committee expenses. *Id.*

Additionally, the Convention Committee argues that the administrative history of 11 C.F.R. § 9008.52 does not give fair notice that telephone charges are excluded as permissible host committee expenses. Attachment B at 5. The Convention Committee states that the language in the Explanation and Justification, which reads “please note that the revised rules do not permit host committees . . . to pay the convention committee’s or the national party’s overhead and administrative expenses related to the convention,” directly contradicts the language of the regulation which permits administrative and overhead expenses, such as “offices and office equipment.” Attachment B at 6.

Furthermore, the Convention Committee argues that the Audit Division applied 11 C.F.R. § 9008.52(c) in a contradictory and inconsistent manner because it allowed the Host Committee to pay for Convention Committee expenses such as pager charges, usage charges for cellular phones, rental of certain office equipment, office supplies and postage, but not telephone charges. Attachment B at 7, 8. Moreover, the Convention Committee disagrees with the Commission’s

reliance upon 11 C.F.R. § 9008.7(a)(4)(x) with respect to the types of convention expenses that should be paid by the convention. Attachment B at 8. Specifically, the Convention Committee argues that because a convention committee may pay for certain expenses with its own funds, it does not necessarily mean that the host committee may not also pay for such expenses. *Id.*

Finally, the Convention Committee asserts that the notice of proposed rulemaking on 11 C.F.R. § 9008.52 contained no suggestion that there would be prohibitions on host committee use of funds to pay convention committee administrative and overhead expenses. Attachment B at 12-15. While it acknowledges that agencies may modify proposed rules, the Convention Committee argues that language in the Explanation and Justification for 11 C.F.R. § 9008.52, which restricts a host committee's payment of convention administrative and overhead expenses, appears to control the entire scope of section 9008.52(c), that it was inserted at the final Commission meeting on the proposed regulation, and that they did not have notice or opportunity to comment upon such language. *Id.* at 13, 14.

During the oral hearing, the Convention Committee's counsel argued that the Commission's regulations restrict only the source of funds that can be donated to host committees, but does not restrict "the purposes for which the Host Committee could spend its funds in terms of covering the costs of convention facilities and services." Attachment D at 10. The Convention Committee's counsel also stated that "in prior conventions, the Host Committees clearly paid these [telephone] charges." *Id.* at 23.

In its supplemental submission to the Request for an Administrative Review of the Repayment Determination, the Convention Committee noted that after searching its records,

it appears that a substantial amount of local telephone service charges for the 1992 Convention Committee were paid for by the City of New York.

We are unable to determine whether the City of New York or the 1992 Host Committee paid for any long distance service charges. We are also unable to determine who paid for the 1988 Convention Committee's local and long distance telephone service charges.

Attachment E at 3. The Convention Committee also states that its contract with the City of Chicago required the City and/or the Host Committee to pay for telephone charges. *Id.* at 3, 4. This contract provision required the "City to pay for cellular telephone usage charges (air time) and long distance service charges for the Convention Committee." *Id.* at 4. Furthermore, the Convention Committee states that "we have been unable to determine definitively how the Audit Division treated cellular telephone and pager charges, because we cannot determine exactly which invoices were included in the \$726,835 disallowed." *Id.*

III. ANALYSIS

A. LAW

In order to be eligible to receive public funds to finance the presidential nominating convention, a national party committee must establish a convention committee, which is responsible for conducting the day to day arrangements and operations of that party's presidential nominating convention and must register with and report to the Commission as a political committee. 11 C.F.R. §§ 9008.3(a)(1), (a)(2) and (b). A national party committee and its convention committee must also file a written agreement with the Commission agreeing to conditions set forth in 11 C.F.R. § 9008.3(a)(4)(i) through (viii) to be eligible for public funding. 11 C.F.R. § 9008.3(a)(4). As part of this agreement, the national party committee and its convention committee must agree to comply with 2 U.S.C. §§ 431 through 451, 26 U.S.C. § 9008, and applicable Commission's regulations. 11 C.F.R. § 9008.3(a)(4)(vii). Thus, the committees must agree to abide by 2 U.S.C. §§ 441a and 441b, which prohibit, *inter alia*,

corporate and labor organization contributions or expenditures in connection with conventions, and they must agree to comply with the applicable expenditure limitation set forth at 26 U.S.C. § 9008(d) and 11 C.F.R § 9008.8. 11 C.F.R. § 9008.3(a)(4)(vii) and (i), respectively. The national committee of a major party may not make expenditures with respect to a publicly-financed presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under 26 U.S.C. § 9008(b)(1). 26 U.S.C. § 9008(d)(1). Thus, the expenditure limitation is equal to the convention committee's entitlement to public funds. 26 U.S.C. § 9008(d).

A host committee may be created to represent a city hosting a nominating convention in matters involving a presidential nominating convention. 11 C.F.R. § 9008.51. Any local organization that is not organized for profit, whose net earnings do not inure to the benefit of any private shareholder or individual and whose principal objective is the encouragement of commerce in the convention city, as well as the projection of a favorable image of the city to convention attendees, may serve as a host committee. 11 C.F.R § 9008.52(a).⁴

Host committees may receive funds or in-kind donations from local businesses (excluding banks), local labor organizations, and other local organizations and individuals for specific purposes relating to hosting a national party convention.⁵ The purposes for which a host committee may use funds in connection with a nominating convention are specified in 11 C.F.R § 9008.52(c)(1)(i) through (xi) and include: (i) "promoting the suitability of the city

⁴ Section 9008.52(a) gives the following examples of local organizations that may serve as host committees: a local civic association, business league, chamber of commerce, real estate board, board of trade, or convention bureau.

⁵ Host committees may also accept goods or services from commercial vendors under the terms and conditions set forth at 11 C.F.R. § 9008.9, which also apply to convention committees. 11 C.F.R. § 9008.52(b).

as a convention site;” (ii) “welcoming the convention attendees to the city;” (iii) “facilitating commerce;” (vi) “local transportation services;” (vii) “law enforcement;” (viii) “convention bureau personnel to provide central housing and reservation services;” (ix) “hotel rooms at no charge or at a reduced rate;” and (x) “accommodations and hospitality for committees of the parties responsible for choosing the site of the conventions.” 11 C.F.R. § 9008.52(c)(1)(i)-(iii) and (vi)-(x). Host committees may also provide “use of an auditorium or convention center and to provide construction and convention related services” such as “construction of podiums, press tables, false floors, camera platforms, additional seating, lighting, electrical, air conditioning and loud speaker systems, offices, office equipment, and decorations.” 11 C.F.R. § 9008.52(c)(1)(v). Finally, in addition to those facilities and services specifically enumerated in 11 C.F.R § 9008.52(c)(1)(i) through (x), a host committee is permitted to provide “other similar convention-related facilities and services” under section 9008.52(c)(1)(xi).

Government agencies and municipal corporations may also provide services to a party convention. The Commission’s regulations permit local businesses (excluding banks), local labor organizations and other local organizations or individuals to donate funds or make in-kind donations to a separate fund or account of the government agency or municipality to pay for expenses listed in 11 C.F.R. § 9008.52(c). 11 C.F.R. § 9008.53(b)(1). However, the fund or account must not be restricted for use in connection with any particular convention, and the donations to the fund or account must be unrestricted and not solicited or designated for use in connection with any particular convention. *Id.*

A convention committee may use its public funds only for the purposes set forth at 11 C.F.R § 9008.7. *See* 26 U.S.C. § 9008(c). Convention expenses include all expenses incurred by or on behalf of a political party’s national committee or convention committee with respect to

and for the purpose of conducting a presidential nominating convention or convention-related activities. 11 C.F.R. § 9008.7(a)(4). Some examples of convention expenses include administrative and office expenses for conducting the convention including stationery, office supplies, office machines, and telephone charges, but exclude the cost of any services supplied by the national committee at its headquarters or principal office if such services are incidental to the convention and not utilized primarily for the convention. 11 C.F.R. § 9008.7(a)(4)(x).

Generally, convention expenses incurred with respect to a presidential nominating convention are subject to the expenditure limitation. *See* 11 C.F.R § 9008.8(a). Nevertheless, certain expenditures related to a convention are not subject to the expenditure limitation. For example, permissible host committee expenditures like those examples listed in 11 C.F.R § 9008.52 shall not be considered convention committee expenditures and shall not count against the convention committee's expenditure limit. 11 C.F.R. § 9008.8(b)(1).⁶ Host committee expenditures that are not in accordance with section 9008.52 are in-kind contributions to the convention committee that may be considered convention committee expenditures and count against the expenditure limit. *See id.*

If the Commission determines that a national party committee accepted contributions to defray convention expenses which, when added to the amount of payments received, exceeds the expenditure limitation, it shall notify the national committee of the amount of contributions so accepted, and the national committee shall pay the amount specified to the United States

⁶ Additionally, Host Committee expenditures that are permitted under section 9008.52 are exempt from the prohibition of corporate and labor organization contributions or expenditures. 11 C.F.R § 114.1(a)(2)(viii).

Treasury. 11 C.F.R. § 9008.12(b)(3); *see also* 26 U.S.C. §§ 9007(b)(3), 9008(h); and 11 C.F.R. § 9008.12(a).⁷ A convention committee's entitlement to public funds shall be adjusted so as not to exceed the difference between the expenditure limitation and the amount of private contributions received to defray convention expenses. 11 C.F.R. § 9008.5(b). If the Commission determines that any portion of the payments to the national committee or convention committee was in excess of the aggregate payments to which the national committee was entitled under 11 C.F.R. §§ 9008.4 and 9008.5, it shall notify the national committee and the national committee shall pay an amount equal to such portion to the United States Treasury.

11 C.F.R. § 9008.12(b)(1); *see also* 26 U.S.C. § 9007(b)(1). If the Commission determines that the national committee or convention committee incurred convention expenses in excess of the limitation, it shall so notify the national committee and the national committee shall pay an amount equal to such excessive expenditures to the United States Treasury. 11 C.F.R.

§ 9008.12(b)(2); *see also* 26 U.S.C. § 9007(b)(2). In the case of in-kind contributions from a host committee, government agency or municipal corporation that cause the convention committee to exceed the expenditure limitation, the Commission may seek repayment if a convention committee knowingly helps, assists or participates in the making of a convention expenditure by a host committee, government agency, or municipal corporation that is not in accordance with 11 C.F.R. §§ 9008.52 or 9008.53. 11 C.F.R. § 9008.12(b)(7).

⁷ The statute authorizes the Commission to require repayment of public funds equal to any contributions, 26 U.S.C. § 9007(b)(3), while the regulation requires a repayment equal to those contributions that, when added to the amount of public funds received, exceed the expenditure limit, 11 C.F.R. § 9008.12(b)(3). In these circumstances, the full amount of any contributions is subject to repayment under either the statute or the regulation because the Convention Committee received public funds equal to its expenditure limit.

B. REPAYMENT DETERMINATION UPON ADMINISTRATIVE REVIEW

The Commission determines that the telephone charges of \$726,835 paid by the Host Committee and the City of Chicago on behalf of the Convention Committee were permissible expenses. Therefore, the telephone charges are not in-kind contributions to the Convention Committee that count against the Convention Committee's expenditure limit. 11 C.F.R. § 9008.8(b)(1). The Commission also determines that there is no repayment due by the Convention Committee and the DNC to the United States Treasury. 11 C.F.R. § 9007.2(c)(3).

The telephone charges paid by the Host Committee are permissible host committee expenditures under 11 C.F.R. § 9008.52(c)(1)(v). Section 9008.52(c)(1)(v) lists office equipment as a permissible host committee expense, and the Commission concludes that the cost of using the equipment is a part of providing the equipment. Thus, in addition to paying for the telephone equipment and the installation of the telephone equipment, the Host Committee is permitted to pay for telephone charges associated with using the telephone equipment. The Host Committee paid telephone charges totaling \$600,325. Similarly, the City of Chicago is permitted to pay for the telephone charges on behalf of the Convention Committee. The City of Chicago paid telephone charges totaling \$126,835. The Commission's regulation, which concerns receipts and disbursements of government agencies and municipal corporations for party conventions, permits those government agencies and municipal corporations to receive donations for expenses listed in 11 C.F.R. § 9008.52(c). 11 C.F.R. § 9008.53(b). The cost of using office equipment is a permissible host committee expense under 11 C.F.R. § 9008.52(c)(1)(v). Therefore, the Commission concludes that the City of Chicago could pay for the telephone charges.

IV. CONCLUSION

For the foregoing reasons, the Commission determines that the telephone expenses paid by the Host Committee and the City of Chicago on behalf of the Convention Committee are permissible expenses under 11 C.F.R. §§ 9008.52(c)(1)(v) and 9008.53(b)(1). Therefore, the Commission determines that no repayment is due by the 1996 Democratic National Convention Committee, Inc. and the Democratic National Committee to the United States Treasury.

Attachments

- A. Audit Report on the 1996 Democratic National Convention Committee, Inc., approved June 25, 1998.
- B. Request of 1996 Democratic National Convention Committee, Inc. for Administrative Review of Repayment Determination, dated September 8, 1998.
- C. Memorandum from Robert Costa to Kim Bright-Coleman regarding the 1996 Democratic National Convention Committee, Inc.'s response to the Audit Report, dated January 4, 1999.
- D. Transcript of the 1996 Democratic National Convention Committee, Inc. Oral Hearing before the Federal Election Commission on January 13, 1999.
- E. Supplemental Submission of the 1996 Democratic National Convention Committee, Inc., dated January 21, 1999.



**REPORT OF THE AUDIT DIVISION
ON THE
1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.**

I. BACKGROUND

A. AUDIT AUTHORITY

This report is based on an audit of the 1996 Democratic National Convention Committee, Inc. (the Committee or DNCC), to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended (the Act). The audit was conducted pursuant to Section 9008(g) of Title 26 of the United States Code which directs the Commission to conduct an examination and audit of the payments for presidential nominating conventions no later than December 31 of the calendar year in which the presidential nominating convention is held.

In addition to examining the receipt and use of Federal funds, the audit seeks to determine if the Committee has materially complied with the limitations, prohibitions and disclosure requirements of the Federal Election Campaign Act of 1971, as amended.

B. AUDIT COVERAGE

The audit covered the period from February 6, 1995, the date the Committee initially deposited funds from the Democratic National Committee (DNC), through September 30, 1996. In addition, certain financial activity was reviewed through September 30, 1997, to determine any amounts due to the United States Treasury. The Committee reported an opening cash balance of \$-0-, total receipts of \$12,380,763, total disbursements of \$9,859,144, and a closing cash balance on September 30, 1996 of \$2,521,619.¹

C. COMMITTEE ORGANIZATION

The Committee registered with the Federal Election Commission on June 6, 1995, as a National Convention Committee of the Democratic Party. The Treasurers for the period audited were Robert T. Matsui from June 6, 1995 to October 6, 1995, R.

¹ All figures in this report have been rounded to the nearest dollar.

Scott Pastrick from October 6, 1995 to February 5, 1997 and Carol Pensky from February 5, 1997 to the present. During the audit period, the Committee maintained offices in Washington, D.C. and Chicago, IL. The Committee records are maintained in Washington, D.C..

The Committee used seven bank accounts to handle its financial activity. From these accounts it made approximately 1,958 disbursements. The Committee received \$12,364,000 in federal funds which represents the full entitlement established at 26 U.S.C. §9008(b).

D. AUDIT SCOPE AND PROCEDURES

The Audit of the Committee covered the following general categories as appropriate:

1. The receipt of contributions from prohibited sources;
2. the receipt of contributions or loans in excess of the statutory limitations (Findings II.A. and B.);
3. proper disclosure of receipts including the itemization of receipts when required, as well as, the completeness and accuracy of the information disclosed;
4. proper disclosure of disbursements including the itemization of disbursements when required, as well as, the completeness and accuracy of the information disclosed;
5. proper disclosure of Committee debts and obligations;
6. the accuracy of total reported receipts, disbursements and cash balances as compared to Committee bank records;
7. adequate record keeping for transactions;
8. accuracy of the Statement of Net Outstanding Convention Expenses filed by the Committee to disclose its financial condition (Finding II.D.);
9. compliance with requirements concerning expenditures for convention expenses (Finding II.C.);
10. the Committee's compliance with spending limitations; and,
11. other audit procedures that were deemed necessary in the situation (Finding II.E.).

As part of the Commission's standard audit process, an inventory of committee records was conducted prior to the audit fieldwork. This inventory is conducted to determine if the auditee's records are materially complete and in an auditable state. Based on the review of records presented, fieldwork began immediately.

Unless specifically discussed below, no material non-compliance was detected. It should be noted that the Commission may pursue further any of the matters discussed in this report in an enforcement action.

II. AUDIT FINDINGS AND RECOMMENDATIONS — AMOUNTS DUE TO THE U.S. TREASURY

A. APPARENT CONVENTION EXPENSES PAID BY THE HOST COMMITTEE AND CITY OF CHICAGO

Section 9008(h) of Title 26 of the United States Codes states, in part, that the Commission shall have the same authority to require repayments from the national committee of a political party as it has with respect to repayments from any eligible candidate under section 9007(b).

Section 9008.3(a)(4)(vii) of Title 11 of the Code of Federal Regulations states, the convention committee shall agree to comply with the applicable requirements of 2 U.S.C. 431 et seq., 26 U.S.C. 9008, and the Commission's regulations at 11 CFR Parts 100-116 and 9008.

In addition, Section 104.3(a) of Title 11 of the Code of Federal Regulations states, in part, that each report filed under 104.1, shall disclose the total amount of receipts for the reporting period and for the calendar year and shall disclose the information set forth at 11 CFR 104.3(a)(1) through (4).

Section 9008.12(b)(3) of Title 11 of the Code of Federal Regulations states, in part, if the Commission determines that contributions accepted to defray convention expenses which, when added to the amount of payments received, exceeds the expenditure limitation of such party, it shall notify the national committee of the amount of the contributions so accepted, and the national committee shall pay to the Secretary an amount equal to the amount specified.

Section 9008.12(b)(7) of Title 11 of the Code of Federal Regulations states, in part, that the Commission may seek a repayment from the convention committee if the convention committee knowingly helped, assisted or participated in making convention expenditures by the host committee, governmental agency or municipal corporation that are not in accordance with 11 CFR §§9008.52 or 9008.53.

Section 9008.52(c) of Title 11 of the Code of Federal Regulations states, in part, that contributions received by host committees may be used to defray those expenses incurred for the purpose of promoting the suitability of the city as a convention site; to defray those expenses incurred for welcoming the convention attendees to the city, such as expenses for information booths, receptions, and tours; to defray those expenses incurred in facilitating commerce, such as providing the convention and attendees with shopping and entertainment guides and distributing the samples and promotional material specified under 11 CFR §9008.9(c); to defray the administrative expenses incurred by the host committee, such as salaries, rent, travel, and liability insurance; and to provide the national committee use of an auditorium or convention center and to provide construction and convention related services for that location such as: construction of podiums; press tables; false floors; camera platforms; additional seating; lighting; electrical, air conditioning, and loudspeaker systems; offices; office equipment; and decorations.

Further, contributions may be used to defray the cost of various local transportation services, including the provision of buses and automobiles; to defray the cost of law enforcement services necessary to assure orderly conventions; to defray the cost of using convention bureau personnel to provide central housing and reservation services; to provide hotel rooms at no charge or a reduced rate on the basis of the number of rooms actually booked for the convention; to provide accommodations and hospitality for committees of the parties responsible for choosing the sites of the conventions; and to provide other similar convention facilities and services.

Section 9008.7(a)(4) of Title 11 of the Code of Federal Regulations states that "Convention expenses" include all expenses incurred by or on behalf of a political party's national committee or convention committee with respect to and for the purpose of conducting a presidential nominating convention or convention-related activities.

Background

The Audit staff identified payments made by and contributions to Chicago's Committee for '96 (the Host Committee) and payments made by the City of Chicago (the City) relative to several vendors totaling \$2,580,742, which appear to be for convention-related expenses and not for items noted above at 11 CFR §9008.52(c). Most of the information pertaining to the vendors was obtained as a result of our audit of the Host Committee.

On August 4, 1994, the City of Chicago and the 1996 Democratic National Convention Committee, Inc. entered into a written agreement (the Convention Contract or Contract). One section of this agreement provided for the establishment of a host committee to serve, in part, as a separate fund to satisfy the financial obligations of the City specified in the Convention Contract, and, for securing cash and in-kind contributions necessary to obtain goods and services needed for the Convention. The Host Committee formally registered with the FEC on August 16, 1994 as Chicago's Committee for '96.

On August 19, 1996, the City and the DNCC amended the Contract, in part, with a budget revision entitled "Chicago '96/City Budget." Each expense classification in the revised budget was identified by line number, line item, total amount budgeted, total cash spent, and total in-kind contributions allocated to that line item. The Audit staff's review of management controls disclosed that the Host Committee's disbursement records included memoranda which identified expenditures made on behalf of the DNCC and the budget line number to which each expense should be allocated. The apparent objective of these controls was to facilitate managerial reporting and compliance with the budget. Furthermore, the Host Committee obtained written concurrence from the DNCC for all of the payments. In accordance with the Convention Contract, expenses defrayed fell into one of two major budgetary classifications: production expenses or telecommunications costs, as discussed below.

The issue of the permissibility of these payments was addressed in Exit Conference Memoranda (ECM) resulting from the audits of both Chicago '96 and the DNCC. Both committees, as well as the City of Chicago, were given an opportunity to respond to the Memoranda, and information provided by them is incorporated in the discussions below.

In response to the respective Exit Conference Memoranda, both the DNCC and the Chicago's Committee for '96 argued that most or all of the expenses discussed below are covered by one of the categories of permissible host committee expenses at 11 CFR §9008.52(c)(1) or, referring to 11 CFR §9008.52(c)(1)(xi), are "similar" to expenses covered by one of the permissible expense categories. To read 11 CFR 9008.52(c)(1) as broadly as both committees propose would effectively negate the limitation on convention expenses at 26 U.S.C. §9008(d); the prohibition on contributions to a convention committee that has received the full federal payment (11 CFR §9008.6(a)); the prohibition on the use of corporate contributions in connection with federal elections at 2 U.S.C. §441b; and the Commission's clear statement in the *Explanation and Justification* (E&J) supporting the provisions contained in 11 CFR 9008.52(c)(1) that allowing the host committee to pay selected convention expenses is "intended to be a very narrow exception to the statutory limitation on convention expenses."²

1. Production Expenses

Pursuant to the Contract, the City agreed to provide, among other things, the following production hardware and related services to the DNCC: "a lighting system and the services of lighting consultants and a lighting designer to operate the system;" "an audio system (including but not limited to microphones at each delegation and all audio feeds) and the services of audio consultants and an audio designer to operate the system;" "the broadcast on one of the City's cable television stations gavel to gavel coverage of the Convention and special programming directly related to the Convention"

² See 44 Fed. Reg. 63,038 (Nov. 1, 1979).

provided that the "station shall make available to the DNCC a tape of such coverage...without charge for rebroadcast, display, or other rights;" and, "all necessary production control personnel, including camera persons, grips, video control and tape operators, audio and video maintenance engineers, chyron operators, video and utility personnel, riggers, gaffers, property master and such other production assistants as may be required."

The Audit staff's review of the Host Committee's disbursement records identified payments to six vendors totaling \$1,455,407. Furthermore, documents obtained by the Audit staff indicate that the City of Chicago paid an additional \$233,500.³ These payments were apparently made in execution of the Contract's provisions related to production; these expenditures are discussed in detail below.

a. Audiotek Corporation

The Audit staff identified one disbursement by the Host Committee to Audiotek Corporation dated August 19, 1996, in the amount of \$113,500 as partial payment against invoice #12542. Host Committee internal memoranda allocated the payment to budget line item "32-Audio." According to the Host Committee's contract with Audiotek, the vendor was to provide public address systems, press and media feed distribution systems, delegate microphone selection systems, and on site technicians for the convention. A payment of \$113,500 by the City against the same invoice was also identified.

b. Automated Studio Lighting

The Audit staff identified four payments to Automated Studio Lighting, totaling \$299,016, from July through October 1996. Host Committee records disclosed that all but one of the payments was allocated to budget line item "31-Lighting." The remaining disbursement, in the amount of \$48,070, was allocated to budget line "19-Production Personnel." Vendor invoices reviewed by the Audit staff supported the Host Committee's expense classifications.

c. Chicago Scenic Studios, Inc.

The Audit staff identified two payments to Chicago Scenic Studios, Inc. during August and November of 1996, totaling \$615,083. The Audit staff's review of Host Committee records disclosed that both disbursements were allocated to budget line item "19-Production Personnel." Vendor documentation confirmed that all charges submitted were for production labor. A proposal from the vendor described labor

³ No audit was performed of the City of Chicago; however, we do note that pursuant to 11 CFR §9008.53(b) expenditures made by a municipality or government agency should also meet the requirements of 11 CFR §9008.52(c).

services to be provided as stagehands, riggers, teamsters, projectionists, broadcast engineers, cameramen, carpenters, and decorators for the convention.

d. **Theatrical Resources, Inc.**

The Audit staff identified one payment in the amount of \$132,808 to Theatrical Resources, Inc. made during July 1996. A review of Host Committee records disclosed that the disbursement covered payroll for riggers and electricians working during July and August 1996 pursuant to a contract between the DNCC and the vendor. The expense was allocated to budget line "19-Production Personnel." A separate review of the convention committee's records disclosed that the DNCC subsequently paid this vendor a total of \$59,848 with three additional checks written during September 1996 and February 1997.

e. **VANCO Lighting Services**

The Audit staff identified one payment in the amount of \$175,000 to VANCO lighting services during July 1996. A review of Host Committee records disclosed that the expense was allocated to budget line "31-Lighting." Vendor invoicing described the services provided during July and August 1996 as a "rigging package" and identified the Convention as the "show" to be supported by VANCO.

f. **Vari-Lite, Inc.**

The Audit staff identified one payment by the Host Committee in the amount of \$120,000 to Vari-Lite, Inc. during August 1996 as payment against invoice #1701/02. A review of Host Committee records disclosed that the expense was allocated to budget line "31-Lighting." Vendor invoicing identified the Convention to be the "producer" using automated lighting and technical support provided during July and August 1996. The Audit staff also reviewed City memoranda asserting the equipment provided to be "lighting instruments, border and cyclorama striplights, follow spotlights, floodlights, special effects lighting, spotlights, etc." for the Convention. A payment of \$120,000 by the City against Vari-Lite invoice #1701/01 was also identified.

In the ECM, the Audit staff concluded that payments to the vendors described above are not expenses properly paid by the Host Committee or the City pursuant to 11 CFR §9008.52(c) or §9008.53(b). Rather, they are convention expenses that should have been paid by the DNCC pursuant to 11 CFR §9008.7(a) for reasons discussed below.

As noted previously, some of these disbursements relate to salaries for electricians and other individuals for labor such as rigging cameras and lighting. Although 11 CFR §9008.52(c) allows a host committee to defray salaries and convention related expenses such as construction of camera platforms and lighting, the

Audit staff believes that the expenses paid by the Host Committee related to rigging cameras, automated lighting, and audio systems with the stated purpose of providing media feeds or cable broadcasts are not the same as building a platform from which cameras can be used for the television production. Furthermore, the Host Committee defrayed DNCC contracted labor costs unrelated to rigging or construction, i.e., projectionists, broadcast engineers, and cameramen. Whereas the Host Committee made numerous other disbursements separate from the production expenditures relating to construction of podiums, platforms and other facilities at the Convention center, the disbursements in this case appear to be related to the overall processes of television production and broadcasting.

Categories of permissible host committee expenses enumerated at 11 CFR §9008.52(c)(1) deal with preparing the convention site to host the convention and to promote the convention city. In contrast, production expenditures made by the Host Committee directly facilitated television and other media coverage of Convention proceedings through press feeds and cable broadcasts. Instead of merely preparing the convention center premises or promoting the City of Chicago, these expenditures aided the Democratic Party in bringing its message to the public in hope of influencing support for the political party hosting the convention and its candidate for President. Furthermore, expenditures related to putting on a stage "production" to be seen by the country are clearly costs of conducting a convention as described at 11 CFR §9008.7(a) and not the type of disbursement envisioned under the host committee regulations. Consequently, in the ECM, the Audit staff concluded that the total amount of \$1,455,407 paid by the Host Committee and \$233,500 paid by the City for production expenses, result in an in-kind contribution to the DNCC. In addition, the Committee is required to itemize these in-kind contributions on an amended report.

In the ECM, the Audit staff recommended that the committees provide documentation to demonstrate that the payments described above were allowable Host Committee and City expenses pursuant to 11 CFR §9008.52(c) and did not result in prohibited in-kind contributions to the DNCC. Also, for these specific items, the Committee was to address whether these disbursements would have been necessary for the convention hall if not for the television production requirements. If the Committee elected to view any of the aforementioned expenses as allocable in whole or in part to permissible activities, the documentation supporting the Committee's basis for such allocation was to be presented.

In response to the ECM, the DNCC challenged the Audit staff's position, stating "...it is clear that these expenses were of a type that the Commission's regulations explicitly and specifically provide may be paid for by the Host Committee or the City." The DNCC summarized payments to each vendor, asserting that "[a]ll of the expenses at issue were incurred for lighting or sound equipment used within the Convention Hall, or for services or equipment directly involved in constructing and preparing the podium." Citing 11 CFR §9008.52(c)(1)(v) and (xi), the DNCC concluded

that "[i]t could not be clearer that the items for which these six vendors were paid are within the scope of this subsection."

Furthermore, the DNCC asserted in its response that the "...Audit Division has completely misperceived the purposes of these expenditures." adding that "[m]uch of the labor and equipment involved would have been required even if the Convention had never been broadcast." The DNCC goes on to say that "...to the extent that sound, lighting, and other electrical was [emphasis in original] needed or used to facilitate television, radio or cable broadcast of the Convention proceedings, the expenses of such equipment are manifestly a permissible expense under section 9008.52(c)(1)(v)."

The DNCC contended that "[n]othing in the language, prior history or *Explanation and Justification* for the current regulations in any way suggests any limitation on the Host Committee's ability" to defray expenses "...related to facilitating broadcast or other press coverage of the Convention, as distinct from other expenses of constructing and preparing the Convention Hall." The DNCC concluded that the Audit staff had "...no basis for such a distinction," adding that there is "no possibility" that any committee "could have been aware of any such distinction by reading the regulations."

Of special interest was a section of the DNCC's response providing details regarding the \$113,500 Host Committee payment to Audiotek Corporation. According to the DNCC, services provided by this vendor comprised "...public address systems, wiring and speakers so that people in all parts of the Hall could hear the proceedings while they were taking place, delegate microphone systems, a hearing impaired wireless system for the Hall (so that hearing-impaired persons within the Hall could follow the proceedings), amplification for the orchestra playing within the Hall, and labor to install and assist in the operation of this on-site sound equipment." Based on these additional details, the Audit staff concluded Audiotek's services were essentially similar to "loudspeaker systems," and therefore permissible under 11 CFR §9008.52(c)(1)(v).

Regarding the remaining five vendors, however, other statements in the DNCC's response confirm that at least some portion of the payments were used to facilitate television, radio or cable broadcast of the Convention proceedings. Furthermore, other than Audiotek, the responses from both the DNCC and Chicago '96 failed to offer any new documentation or basis for allocation which identify those parts of the expenses that would have been required even if the Convention had never been broadcast, as recommended in the ECM. The Audit staff believes that the regulations, together with the explanatory material published in the *Federal Register*, form a reasonable basis for its position, and therefore concludes that Chicago '96 and the City of Chicago made prohibited in-kind contributions to the DNCC in the amount of \$1,461,907 (\$1,688,907—\$227,000).

On April 23, 1998 the Commission, during its consideration of the audit report on the 1996 Committee on Arrangements for the Republican National Convention, voted that the use of funds, for such services as provided by the remaining five vendors discussed above, is a permissible host committee expense.

2. Telecommunications

Section 9008.7(a)(4)(x) of Title 11 of the Code of Federal Regulations states that "Convention Expenses" include all expenses incurred by or on behalf of a political party's national committee or convention committee with respect to and for the purpose of conducting a presidential nominating convention or convention-related activities. Such expenses include administrative and office expenses for conducting the convention, including stationery, office supplies, office machines, and telephone charges; but exclude the cost of any services supplied by the national committee at its headquarters or principal office if such services are incidental to the convention and not utilized primarily for the convention.

As mentioned above, 11 CFR §9008.52(c) permits host committees to provide the national committee use of a convention center and convention-related services for that location such as offices and office equipment. In addition, an explanation of the regulatory intent behind 11 CFR §9008.52(c), printed in the *Federal Register* (Vol. 59, No. 124, Page 33614), states, in part, that the revised rules do not permit host committees or municipalities to pay the convention committee's or the national party's overhead and administrative expenses related to the convention.⁴

Pursuant to the Convention Contract, the City agreed: to provide the DNCC with a telecommunications system; to provide the DNCC with a cellular phone system; and, to pay for all long distance service charges incurred by the DNCC at the Convention facilities. The Audit staff's review of disbursements disclosed that the Host Committee and City made substantial payments on behalf of the DNCC for telephone installation and service. Because telephone installation costs are allocable to office equipment, and therefore are permissible host committee expenses pursuant to 11 CFR §9008.52(c)(1)(v), the following discussion focuses on telephone service charges.

According to Host Committee records, payments totaling \$600,325 were made to defray local and long distance telephone service charges. Furthermore, documents obtained by the Audit staff indicate that the City of Chicago paid an additional \$126,510.⁵ These payments were apparently made in execution of the Contract's provisions related to telecommunications and are discussed in more detail below.

⁴ See 59 Fed. Reg. 33,614 (June 29, 1994).

⁵ See Footnote 3.

a. Ameritech

In the Exit Conference Memorandum (ECM), the Audit staff identified 10 payments to Ameritech, which net of refunds to the Host Committee from the vendor, totaled \$512,637. In addition, payments by the City totaling \$105,621 were identified. A review of the invoices disclosed that all of the billings were local telephone service charges for Convention telephone numbers or accounts apparently assigned to the DNCC. Furthermore, internal Host Committee memoranda attributed all of the expenses to the DNCC.

b. AT&T

The Audit staff identified 15 payments by the Host Committee to AT&T, totaling \$87,688. A review of the invoices disclosed that all of the billings were long distance telephone service charges for Convention telephone numbers or accounts apparently assigned to the DNCC. Furthermore, internal Host Committee memoranda attributed all of the expenses to the DNCC. Payments by the City totaling \$20,889 to AT&T were also identified.

In the ECM, the Audit staff concluded that service charges for telephone calls made by the DNCC in support of its operations were a convention overhead expense which did not contribute to preparation of convention center premises or promotion of the City of Chicago. Therefore, the \$600,325 paid by the Host Committee and \$126,510 paid by the City for telephone service charges, result in in-kind contributions to the DNCC. The Audit staff also recommended that the Committee provide documentation to demonstrate that the payments for telephone service charges were allowable Host Committee or City expenses pursuant to 11 CFR §9008.52(c) and did not result in prohibited in-kind contributions to the DNCC.

In its response, the DNCC argued that "by any reasonable reading, the regulation on its face [emphasis in original] authorizes the host committee to pay for the costs of telephone service for the Convention." In the DNCC's opinion, "[t]o say that the costs of office telephones are not an overhead or administrative expense but that the costs of using the telephones are such an expense is to draw a distinction that no reasonable reading of the plain language of the regulation would support." The DNCC then criticized the "language of the *Explanation and Justification (E&J)*," declaring that it should "not be given precedence over the plain language of the regulation," and that "the E&J language is itself ambiguous."

The Host Committee took a different approach in its response, stating that the telecommunications systems "existed for the benefit of Chicago '96" and that without having provided these services, it would have been impossible for the Committee to fulfill its obligations under the Convention Contract.

The Host Committee asserted that the "telecommunications system served to accomplish a wide variety of tasks directly related to the Convention" including construction as well as security. The Host Committee concluded that expenditures for the phone charges "fall within the parameters of 11 C.F.R. Section 9008.52(c)," and therefore, it was appropriate to pay for them.

Despite the arguments presented above, the Audit staff believes that the E&J offers a reasonable starting point for applying the regulations as intended by the Commission. The Audit staff further concludes that charges for local and long distance telephone calls made by the DNCC are most appropriately classified as administrative and overhead expenses of the convention committee and not construction or security expenses benefiting the host committee. Therefore, the total amount of \$600,325 paid by the Host Committee and \$126,510 paid by the City for telephone charges, result in in-kind contributions to the DNCC.

Recommendation #1

The Audit staff recommends that the Commission determine that the Host Committee made in-kind contributions totaling \$600,325, and the City of Chicago made an in-kind contribution of \$126,510, and that this total of \$726,835 is repayable to the United States Treasury. In addition, the Committee should file an amended disclosure report and itemize these in-kind contributions.

B. IN-KIND CONTRIBUTION TO THE HOST COMMITTEE VIEWED AS APPARENT CONVENTION EXPENSES

Section 9008.12(b)(3) of Title 11 of the Code of Federal Regulations states that if the Commission determines that the national committee accepted contributions to defray convention expenses which, when added to the amount of payments received, exceeds the expenditure limitation of such party, it shall notify the national committee of the amount of the contributions so accepted, and the national committee shall pay to the Secretary an amount equal to the amount specified.

In the Convention Contract, the City agreed, in part, to provide the DNCC with "an electronic voting system for use in the Convention Hall" and "a photo security system to control access to the Convention Offices." During a review of the Committee's donor records, the Audit staff identified in-kind contributions from two vendors totaling \$165,000. In the ECM, the Audit staff stated that contributed equipment appears to have been used for convention-related purposes pursuant to terms of the Contract and not for items noted above at 11 CFR §9008.52(c)(1) as discussed below.

1. AT&T

During a review of the Host Committee's donor records, the Audit staff identified an in-kind contribution from AT&T of an "electronic voting system"

valued at \$150,000 by the vendor which appears to have been used for convention-related purposes and not for items noted above at 11 CFR §9008.52(c)(1). The donated voting system fulfilled Convention budget line number "70-Electronic Voting."

The Host Committee asserted that the electronic voting system "enabled state delegations to have interactive contact with leadership and other personnel on the convention podium itself." According to the Host Committee, the voting system was used in the United Center as a part of the actual convention services in accordance with the Convention Contract. A Democratic National Convention press release issued during November, 1995 confirmed that AT&T was designated as an official technology provider, and that delegates would be using AT&T integrated technology on the Convention floor.

In the ECM, the Audit staff found that the donation of a voting system provided the DNCC with the same benefit as if the Host Committee had paid a convention expense, and therefore was an impermissible use of Host Committee resources. Categories of permissible uses for contributions to host committees enumerated at 11 CFR §9008.52(c)(1), involve preparing the convention site to host the convention and promoting the convention city. In contrast, the equipment donated by AT&T was used to provide Democratic Party leadership with rapid tabulation of delegate voting. This enhancement to political operations at the Convention served a partisan function in conflict with the host committee regulations. Therefore, the Audit staff concluded that use of the voting system, valued at \$150,000, resulted in a prohibited in-kind contribution to the DNCC. The Audit staff also recommended in the ECM that the Committee provide documentation to demonstrate that the electronic voting system was put to permissible uses pursuant to 11 CFR §9008.52(c) and did not result in prohibited in-kind contributions to the DNCC.

In response to a conference held at the close of audit fieldwork, the DNCC verified that "(t)he electronic system used to count the votes of delegates at the Convention" served as "a core part of the physical systems needed to run the convention." Later, in its response to the ECM, the DNCC pointed out that 11 CFR §§9008.52(c)(1)(v) and (vi) permit the host committee to pay for office equipment in the convention hall as well as similar convention-related facilities and services. According to the DNCC, "[t]here is no logical difference between telephone receivers used to communicate information to the podium and a computerized system that does the same thing." The DNCC found it "difficult to imagine a 'facility' more 'related' to the Convention than a system for counting delegate votes." The DNCC also rejected the Audit staff's position on the grounds that "[t]o say that a voting system is an 'enhancement to political operations' contributes nothing to any analysis of permissibility of this expenditure, since virtually every expenditure...specifically allowed by section 9008.52(c)(1)(v) could be said to 'enhance' political operations."

In response to the ECM, the Host Committee described its obligation to provide a delegate voting system under the Convention Contract as part of

the "actual convention services." The Host Committee disagrees that the voting system's furtherance of a partisan party function would prohibit its use by the DNCC, arguing that "because a convention naturally must serve one party or another, it is implicitly understood that the convention itself is partisan while a host committee remains nonpartisan." Also, the Host Committee stated its understanding that "similar Voting Systems have been donated for past conventions and no regulatory problems have been raised." As a result, the Host Committee concluded that the delegate voting system "falls squarely within the parameters of 11 C.F.R. Section 9008.52(c)."

The responses discussed above do not demonstrate that the in-kind contribution was permissible under the regulations. Furthermore, they confirm that the Audit staff correctly interpreted the basic purpose of the electronic voting system. In light of this, the Audit staff concluded that use of the voting system, valued at \$150,000, resulted in a prohibited in-kind contribution to the DNCC. On January 22, 1998, the Commission, during its consideration of the audit report on the San Diego Host Committee/Sail to Victory San Diego '96, voted that the use of funds for a voting tabulation system was a permissible host committee expense.

2. Polaroid Corporation

Section 9008.7(a)(4)(ix) of Title 11 of the Code of Federal Regulations states that "Convention expenses" include all expenses incurred by or on behalf of a political party's national committee or convention committee with respect to and for the purpose of conducting a presidential nominating convention or convention-related activities. Such expenses include expenses for printing convention programs, a journal of proceedings, agendas, tickets, badges, passes, and other similar publications.

In the ECM, the Audit staff identified an in-kind contribution from Polaroid Corporation of a "credentials management system" assigned a value of \$15,000 by the vendor. According to Polaroid's proposal, the system would capture and maintain a text and image database of all DNCC and host committee employees. Included in the \$15,000 valuation were six months rental of the system, labor, logo scanning, training, shipping, and card design. According to DNCC training materials, the credentials were to be worn by every attendee, and, the passes granted five levels of access, designated by credential color, to different sections of the convention facility.

The Audit staff concluded that the donation of the credentials management system provided the DNCC with the same benefit as if the Host Committee had paid a convention expense, and consequently, is not a permissible use of host committee resources as defined at 11 CFR §9008.52(c)(1). As a result, the Host Committee apparently made a prohibited in-kind contribution of \$15,000 to the DNCC. Also, it was recommended in the ECM that the Committee provide documentation to demonstrate that the credentials management system was put to permissible uses pursuant to 11 CFR §9008.52(c) and did not result in prohibited in-kind contributions to the DNCC.

In its response to the ECM, the Host Committee disagreed that the use of the credentials management system was not in compliance with 11 CFR 9008.52(c). The Host Committee asserts that the system "related directly to the security services necessary to ensure safety and orderly conduct for the convention staff and participants," and therefore came under provision which allow host committees to defray the costs of law enforcement services necessary to ensure orderly conventions. According to the Host Committee, the system "provided photo identification passes for a variety of personnel working at the 320 North Clark location (which housed both Chicago '96 and the DNCC, as well as numerous other city and state offices and courtrooms) as well as at the United Center," the site of the convention. The DNCC's response addressed this issue in a similar manner.

In order to clarify representations made above, the Audit staff contacted both committees. Statements made by representatives of the DNCC and the Host Committee, along with documents contained in the audit workpapers, corroborate that the credentials management system generated identification cards which were used exclusively as a security measure for employees of both committees to gain access to the 320 North Clark Street office facility and United Center, but only during construction and preparation phases leading up to the Convention. There was no evidence that the credentials management system assisted the DNCC in managing the movement of delegates or other personnel once inside the Convention. Accordingly, the Audit staff concludes that the use of the donated credentials management system was within the scope of 11 CFR §9008.52(c)(1)(vii) and did not result in a prohibited in-kind contribution to the DNCC.

C. IMPROPER USE OF FUND PAYMENTS

Section 9008.12(a) of Title 11 of the Code of Federal Regulations states, in relevant part, that a national committee that has received payments from the Fund under 11 CFR Part 9008 shall pay the United States Treasury any amounts which the Commission determines to be repayable under this section. The Commission will notify the committee of any repayment determinations made under this section as soon as possible, but not later than 3 years after the last day of the Presidential nominating convention. The Commission's issuance of an audit report to the committee will constitute notification for purposes of the three year period.

Section 9008.12(b)(4) states, in relevant part, that if the Commission determines that any amount of any payment to the national committee or convention committee under 11 CFR 9008.6(b) was used for any purposes other than the purposes authorized at 11 CFR 9008.7, it shall notify the national committee of the amount improperly used and the national committee shall pay to the Secretary an amount equal to the amount specified.

Section 9008.12(c) of Title 11 of the Code of Federal Regulations states the Commission will follow the same repayment determination procedures, and the committee has the same rights and obligations as are provided for repayment determinations involving publicly funded candidates under 11 CFR 9007.2(c) through (h).

During our review of the DNCC's disbursements, we identified payments totaling \$33,183, to seven vendors for expenses which did not appear to be convention-related. In the case of four vendors, the payments (\$14,131) defrayed the travel expenses of non-DNCC staff or represented overpayments of DNCC convention-related expenses. The DNCC sought and received reimbursements in each instance; therefore, no repayment is necessary.

As to the remainder, (\$19,052), these payments involved (a) reimbursements to two vendors for lost telecommunications equipment, \$15,902, and (b) airline tickets purchased for which no convention-related purpose could be shown, \$3,150. On July 24, 1997 a check drawn on an account of the Democratic National Committee and payable to the United States Treasury was received, representing a repayment of \$19,052 pursuant to 11 CFR §9008.12(b)(4).

In response to the ECM, the Committee stated that the recommended repayment has been made.

Recommendation #2

The Audit staff recommends that the Commission determine that the total amount of \$19,052 is repayable to the United States Treasury. As noted above, the repayment has already been made.

D. DETERMINATION OF NET OUTSTANDING CONVENTION EXPENSES AND AMOUNTS SUBJECT TO THE SPENDING LIMITATION

Sections 9008(b)(1) and (5) of Title 26 of the United States Codes state, in relevant part, that the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed \$4,000,000, as adjusted pursuant to the provisions of 2 U.S.C. §441a(c).

Section 9008.5(b) of Title 11 of the Code of Federal Regulations, states that the entitlements established by 11 CFR 9008.4 shall be adjusted so as not to exceed the difference between the expenditure limitations of 11 CFR 9008.8(a) and the amount of private contributions received under 11 CFR 9008.6(a) by the national committee of a political party. Except as provided in 11 CFR 9008.12(b)(7), in calculating these adjustments, amounts expended by Government and municipal corporations in accordance with 11 CFR 9008.53, in-kind donations by businesses to the national

committee or convention committee in accordance with 11 CFR 9008.9; expenditures by host committees in accordance with 11 CFR 9008.52; expenditures to participate in or attend the convention under 11 CFR 9008.8(b)(2); and legal and accounting services rendered in accordance with 11 CFR 9008.8(b)(4) will not be considered private contributions or expenditures counting against the limitation.

Section 9008.8(a)(1) of Title 11 of the Code of Federal Regulations states, in part, that the national party committee of a major party may not incur convention expenses with respect to a Presidential nominating convention which, in the aggregate, exceed the amount to which such committee is entitled under 11 CFR 9008.4 and 9008.5.

Section 9008.8(b)(1) of Title 11 of the Code of Federal Regulations states that expenditures made by the Host Committee shall not be considered expenditures by the national committee and shall not count against the expenditure limitations of this section provided the funds are spent in accordance with 11 CFR 9008.52.

In addition, 11 CFR §9008.8(b)(2) states that expenditures made by government agencies and municipal corporations shall not be considered expenditures by the national committee and shall not count against the expenditure limitations of this section if the funds are spent in accordance with the requirements of 11 CFR 9008.53.

Section 9008.10(g) of Title 11 of the Code of Federal Regulations states, in part, that a convention committee shall file, no later than sixty days after the last day of the convention, a statement of that committee's net outstanding convention expenses. A revised statement shall be filed no later than 30 calendar days after the end of the ninth month following the last day of the convention, and shall be accompanied by the interim repayment, if required under 11 CFR 9008.12(b)(5)(ii).

Section 9008.12(b)(3) of Title 11 of the Code of Federal Regulations states that if the Commission determines that the national committee accepted contributions to defray convention expenses which, when added to the amount of payments received, exceeds the expenditure limitation of such party, it shall notify the national committee of the amount of the contributions so accepted, and the national committee shall pay to the Secretary an amount equal to the amount specified.

Section 9008.12(b)(7) of Title 11 of the Code of Federal Regulations states, in part, that the Commission may seek a repayment from the convention committee if the convention committee knowingly helped, assisted or participated in making convention expenditures by the host committee, governmental agency or municipal corporation that are not in accordance with 11 CFR §§9008.52 or 9008.53.

Section 9008.12(c) of Title 11 of the Code of Federal Regulations states that the Commission will follow the same repayment determination procedures, and the committee has the same rights and obligations as are provided for repayment

determinations involving publicly funded candidates under 11 CFR 9007.2(c) through (h).

The 1996 Democratic Convention ended on August 29, 1996. The DNCC filed its initial Statement of Net Outstanding Convention Expenses (NOCE), as of October 13, 1996, on October 29, 1996. A revised NOCE, also as of October 13, 1996, was filed on October 21, 1997. The Audit staff reviewed the DNCC's financial activity through September 30, 1997, analyzed winding down costs, and prepared the figures shown below.

STATEMENT OF NET OUTSTANDING CONVENTION EXPENSES

As of October 13, 1996
As Determined at 10/21/97

ASSETS

Cash on Hand	\$1,649,981	
Accounts Receivable:	295,030	
Capital Assets	<u>0</u>	
Total Assets		\$1,945,011

OBLIGATIONS

Accounts Payable for Convention Expenses	\$1,855,019	
In-kind Contributions	726,835 (a)	
Winding Down Costs 10/01/97 and later: Estimated	<u>39,375 (b)</u>	
Total Obligations		<u>\$2,621,229</u>

NET OUTSTANDING CONVENTION EXPENSES (\$676,218)

FOOTNOTES TO NOCE

- (a) This is the amount from Finding II.A.2., previously discussed in this report.
- (b) Includes approximately \$6,600 in reported winding down costs paid 10/22/98-3/31/98 and estimated winding down costs of approximately \$33,000. The Audit staff will review the Committee's disclosure reports and records to compare the actual figures with the estimated figures and prepare adjustments as necessary.

The NOCE as calculated by the Audit staff shows a deficit of \$676,218 which is in contrast to the DNCC's most recent calculation, prepared October 21, 1997, showing unspent funds of \$50,617. The Audit staff's inclusion of \$726,835 in in-kind contributions, viewed as subject to the spending limitation, created this situation.

Prior to receipt of the ECM, the DNCC made a repayment to the U.S. Treasury in the amount of \$120,562, representing its calculation of an interim repayment of unspent funds pursuant to 11 CFR 9008.12(b)(5)(ii). Since the repayment was made, the DNCC identified an additional \$69,945⁶ in convention expenses, thus explaining the \$50,617 in unspent funds shown on its October 21, 1997 statement (\$120,562 - \$69,945 = \$50,617).

Since the value (\$726,835) of in-kind contributions received from the Host Committee and the City is repayable to the U.S. Treasury (see Recommendation #1 at page 12), the \$120,562⁷ already paid to the U.S. Treasury is viewed as a credit against the amount due.

Recommendation #3

It is recommended that the Commission determine that the \$120,562 paid to the U.S. Treasury by the DNCC be considered a credit against the \$726,835 repayment due related to the acceptance of in-kind contributions discussed at Finding II.A.2. The net repayment due is \$606,273 (\$726,835 - \$120,562).

E. APPARENT ALLOCABLE CONVENTION-RELATED EXPENSES

During our review of background materials related to the convention, we identified a possible in-kind contribution to the DNCC. According to published reports,⁸ the Democratic National Committee was assuming about \$25,000 in hotel bills incurred at the Chicago convention in August, 1996, "partly because of concerns that a donor who originally paid the bill might have used foreign funds, according to sources." The hotel bill reportedly covered costs associated with Democratic National Committee finance chairman Rosen's stay in the presidential suite at Chicago's Four Seasons, R. Scott Pastrick's stay in a smaller suite, and two additional rooms.

⁶ The DNCC identified additional accounts receivable of \$11,986 and additional accounts payable of \$81,931 which resulted in a net increase in convention expenses of \$69,945.

⁷ The DNCC may, at its option, submit a written request to the Commission requesting that funds previously refunded to the U.S. Treasury be certified for payment of convention expenses (11 CFR §9008.12(b)(5)(ii)). If such a request was made and if approved by the Commission, the net repayment due of \$606,273 would increase by an amount equal to the amount certified to the DNCC for payment of convention expenses.

⁸ *The Washington Post*, Dec. 12, 1996, p.A28; and Jan. 8, 1997, p. A14.

Mr. Pastrick served as treasurer of the DNCC from October 5, 1995 to January 20, 1997, and also served as treasurer of the DNC Services Corporation/ Democratic National Committee, Democratic Unity Fund, and six other committees registered with the Commission, according to the FEC Disclosure Data Base for the 95-96 cycle. The DNCC did not defray the cost of Mr. Pastrick's hotel expenses during convention week. During fieldwork, the Audit staff requested copies of the hotel bill and related expenses and information concerning the payment of these expenses. Also requested was information as to why no portion of these expenses relate to the convention, even though Mr. Pastrick and Mr. Rosen were both present during convention week and met with persons attending the convention.

The DNCC responded by stating that "during the week of the convention, Mr. Pastrick's sole function, other than a five minute speech at the Monday Convention session, was to serve in a fundraising capacity for the DNC [Democratic National Committee]." The DNCC went on to explain that there was no point during the week of the convention where Mr. Pastrick was required to serve in the role of treasurer of the DNCC. A copy of Mr. Pastrick's remarks of August 26th was provided. He was introduced as "Treasurer of the Democratic National Committee." In his remarks, Mr. Pastrick made references to Party finances, campaign finance reform, and the November general election. Information relating to the hotel expenses and payment thereof was not provided.

In the Audit staff's opinion, the expenses associated with Mr. Pastrick's suite during convention week would seem, at least in part, allocable to the DNCC, as would the two additional rooms, given his position and responsibilities as the DNCC treasurer.

In the ECM, the Audit staff requested that the DNCC provide support for its position. The documentation was to include (a) copies of the hotel bill and related expenses for Mr. Pastrick's suite and the two additional rooms, (b) information concerning the payment of these expenses, (c) a copy of Mr. Pastrick's appointment calendar or other written record of his activities during convention week, and (d) any additional information the DNCC believes is relevant in support of its current position.

In its response to the ECM, the DNCC did not submit any of the documentation requested in the ECM in support of its position. The DNCC did reiterate the points discussed above and further stated:

[I]t is fundamental to the Convention financing system that the costs of national party fundraising at the Convention should not be paid for with public Convention grant. 11 CFR §9008.7(a)(4)(viii)(B). Thus, it is clear that no part of Mr. Pastrick's expenses should have been allocated to the DNCC." The Audit Division's insistence that part of the expenses of a Party official to attend the Convention should be charged to the public. The Audit Division's position, were the Commission to uphold it, would

be an open invitation for future abuse--an invitation to national party committees to slough off part of their fundraising costs on the taxpayers. That is exactly what the Commission should be discouraging, not encouraging. The Audit staff's hunt for further documentation, proof of Mr. Pastrick's activities during the Convention, etc., is pointless and counterproductive. His expenses were properly paid for by the DNC.

Given the lack of documentation provided in response to the request contained in the ECM, the Audit staff's position is unchanged.

F. SUMMARY OF AMOUNT DUE TO THE U.S. TREASURY

Finding II.A.2.	In-Kind Contribution- Telecommunications	\$ 726,835
Finding II.C.	Improper Use of Funds	<u>\$ 19,052</u>
Subtotal		\$ 745,887
Amounts paid to date:		(\$19,052)
		<u>(\$120,562)</u>
Net Amount Due		<u>\$ 606,273</u>

**BEFORE THE
FEDERAL ELECTION COMMISSION**

**REQUEST OF
1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.
FOR ADMINISTRATIVE REVIEW OF
REPAYMENT DETERMINATION**

Pursuant to 11 C.F.R. §§ 9008.12(c) and 9007.2(c)(2), the 1996 Democratic National Convention Committee, Inc. (the "Convention Committee") hereby disputes the repayment determination set forth in the Report of the Audit Division on the 1996 Democratic National Convention Committee, Inc., approved by the Commission on June 25, 1998 and served on the Convention Committee on July 8, 1998 (the "Final Audit Report"), and requests administrative review of that determination.

Pursuant to 11 C.F.R. §§ 9008.12(c) and 9007.2(c)(2)(ii), the Convention Committee further requests that the Commission provide an opportunity for the Convention Committee to address the Commission in open session, to demonstrate that no repayment is required.

The sole issue presented by the Final Audit Report is whether the Convention Committee should be required to repay \$600,325 paid by Chicago's Committee for '96 (the "Host Committee") and \$126,510 paid by the City of Chicago (the "City") for local and long distance telephone service charges for telephone calls made by the Convention Committee. (Final Audit Report at 10-12). That question turns on the application of the Commission's regulation governing permissible disbursements by a host committee, 11 C.F.R. § 9008.52(c),¹ which reads in pertinent part:

(1) Local businesses (excluding banks), local labor organizations and other local organizations or individuals may donate funds or make in-kind donations to a host committee to be used for the following purposes: . . .

(v) To provide the national committee use of an auditorium or convention center and to provide construction and convention

¹ Private contributions to a separate fund or account or a government agency or municipality may be made to pay for the same categories of expenses as those for which a host committee may pay. 11 C.F.R. § 9008.53(b)(1).

related services for that location such as: construction of podiums; press tables; false floors; camera platforms; additional seating; lighting, electrical, air conditioning and loudspeaker systems; offices; office equipment; and decorations; . . .

(xi) To provide other similar convention-related facilities and services.

The Final Audit Report concedes that payment by the Host Committee and/or the City for Convention Committee for offices and office equipment, whether at the Convention Hall or off-site, was entirely permissible under this language. Final Audit Report at 10. Further, the Audit Division reviewed and allowed payments by the Host Committee and/or the City for numerous office-related service charges, including maintenance, cleaning, use of office supplies, equipment rental charges, cellular phone service charges, pager service charges, and the like. Nevertheless, Final Audit Report drew a distinction between all of these charges for office equipment facilities and services, on the one hand, and telephone service charges, on the other hand, citing a single sentence of the language of the Commission's Explanation and Justification for its Convention regulations: "Please note that the revised rules do not permit host committees or municipalities to pay salaries of those working for the convention committee or the national party, or to pay the convention committee's or the national party's overhead and administrative expenses related to the convention." Presidential Election Campaign Fund and Federal Financing of Presidential Nominating Conventions, Final Rules, 59 Fed. Reg. 33606 at 33614 (June 29, 1994).

In these circumstances, requiring the Convention Committee to repay payments made by the Host Committee and the City for telephone service charges would be arbitrary, capricious and contrary to law, for two reasons. First, given the ambiguous and contradictory language of the regulation and the E&J, and their contradictory application by the Audit Division, the Convention Committee simply did not have fair notice that the regulation could be interpreted to allow payment by a host committee for a whole variety of administrative and overhead expenses, but not including telephone service charges. Second, the Commission's reliance on the one sentence of language in its E&J as governing the scope of the regulation is in violation of the Administrative Procedure Act, 5 U.S.C. §§ 553(b) and (c), because the Convention Committee clearly was not afforded any notice of or opportunity to comment on the entire concept that convention committee

administrative and overhead charges would be excluded from the category of permissible disbursements by a host committee or municipality.

I. THE AMBIGUOUS AND CONTRADICTORY LANGUAGE AND APPLICATION OF THE REGULATION AND E&J FAILED TO PROVIDE THE CONVENTION COMMITTEE WITH FAIR NOTICE THAT PAYMENT OF TELEPHONE CHARGES WAS PROHIBITED

To be sure, "substantial deference" must be given "to an agency's interpretation of its own regulations." Thomas Jefferson University v. Shalala, 512 U.S. 504, 512 (1994). Where the imposition of a civil sanction is at stake, however, "the due process clause prevents that deference from validating the application of a regulation that fails to give fair warning of the conduct it prohibits or requires." Gates & Fox Co., Inc. v. Occupational Safety and Health Review Commission, 790 F.2d 154, 156 (D.C. Cir. 1986)(Scalia, C.J.). "In the absence of notice—for example, where the regulation is not sufficiently clear to warn a party about what is expected of it—an agency may not deprive a party of property by imposing civil or criminal liability." General Electric Co. v. United States Environmental Protection Agency, 53 F.3d 1324, 1328 (D.C. Cir. 1995). As the court explained in Diamond Roofing Co. v. Occupational Safety & Health Review Commission, 528 F.2d 645 (5th Cir. 1976), the regulated entity:

is entitled to fair notice in dealing with his government. Like other statutes and regulations which allow monetary penalties against those who violate them, an occupational safety and health standard must give an employer fair warning of the conduct it prohibits or requires. . . .

If a violation of a regulation subjects private parties to criminal or civil sanctions, a regulation cannot be construed to mean what an agency intended but did not adequately express. . . . [T]he . . . enforcer of the Act has the responsibility to state with ascertainable certainty what is meant by the standards he has promulgated.

528 F.2d at 649. See also, Rollins Environmental Services, Inc. v. U.S. Environmental Protection Agency, 937 F.2d 649, 654 (D.C. Cir. 1991)(lack of adequate notice resulting from regulation's inherent uncertainty in meaning resulted in setting aside penalty for violating regulation).

4

In this case, it cannot possibly be said that the Convention Committee had fair warning that the Commission's regulation prohibited the payment by a host committee or municipality of telephone service charges, for the following reasons.

A. The Language of the Regulation Does Not Distinguish Between Telephone Service Charges and Other Office Equipment Facilities and Services

"A regulation should be construed to give effect to the natural and plain meaning of its words." Diamond Roofing Co., *supra*, 528 F.2d at 649. It is impossible to glean from a reading of the plain language of the regulation, section 9008.52(c)(1), that host committees are permitted to pay for a wide variety of office-related facilities and services, but not telephone service charges.

The regulation clearly permits host committees to pay for "offices" and "office equipment." 11 C.F.R. § 9008.52(c)(1)(v). The regulation goes on to allow host committees to pay, without limitation, to "provide other similar convention-related facilities and services." *Id.* § 9008.52(c)(1)(xi)(emphasis added). Thus, host committees are indisputably permitted to pay for the provision and installation of telephone equipment for the convention committee. Any natural and plain reading of the regulation would give rise to the conclusion that the host committee is also permitted to pay for "other similar" "services," and that use of a telephone is a "service" similar to the provision and installation of telephone "facilities".

Further, the very use of the phrase "other similar convention-related facilities and services" indicates that the list provided in the preceding subsection of the regulations is illustrative rather than exclusive. Cf. Puerto Rico Maritime Shipping Authority v. Interstate Commerce Commission, 645 F.2d 1102, 1112 n. 26 (D.C. Cir. 1981)(use of word "including" indicates specified list is illustrative, not exclusive). Clearly the use of telephones is an "other service," "similar" to the provision, for example, of other utilities for which a charge is paid—specifically, air conditioning and electricity, specifically listed in subsection (c)(1)(v).

Nothing in the plain language of this regulation, therefore, gives the convention committee any notice whatsoever that the provision and installation of office equipment may be paid for by a host committee, but not service charges for use of such equipment,

or that certain types of service charges for use of offices or office equipment may be paid for by the host committee (e.g., electricity for offices), but not telephone service charges.

B. Nothing in the Administrative History of the Regulation, Including the E&J, Gives Fair Notice That Telephone Charges Are Excluded From the List of Expenses for Which Host Committees May Pay

Nothing in the administrative history of the regulation gives a convention committee any indication that certain types of convention committee administrative facilities and services may be paid for by a host committee, but not telephone service charges. First, the regulation has never contained, in any of its formulations, any limitation on payment of convention committee administrative expenses by a host committee, provided that the source of funds was permissible. The first regulations promulgated by the Commission allowed certain local businesses to donate funds to a host committee in an amount "proportionate to the commercial return reasonably expected" by that business during the convention, and allowed the host committee to use those funds "to pay for what would otherwise be a convention expense by the national committee," obviously including convention committee administrative costs. Former section 121.9(b), 41 Fed. Reg. 35965 (Aug. 25, 1976). The Commission's explanation to Congress made clear that such funds could be used by the host committee, "if it so chooses, to . . . defray convention expenses of the national party. . . ." House Doc. 95-44, 95th Cong., 1st Sess. 137 (1977).

The second version of the regulation, promulgated in 1979, added the list of purposes for which expenditures could be made by government agencies and municipalities, including the term, "other similar convention related facilities and services," and provided that host committees could make expenditures for purposes that "include but are not limited to" the purposes listed for municipalities, provided the funds were donated by local retail businesses in an amount proportionate to the commercial return reasonably expected. Former sections 9008.7(b)(2) and (d)(3), 44 Fed. Reg. 63036 at 63041-42 (Nov. 1, 1979). In essence, the concept of these regulations, carrying forward the policy of the original regulations, was that the restrictions on source of the funds would ensure that the donations were commercially motivated and that, once these

restrictions were met, the host committee could spend the funds for any "convention expenses." See Explanation & Justification, section 9008.7, 44 Fed. Reg. at 63038.

In promulgating the current version of the regulations, the Commission decided to eliminate what it regarded as complex and unworkable distinctions between "local" and "local retail" businesses. 59 Fed. Reg. at 33610. But the new rules continued to provide, as the Commission explained, that "both host committees and government agencies and municipalities may accept monetary and in-kind donations from local businesses and other local organizations and individuals to defray a variety of expenses for promoting the convention city and paving for convention-related facilities and services."

Explanation and Justification ("E&J"), section 9008.52, 59 Fed. Reg. at 33614 (emphasis added). Significantly, the Commission retained, in the final language of the current rules in section 9008.52(c), the exact same list of permissible host committee disbursements as had been set forth in prior section 9008.7(b)(2) in 1979, including "[o]ther similar convention related facilities and services," for which a host committee could use funds donated by local retail businesses under section 9008.79(d)(3). The Commission openly recognized, in 1979, that this list allowed the host committee to "defray convention expenses," without limitation, and that was precisely the reason there had been placed severe limitations on the source of the funds. 44 Fed. Reg. at 63037-38. Thus, the legislative history of the language of the current regulation indicates no intent whatsoever to limit the use of host committee funds for administrative expenses.

That leaves, of course, the one sentence of the E&J of the current regulation, asking convention committees to "Please note that the revised rules do not permit host committees or municipalities to pay. . . the convention committee's or the national party's overhead and administrative expenses related to the convention. 59 Fed. Reg. at 33614. The problem with this sentence is that it is flatly contradicted by the language of the regulation itself, rendering it essentially unintelligible. The E&J language does not say that a host committee can pay some administrative expenses, but not telephone charges. It says that a host committee may not pay any administrative or overhead expenses of the convention committee. Yet the plain language of the regulation itself clearly permits payment of such expenses, in particular, "offices" and "office equipment." Offices and office equipment are administrative and overhead expenses, by anybody's definition.

How can a convention committee make any sense whatsoever of a sentence in the E&J that says a host committee cannot pay convention committee administrative expenses and a regulation that says a host committee can pay administrative expenses? Certainly, such contradictory language cannot even remotely be said to give fair notice of which types of administrative expenses will be allowed—in particular, which types of office facilities and services will be allowed to be paid by the host committee and which will not.

The Final Audit Report suggests that the “E&J offers a reasonable starting point for applying the regulations.” Final Audit Report at 12. But a “reasonable starting point” is not enough to tell a party committee that it is going to be held liable for more than \$700,000 in repayments based on a distinction that is nowhere to be found in the language or history of the rules. For these reasons, nothing in the administrative history of the regulation—including the E&J language on which the Final Audit Report places so much reliance—gives fair notice that telephone service charges would be disallowed as a permissible host committee disbursement.

C. The Application of the Regulation by the Audit Division Was Contradictory and Inconsistent

The Audit Division itself interpreted and applied the language of section 9008.52(c), and the E&J language, in an entirely contradictory and inconsistent way. The Host Committee and the City paid for, and the Audit Division allowed their payments for, a variety of administrative and overhead expenses for convention-related facilities and services for the Convention Committee, including use of office equipment as well as provision and installation of such equipment. Indeed, the Audit Division itself acknowledges that, notwithstanding the language of the E&J purporting to bar host committee payments for any convention committee administrative or overhead expenses, it was permissible for the Host Committee to pay for Convention Committee offices and office equipment, including telephone systems. Final Audit Report at 10.

Moreover, as best we can determine from the record, the Audit Division allowed payments by the Host Committee for service charges which are conceptually and definitionally indistinguishable from telephone service charges Convention Committee

pager ("beeper") charges, usage charges for cellular phones, rental of certain types of office equipment, and consumable office supplies such as paper, printer and fax cartridges, pens, pads, fasteners and the like, as well as postage for use by the Convention Committee. The Audit Division, again, approved such payments notwithstanding the language of the E&J suggesting that a host committee may not pay for any convention committee administrative and overhead expenses.

Thus, the Audit Division's own inconsistent and contradictory application of the regulation demonstrates that no regulated entity could possibly figure out, or have been put on notice, that the regulation contained distinctions between certain kinds of administrative expenses and others, or that certain kinds of service charges would be allowable and others would not. For this reason too, the regulation did not provide fair notice to the Convention Committee that telephone service charges would be disallowed.

D. The Definition of Convention Expenses Is Useless in Interpreting the Scope of Permissible Host Committee Disbursements

The Final Audit Report places some reliance on the fact that the Commission's rules of course allow a convention committee itself to pay for its own administrative and overhead expenses. The Final Audit Report cites 11 C.F.R. § 9008.7(a)(4)(x), which permits a convention committee pay for its own "[a]dministrative and office expenses for conducting the convention, including. . . telephone charges." Reference to these regulations was also made during the open Commission meeting on June 25, 1998, at which the Final Audit Report was approved.

That a convention committee may pay for certain expenses with its own funds, from the public grant, says nothing whatsoever about whether a host committee may also pay for such expenses. There are numerous categories of expenses which the regulations allow either the convention committee or the host committee to pay for, including its own offices and office equipment, and expenses for preparing the physical site of the convention, including rental of the hall, platforms and seating, all of which are specifically set forth both in section 9008.7(a)(4), as permissible convention committee expenses, and in section 9008.53(c)(1), as permissible host committee expenses. There is no provision in the regulations, anywhere, or in the E&J, even remotely suggesting that if

a particular category of expense may be paid for by the convention committee itself, it cannot be paid for by the host committee or municipality, and any such reading would be flatly contradicted by the language of the regulations.

Therefore, it is utterly meaningless that the convention committee could lawfully have paid for all of its own administrative and overhead expenses. The question is whether the convention committee was fairly put on notice that certain categories of administrative and overhead expenses could be paid for by the host committee, while others, specifically telephone charges, could not. The definition of "convention expenses" is wholly irrelevant and useless in addressing that question.

E. The Convention Committee Was Not Provided Fair Notice that the Regulation Prohibited Host Committees from Paying for Telephone Service Charges

In the circumstances described above, where the regulation obviously failed to give fair warning of the conduct the Commission now seeks to prohibit—i.e., payment by host committees of telephone service charges—it would be unlawful for the Commission to force the Democratic National Committee to repay those Host Committee payments. In Gates & Fox Co., supra, a federal contractor working on the Washington Metro system was cited for violating an OSHA regulation requiring that certain breathing devices be provided for workers near the "advancing face" of a shaft and that "such equipment" shall be on certain equipment in that area "and in other areas" where employees might be trapped by smoke. The contractor had not been working near an "advancing face", but was working in another area where employees might be trapped by smoke. The court found that the language was ambiguous because it was not clear whether the "other areas" were only those near an advancing face, or could include other areas as well. The court concluded that the contractor could not be fined for the violation because it "did not receive constitutionally adequate notice" that OSHA would apply the regulation to such other areas. 790 F.2d at 156. The court reasoned that:

Courts must give deference to an agency's interpretation of its own regulations. . . . Where the imposition of penal sanctions is at issue, however, the due process clause prevents that deference from validating the application of a regulation that fails to give fair warning of the conduct it prohibits or requires.

Id.

Similarly, in Satellite Broadcasting Co., Inc. v. FCC, 824 F.2d 1 (D.C. Cir. 1987), the FCC dismissed a company's application to operate a microwave radio station because the application had been filed in the wrong place. The court found that the FCC's rules addressed the proper place for filing in a "baffling and inconsistent fashion." 824 F.2d at 2. One section of the rules said that private radio applications should be filed in Gettysburg, PA, while another section suggested that applications for any lottery should be filed in accordance with the rules for each service, and for that specific service, the place of filing was Washington. The company filed in Washington but the FCC ruled they should have filed in Gettysburg. The court vacated the FCC's dismissal decision as arbitrary and capricious, holding that the company's interpretation of the confusing rules was equally reasonable and that:

Traditional concepts of due process incorporated into administrative law preclude an agency from penalizing a private party for violating a rule without first providing adequate notice of the substance of the rule. . . . The Commission through its regulatory power cannot, in effect, punish a member of the regulated class for reasonably interpreting Commission rules. Otherwise the practice of administrative law would come to resemble "Russian Roulette." The agency's interpretation is entitled to deference, but if it wishes to use that interpretation to cut off a party's right, it must give full notice of its interpretation.

Id. at 3-4.

Again, in General Electric Co. v. U.S. Environmental Protection Agency, 53 F.3d 1324 (D.C. Cir. 1995), the EPA fined GE for distilling the contaminated solvent from certain PCB's before incinerating them. One section of EPA's complex rules appeared to allow intermediate processing for purposes of disposal. Another section required disposal of the solvent by an approved method, which would not include distillation, only immediate incineration. The court held that EPA's reading of its regulations was reasonable, and would be upheld, but that the agency could not impose any fine or penalty on GE for violating that regulation based on such the agency's interpretation:

Due process requires that parties receive fair notice before being deprived of property. . . . In the absence of notice—for example, where the regulation is not sufficiently clear to warn a party about what is expected of it—an agency may not deprive a party of property by imposing civil or criminal liability.

53 F.2d at 1328. The court noted that there had been no pre-enforcement efforts to bring about compliance and no other way for GE to have known the EPA would interpret the

regulations the way it did: “[W]e conclude that the interpretation is so far from a reasonable person’s understanding of the regulations that they could not have fairly informed GE of the agency’s perspective.” Id. at 1330. The court found that the regulations on their face did not prohibit use of distillation as a pre-disposal process, that other parts of the regulation appeared to permit use of distillation, that the parties themselves were confused about which sections of the rules actually applied. EPA pointed to a policy statement purporting to address PCB separation activities, but the court found that the application of that policy was itself unclear. The court concluded that:

EPA did not provide GE with fair warning of its interpretation of the regulations. Where as here, the regulations and other policy statements are unclear, where the petitioner’s interpretation is reasonable, and where the agency itself struggles to provide a definitive reading of the regulatory requirements, a regulated party is not “on notice” of the agency’s ultimate interpretation of the regulations, and may not be punished.

Id. at 1333-34 (emphasis added). See, to the same effect, United States v. Hoechst Celanese Corp., 964 F. Supp. 967 (D.S.C. 1996), aff’d in part, rev’d in part, 128 F.3d 216 (4th Cir. 1997), cert. denied, 118 S. Ct. 2367 (1998)(where regulation was unambiguous and unclear and there was no pre-enforcement warning of agency interpretation, there could be no finding of liability or penalty imposed); United States v. Consolidated Edison Co. of New York, 1988 U.S. Dist. LEXIS 13234, No. CV 88-0049 (E.D.N.Y., Nov. 16, 1988)(where EPA regulation was ambiguous, regulated party was not put on fair notice of EPA interpretation and no penalty could be imposed).

As in these cases, the Commission’s regulations governing permissible disbursements by host committees are “baffling and inconsistent,” Satellite Broadcasting, supra, 824 F.2d at 2, to say the least. As in Gates & Fox, supra, the plain language of the regulation does not draw the distinction the Commission seeks to impose, between telephone service charges and other administrative expenses. The language of the regulation, expressly allowing payment of some convention committee overhead and administrative expenses by host committees, flatly contradicts that of the E&J, purporting to prohibit any payment by host committees of convention committee administrative and overhead expenses. The application of the regulation by the Audit Division itself was

contradictory and inconsistent. And, as in General Electric, it was surely reasonable for the Convention Committee to regard telephone service charges as being an "other similar convention-related service" within the meaning of the regulation, similar to office equipment and supplies, to utility charges, and to service charges for office equipment that the Audit Division in fact treated as permissible for payment by the Host Committee.

In these circumstances, it is manifest that the Convention Committee was not provided with "fair warning" of the Commission's interpretation, was not "on notice" of the Commission's "ultimate interpretation" imposed for the first time in this audit, and therefore "may not be punished" with a repayment obligation of more than \$700,000. General Electric Co., *supra*, 53 F.3d at 1333-34.

II. THE CONVENTION COMMITTEE WAS NOT PROVIDED WITH ANY NOTICE OR OPPORTUNITY FOR COMMENT ON THE E&J LANGUAGE THE COMMISSION NOW REGARDS AS CONTROLLING

As noted, the Final Audit Report, in holding that the Host Committee and city payments of telephone service charges for the Convention Committee were impermissible, relies almost entirely on the language of the E&J indicating that the revised rules "do not permit host committees or municipalities to . . . pay the convention committee's . . . overhead and administrative expenses related to the convention." Final Audit Report at 10-12, citing E&J, 59 Fed. Reg. at 33614. To the extent that the Commission has conferred on this language the force of a new regulation, controlling the entire scope of section 9008.52(c) of the regulations, the Commission has clearly violated the Administrative Procedure Act, 5 U.S.C. §§ 553(b)&(c), by failing to provide the Convention Committee or the DNC any notice of or opportunity to comment on this new restriction on the scope of permissible host committee disbursements.

The Commission issued a Notice of Proposed Rulemaking, with a request for comments on new rules governing federal financing of Presidential nominating conventions, on August 12, 1993, 58 Fed. Reg. 43046. Section 9008.53 of the proposed new rules essentially retained the concept of the former rules: host committees could accept donations from local retail businesses, in amounts proportionate to the expected commercial return, and the host committee could use those funds to defray essentially any convention expenses. The proposed rules further clarified that municipalities could

donate or expend their own funds to defray any convention expenses, without limitation in amount. The preamble to the NPRM confirmed that the only changes to the existing rules were to combine certain sections, confirm that host committees could accept in-kind as well as cash donations, confirm that banks do not qualify as local retail businesses and clarify that municipalities could donate funds to host committees without restriction in amount. 58 Fed. Reg. at 43051-52. There was no suggestion anywhere in the NPRM that the Commission was considering any new restriction on the use of funds donated by local retail businesses to host committees, under this section, for payment of administrative or overhead expenses.

The DNC submitted comments on the proposed new rules and also presented oral testimony before the Commission at an open hearing on October 27, 1993. Of course, the DNC, having been given no indication whatsoever that the Commission was considering restricting the scope of permissible host committee disbursements for convention committee administrative or overhead expenses, did not think to comment on any such concept either in its written comments or at the hearing. As best as we can determine from the record, no one commented on this issue in any way.

The Commission considered the new rules at a number of open meetings during April, May and June of 1994. The final Agenda Document, #94-58, had revised section 9008.52 to eliminate the requirement that the amount donated to a host committee by a local business be proportionate to the expected return, but added a requirement that it be in the ordinary course of business for the local donors to make donations to nonpolitical conventions. *Id.* at 5-6. The Agenda Document made clear, however, that with respect to the scope of permissible host committee disbursements, the new "rules allow local businesses and other local organizations to make monetary or in-kind donations to either the host committee or the municipality for a variety of purposes involving the promotion of the convention city and the costs of convention facilities and services." Agenda Document #94-58, Discussion § O at p. 5(emphasis added).

Indeed, the entire concept of limiting the scope of permissible host committee expenditures with respect to convention committee administrative expenses was not introduced, to our knowledge, until the very last meeting of the Commission on the new rules. At that meeting, one of the Commissioners suggested adding language to the E&J

to indicate that the host committee could not pay for convention committee administrative expenses. That suggestion was adopted without a formal vote by the Commission. The exact wording was created by the Office of General Counsel and inserted in the E&J, which was finally approved by the Commission, presumably on tally vote, and issued on June 29, 1994. There was no advance notice whatsoever that this new concept would suddenly be introduced and adopted at the last Commission meeting on the proposed new rules, let alone an opportunity for anyone to comment on it.

Agencies are of course allowed to modify proposed rules during the rulemaking process, without necessarily affording an opportunity for a second round of comment. As the District of Columbia Circuit has explained, however:

The test we have developed for deciding whether a second round of comment is required in a particular case is whether the final rule promulgated by the agency is a "logical outgrowth" of the proposed rule. . . . We apply that standard functionally by asking whether "the purposes of notice and comment have been adequately served," . . . that is, whether a new round of notice and comment would provide the first opportunity for interested parties to offer comments that could persuade the agency to modify its rule.

American Water Works Ass'n v. Environmental Protection Agency, 40 F.3d 1266, 1274 (D.C. Cir. 1994)(citations omitted). Accord, United States v. Bethlehem Steel Corp., 38 F.3d 862 (7th Cir. 1994); Shell Oil Co. v. Environmental Protection Agency, 950 F.2d 741 (D.C. Cir. 1991).

In the case of the Commission's rules governing host committee disbursements, it is clear that the restriction on the ability of host committees to pay for convention committee administrative and overhead expenses was in no way a "logical outgrowth" of the proposed rule. **Nothing in the proposed rules even hinted that such a restriction would be imposed.** The DNC was given no opportunity whatsoever to comment on such a restriction. Had the DNC been afforded such an opportunity, it could have called on the Commission to clarify exactly what types of convention committee expenses the host committee would be precluded from paying, thereby obviating all of the confusion and uncertainty that gave rise to the repayment obligation imposed by the Final Audit Report. Manifestly, then, the "purposes of notice and comment" have not been "adequately served" in this case.

In Kooritzky v. Reich, 17 F.3d 1509 (D.C. Cir. 1994), the Labor Department's rules permitted employers to substitute alien workers on labor certifications. DOL issued a notice of proposed rulemaking to implement legislative changes in the immigration laws, including changes in the system for priority dates, but not mentioning any change in the ability of employers to substitute aliens. Then, in the final rule, the department amended its rules to limit the validity of labor certifications to the alien named on the employer's application. The court held that the rule was invalid because the department had failed to afford notice of or opportunity to comment on the no-substitution provision. The court noted that that the NPRM "did not contain the terms of the no-substitution rule it later promulgated; it did not propose abolishing substitution; and it did not mention the issues involved in doing so." 17 F.3d at 1513. Acknowledging that "a final rule need not match the rule proposed," the court nevertheless held that "a necessary predicate. . . is that the agency has alerted interested parties to the possibility of the agency's adopting a rule different than the one proposed. The adequacy of notice depends, . . . on whether the final rule is a 'logical outgrowth' of the proposed rule." Id. The court ruled that, in this case:

The Department's interim final rule does not even come close to complying with the notice requirement of § 553. Something is not a logical outgrowth of nothing. The notice of proposed rulemaking contains nothing, not the merest hint, to suggest that the Department might tighten its existing practice of allowing substitution. . .

Id. The court concluded that, "Interested persons. . . therefore had no opportunity to present their views on the matter before the Department acted." Id. at 1514. See also, National Mining Ass'n v. Mine Safety and Health Adm'n, 116 F.3d 520, 530-32 (D.C. Cir. 1997)(new rule invalidated where NPRM made no mention of changing significant aspect of rule; notice considered inadequate when "interested parties could not reasonably have anticipated final rulemaking from draft rule").

Likewise, in the case of the Commission's rulemaking, the NPRM contained "nothing, not the merest hint, to suggest" that the Commission was going to prohibit host committees from using any of their funds to pay for convention committee administrative and overhead expenses. The DNC would obviously have been very interested in commenting on such a proposal. Manifestly it was deprived of any such opportunity,

before the Commission acted in adopting the E&J language and thereby changing the scope of the entire regulation, at least as the Commission now seeks to apply it. In the absence of any notice of or opportunity to comment on this significant language effectively adopted as part of the final rule, the Commission has violated the Administrative Procedure Act. Therefore the rule was not validly adopted.

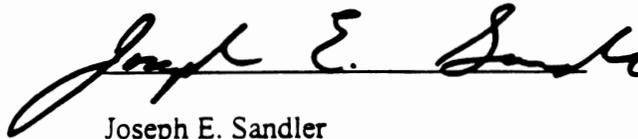
CONCLUSION

The Commission may have good reasons to craft a rule that limits the scope of disbursements by host committees and municipalities for convention committee administrative and overhead expenses. The answer is to undertake a rulemaking that proposes such a rule, a rule which makes clear to host and convention committees exactly what types of convention committee expenses can and cannot be paid for by host committees and municipalities, and that invites public comment on such a proposed rule.

To require convention committees to guess about the meaning of a vague, ambiguous and contradictory regulation together with its equally contradictory preamble language, with a penalty of hundreds of thousands of dollars in repayment obligations for guessing wrong, violates fundamental precepts of constitutional due process and administrative law. The Convention Committee was not even remotely afforded fair notice that section 9008.53(c) prohibited host committee payment of telephone service charges while permitting host committee payment of numerous other categories of convention committee expenses, including overhead expenses. And had the DNC been provided notice of and an opportunity to comment on the entire concept of limiting host committee payment of convention committee administrative expenses, in the first place, the rule could have been clarified and the entire problem could have been avoided. The Commission's failure to provide such notice and opportunity to comment is a clear violation of the Administrative Procedure Act.

For these reasons, pursuant to 11 C.F.R. § 9007.2(c)(3), the Commission should revise the repayment determination in the Final Audit Report to find that the Host Committee payment of \$600,325 of telephone service charges and the City payment of \$126,510 of telephone service charges were permissible disbursements and not in-kind contributions to the Convention Committee, and therefore, that no repayment by the Convention Committee is required.

Respectfully submitted,



Joseph E. Sandler
Neil P. Reiff
SANDLER & REIFF, P.C.
6 E. Street, S.E.
Washington, D.C. 20003
(202) 543-7680

Counsel for 1996 Democratic National Convention
Committee, Inc.

Dated: September 8, 1998



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 4, 1999

TO: KIM L. BRIGHT-COLEMAN
ASSOCIATE GENERAL COUNSEL

THROUGH: JAMES A. PEHRKON
ACTING STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: 1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE INC.
RESPONSE TO AUDIT REPORT - AUDIT DIVISION COMMENTS

Based on our review of the subject committee's response to the audit report, it does not seem that the conclusions reached by the Commission in the audit report relative to the telecommunications' expenses require any modification. However, I would note that a check (\$46,144.47) made payable to the U.S. Treasury was received from the subject committee on August 31, 1998. This amount can be viewed as a credit against the amount due (See Audit Report, page 20 and Recommendation #3). Once applied the net repayment due is now \$560,129.

Should you have any questions, please contact Wanda Thomas at 694-1200

ATTACHMENT C
Page 1 of 1

TRANSCRIPT OF PROCEEDINGS

FEDERAL ELECTION COMMISSION

In the Matter of:)

ORAL HEARING)

1996 DEMOCRATIC NATIONAL)
CONVENTION COMMITTEE)

Agenda Docket No. 99-5

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
JAN 22 3 32 PM '99

Pages: 1 through 55

Place: Washington, D.C.

Date: January 13, 1999

HERITAGE REPORTING CORPORATION

Official Reporters
1220 L Street, NW, Suite 600
Washington, D.C.
(202) 628-4888

ATTACHMENT D
Page 1 of 56

FEDERAL ELECTION COMMISSION

JAN 22 3 22 PM '99
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

IN THE MATTER OF:)
)
ORAL HEARING)
)
1996 DEMOCRATIC NATIONAL) Agenda Docket No. 99-5
CONVENTION COMMITTEE)

Federal Election Commission
999 E Street, N.W., 9th Floor
Washington, D.C. (zip code)

Wednesday,
January 13, 1999

The above-entitled matter came on for hearing,
pursuant to notice, at 10:08 a.m.

BEFORE: SCOTT E. THOMAS
CHAIRMAN

APPEARANCES:

Scott E. Thomas, Chairman, FEC
Darryl R. Wold, Vice Chairman, FEC
Lee Ann Elliott, Commissioner, FEC
David M. Mason, Commissioner, FEC
Danny Lee McDonald, Commissioner, FEC
Lawrence M. Noble, General Counsel, FEC
Delbert Rigsby, General Counsel's Office
James A. Pehrkon, Acting Staff Director, FEC
Robert J. Costa, Dep. Staff Director, Audit Div., FEC
Rick Halter, Audit Division, FEC

Witnesses on behalf of the Democratic Convention
Committee:

Joseph E. Sandler, Esquire
Neil Reiff, Esquire

Heritage Reporting Corporation
(202) 628-4888

P R O C E E D I N G S

(10:08 a.m.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN THOMAS: Good morning. The special open meeting of the Federal Election Commission will please come to order.

Our agenda today is an oral hearing on behalf of the 1996 Democratic National Convention Committee, Incorporated. The Convention Committee has requested this opportunity to address the Commission in open session concerning a repayment determination, which is contained in the Audit Report approved June 25, 1998.

In the Audit Report, the Commission determined that expenditures for telephone charges totaling \$600,325 by Chicago's Committee for '96 (the "Host Committee") and \$126,510 by the City of Chicago were in-kind contributions to the Convention Committee.

Thus, the Commission determined that the Convention Committee must repay \$726,835 to the United States Treasury. The Commission also determined that the interim repayment of \$120,562 that the Convention Committee paid to the United States Treasury for unspent funds should be considered a credit against the amount due. Therefore, the net repayment amount is \$606,273.

The sole purpose of this meeting is to give the Convention Committee an opportunity to address the

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 3 of 56

1 Commission and to demonstrate that no repayment, or a lesser
2 repayment, is required.

3 This is not an adversarial or trial-like hearing.
4 Counsel for the Convention Committee will have 30 minutes to
5 make remarks. At the conclusion of the Convention
6 Committee's presentation, each Commissioner will have an
7 opportunity to ask questions. I will then ask the General
8 Counsel and the Audit Division if they have any questions
9 for counsel.

10 After this hearing, the Convention Committee will
11 have five days in which to submit additional materials for
12 the Commission's consideration. The Commission will then
13 make a repayment determination following administrative
14 review and issue a Statement of Reasons in support of that
15 determination.

16 Representing the Convention Committee today is
17 Joseph E. Sandler. I would ask Mr. Sandler that his
18 presentation not exceed 30 minutes, as noted, and must be
19 limited to those matters raised in your written response to
20 the Commission's repayment determination.

21 Welcome, Mr. Sandler. I see joining you will be
22 the honorable Neil Reiff, as well. Neil, welcome, as well.

23 MR. SANDLER: Thank you very much, Mr. Chairman.

24 Mr. Chairman and members of the Commission, I'm
25 Joe Sandler. This is my partner, Neil Reiff, with the law

Heritage Reporting Corporation
(202) 628-4888

1 firm of Sandler & Reiff, here in Washington.

2 I serve as General Counsel, and Mr. Reiff is
3 Deputy General Counsel of the Democratic National Committee,
4 and we also served as counsel to the 1996 Democratic
5 National Convention Committee.

6 We very much appreciate the opportunity to appear
7 before the Commission today to discuss the basis for our
8 request that the Commission revisit and reconsider the
9 repayment determination in the final audit report on the
10 1996 Democratic National Convention Committee.

11 As you know, the Convention Committee is publicly
12 financed, but the Commission's regulations permit the host
13 city and the Host Committee to receive private contributions
14 from certain sources, local businesses, labor organizations,
15 and individuals to pay for categories of convention expenses
16 that are set out in the Commission's regulations.

17 The sole issue in this repayment determination is
18 whether it was permissible for the city of Chicago and
19 Chicago's Host Committee, Chicago '96, to pay for local and
20 long distance telephone charges for the Convention
21 Committee. These are the actual, by minute telephone
22 service charges for telephone calls made by the Convention
23 Committee staff.

24 The final audit report takes the position that it
25 was not permissible for the Host Committee to pay for those

Heritage Reporting Corporation
(202) 628-4888

1 expenses.

2 I would ask the Commissioners to put themselves in
3 our position, the position of the Convention Committee in
4 the summer of 1994, as we tried to negotiate our contract
5 with the City of Chicago, and its Host Committee, and
6 determine the convention budget, which requires us to figure
7 out who can pay for what: what expenses can be paid for by
8 the Host Committee, which expenses must be paid for by the
9 Convention Committee, itself.

10 The plain language of the Commission's regulations
11 states that the city, the host city, and the Host Committee
12 may pay for offices and office equipment, and similar
13 convention-related facilities and services. Any reasonable
14 reading of this regulation is that the Host Committee's
15 payment for a service similar to offices and office
16 equipment is permissible.

17 Under this language -- this very same language,
18 the Chicago Host Committee paid for, and the auditors -- the
19 Audit Division accepted and allowed charges for cellular
20 phone use and pager service in the total amount of some
21 \$140,000; electricity, air conditioning, office-related
22 charges, including maintenance, cleaning, use of office
23 supplies, equipment rental charges, and the like.

24 But the final audit report purports to distinguish
25 between all of these administrative and office-related

Heritage Reporting Corporation
(202) 628-4888

1 service charges on the one hand, and telephone service
2 charges on the other.

3 Our problem with that distinction goes to two
4 fundamental principles of administrative law. The first is
5 that people who are regulated have to be able to understand
6 the regulations so they can follow them.

7 Obviously, like any other agency, this Commission
8 can interpret its own regulations any way it wants to, but
9 the people who are regulated have to be put on notice of
10 that interpretation before the fact, not afterwards.

11 As clearly established in the cases we discussed
12 at length in our brief, which I won't be revisiting today, a
13 regulatee can't be penalized for filing a rule based on an
14 interpretation that it simply did not have fair notice of.
15 And that's the situation in this case.

16 The other basic principle is that under the
17 Administrative Procedure Act, a regulated party has to be
18 given notice and an opportunity to comment on rules before
19 they are promulgated.

20 Like any other agency, this Commission cannot come
21 up with an interpretation that completely changes the
22 meaning and import of a rule that, in effect, creates a new
23 rule without the people who are being regulated having been
24 given notice of that, and an opportunity to comment on it,
25 and that's exactly what happened here.

Heritage Reporting Corporation
(202) 628-4888

1 Let me briefly try to explain these two points.
2 Again, if you put yourself in the situation we were in, in
3 the Summer of 1994, trying to figure out who can pay for
4 what, in the Convention Committee versus the Host Committee,
5 we start with the plain language of the regulation. And,
6 again, its states that the Host Committee can pay for
7 offices and office equipment, air conditioning, electricity,
8 similar convention-related facilities and services.

9 The auditors, themselves, conceded that it was
10 permissible for the Host Committee to pay for the provision
11 and installation of telephone equipment. In their audit,
12 again, they permitted all of these other office-related
13 facilities and services to be paid for by the Host
14 Committee.

15 By any reasonable reading, the use of telephone
16 equipment is a similar facility or service to the equipment
17 itself. It's like saying that somebody can pay for the
18 typewriter but not the typewriter ribbon. There's just no
19 basis in the language of the regulation itself for such a
20 distinction.

21 Nor can you say that the regulation somehow gives
22 us notice that there's a distinction between equipment and
23 the use of that equipment, because again air conditioning,
24 electricity, services that all of us regard as utilities,
25 like our telephone bill, right, that we pay every month, are

Heritage Reporting Corporation
(202) 628-4888

1 clearly permitted to be paid for by the Host Committee under
2 the regulations.

3 And, again, the auditors allowed cell phone
4 charges -- cellular phone charges, pager charges to be paid
5 for by the Host Committee.

6 So there's no notice in any -- in the language of
7 the regulation itself of any distinction that would disallow
8 the Host Committee from paying for telephone service
9 charges, while allowing them to pay for these other
10 administrative and office-related service charges.

11 That's how we read the regulation in the summer of
12 1994, which was shortly after the Commission issued its new
13 regulations for the convention scheme. But I want to
14 emphasize secondly, that the history of this regulation is
15 completely consistent with the reading that we had of it in
16 the summer of '94.

17 As you know, the whole idea of the Host Committee
18 regulations is that while the convention was to be publicly
19 financed, a city and its Host Committee could use private
20 contributions to pay for certain convention facilities and
21 services, as long as the Commission could be sure that the
22 purpose of those contributions was to promote the city and
23 to enhance the business of the companies making the
24 contributions, rather than political purposes; rather than
25 carrying favor with the political party giving the

Heritage Reporting Corporation
(202) 628-4888

1 convention.

2 To effectuate that purpose, the original
3 regulations that the Commission put out in 1976, and the
4 revision that was put out in 1979, took the approach of
5 restricting the source of contributions to the city and the
6 Host Committee. Only local retail businesses could
7 contribute, and only to the extent that the contribution was
8 proportionate to the commercial return that they could
9 reasonably expect, the business benefit that they could
10 reasonably expect from making that contribution.

11 But with that restriction on the source of the
12 contribution of the Host Committee, there was never, in the
13 1976 regs or the '79 version, any restriction on the
14 purposes for which the Host Committee could expend those
15 funds. In fact, the 1976 explanation and justification that
16 this Commission submitted to Congress said that these funds
17 could pay for what would otherwise be a convention expense
18 by the National Committee.

19 In 1979, again, no restriction whatsoever in the
20 regulations -- in the language of the regulations -- or in
21 the explanation and justification, any indication that there
22 was any restriction on the purposes for which the Host
23 Committee could spend its funds in terms of covering the
24 costs of convention facilities and services.

25 Now in the current version, in 1994, that was

Heritage Reporting Corporation
(202) 628-4888

1 issued in the rulemaking in 1994, the Commission eliminated
2 and, of course, simplified some of the restrictions on the
3 source of the contributions. But the Commission did not
4 change the language of the regulations as to what the Host
5 Committee and the cities' funds could be used to pay for.

6 The list of permissible Host Committee
7 disbursements is exactly the same as the 1979 regulations,
8 including the language that we relied on -- offices, office
9 equipment, other similar convention facilities and services.

10 Now what the Commission did do, of course, in the
11 1994 rulemaking was add a single sentence to the explanation
12 and justification, the preamble to the regulation that says
13 please note that the revised rules do not permit Host
14 Committees or municipalities to pay salaries of those
15 working for the Convention Committee or the National Party,
16 or to pay the Convention Committee's or the National Party's
17 overhead and administrative expenses related to the
18 convention. And, of course, the Audit Division, in the
19 final audit report, places great emphasis and reliance on
20 that single sentence in the explanation and justification.

21 Our problem with this is that that sentence is
22 flatly contradicted by the language of the regulation
23 itself, making it impossible for us, as a Convention
24 Committee, to figure out, in any way, what it's supposed to
25 mean.

Heritage Reporting Corporation
(202) 628-4888

1 The sentence says the Host Committee can't pay for
 2 administrative and overhead expenses. The language of the
 3 regulation says the Host Committee can pay for
 4 administrative and overhead expenses, office equipment and
 5 offices, which is, fundamentally, what the administrative
 6 and overhead expenses are.

7 So it's impossible to figure out how we were
 8 supposed to make sense of the sentence that's flatly in the
 9 E and J, that's flatly contradicted by the language of the
 10 regulation itself. You can't figure it out by taking one or
 11 the other which are going to be allowed, what kind of
 12 administrative overhead expenses are going to be allowed,
 13 what kind of office-related charges will be allowed, and
 14 which ones won't be allowed.

15 Now, the other element that the Audit Division
 16 relies on especially is a separate regulation that allows a
 17 Convention Committee to pay for its own administrative
 18 expenses. That regulation, 9008.7 (A4x), provides that the
 19 Convention Committee can use its own funds, you know, as a
 20 permissible use of the public money to pay for
 21 administrative expenses, including offices and telephone
 22 charges.

23 The Audit Division says, well, that's a definition
 24 of administrative expenses. It shows you that the
 25 administrative expenses includes office charges.

Heritage Reporting Corporation
 (202) 628-4888

1 That separate regulation, again, is completely
 2 useless in interpreting the Host Committee regulations,
 3 because there are a number of categories of expenses that
 4 can be paid for either by the Host Committee or by the
 5 Convention Committee. So the fact that something can be
 6 paid for by the Convention Committee, under the regs, that
 7 it's a permissible use of our public funds, doesn't tell you
 8 anything about whether the Host Committee could also pay for
 9 that.

10 For example, that same regulation says that the
 11 cost of preparing and maintaining the convention site and
 12 renting the hall can be paid for by the Convention
 13 Committee, using it public funds. But the Host Committee
 14 regulations say the Host Committee could also pay for that.

15 Similarly, the Convention Committee -- the list of
 16 what the Convention Committee can use its own funds to pay
 17 for says that it can pay for administrative expenses,
 18 including office supplies and office machines, but the Host
 19 Committee regulations say the Host Committee could pay for
 20 those instead. And, in fact, the Host Committee did, in our
 21 case, and the auditors allowed it.

22 So that sentence in the separate regulation about
 23 the Convention Committee's use of its own funds in no way
 24 renders this issue any more intelligible. It doesn't tell
 25 us, in any way, which office-related service charges and

Heritage Reporting Corporation
 (202) 628-4888

1 expenses are permissible and which aren't.

2 So, again, on this whole point, sitting there in
3 the summer of '94, trying to determine the convention budget
4 and negotiate the convention contract, we simply in no way
5 were put on fair notice that all of these categories of
6 office-related service charges were going to be allowed,
7 cell phones, pagers, electricity, air conditioning, rental
8 of copy machines, you name it, but not telephone service
9 charges.

10 There is no way we could have read into the
11 language of the regulations, the history, balancing this
12 conflicting language -- no way we could have drawn that
13 conclusion, as we determined what the Host Committee could
14 pay for.

15 Now if it's the Commission's position that the
16 entire meaning of that plain language of the Host Committee
17 regulations was intended to be changed by that single
18 sentence in the explanation and justification, we have a
19 different problem. And that problem is that there was never
20 any opportunity for any notice -- any opportunity for us to
21 comment on that language.

22 The notice of proposed rulemaking for these
23 current regulations was issued in August, 1993, without any
24 hint of any new limit on what the Host Committee would be
25 able to pay for.

Heritage Reporting Corporation
(202) 628-4888

1 The DNC, the Democratic National Committee,
2 submitted comments on those proposed rules. I presented
3 testimony at this very table on those proposed rules. This
4 issue was nowhere to be found in the notice of proposed
5 rulemaking.

6 The Commission held a number of open meetings in
7 April, May, and June of 1994. And there was, again, never
8 any hint of any new limit on permissible Host Committee
9 expenses until the very last of those meetings.

10 In fact, the final agenda document for the very
11 last meeting stated that the new rules would continue to
12 allow local businesses and organizations to contribute to
13 the Host Committee or the city for a variety of purposes
14 involving the cost of convention facilities and services.
15 No hint of a limit or restriction, some new fundamental
16 principle distinguishing that certain categories would be
17 allowed, and certain would not be.

18 That concept was introduced at the last open
19 meeting, well after the comment period had closed. A
20 suggestion was made by a commissioner that the language
21 itself was created by the General Counsel's Office, with no
22 discussion by the Commission, inserted in the E and J, which
23 was adopted on, you know, on a tally vote with no further
24 discussion by the Commission.

25 Now as explained in more detail in our brief, in

Heritage Reporting Corporation
(202) 628-4888

1 our written submission, the rule in the District of Columbia
2 Circuit is that of course agencies can change a final rule
3 from a proposed rule. But another round of comment is
4 required if the final rule is not a logical outgrowth of the
5 proposed rule.

6 And the District of Columbia Circuit applies a
7 common sense test in determining that, which is simply was
8 there enough of a hint, enough of a suggestion in the
9 proposed rulemaking to give people, again, fair notice that
10 something like this was being considered, and give them an
11 opportunity to comment on it.

12 In this case, it clearly cannot be said that this
13 language in the explanation and justification was a logical
14 outgrowth of the proposed rules. There wasn't the slightest
15 hint in the proposed rules that we had a chance to comment
16 on, that the Commission was going to be considering a major
17 new restriction on the kinds of expenses that Host
18 Committees could pay for.

19 Had there been such an indication in the proposed
20 rules, you can be sure we would have been most interested in
21 commenting on it. And, in fact, we believe our comments
22 would have been very useful to the Commission in flagging
23 the very kinds of practical issues and problems that
24 unfortunately we have to bring to you today, after the fact,
25 about interpreting and applying such a concept of

Heritage Reporting Corporation
(202) 628-4888

1 for the 2000 convention.

2 To the extent that that's true, we would urge the
3 Commission, within the next year or so, at least to begin
4 the process to develop rules for the following cycle, for
5 2004, so that when we are sitting here four years from now,
6 and beginning negotiations for that convention, we'll all
7 know and understand what the rules are.

8 This situation should have been avoided in the
9 past, through Commission rules that were clear. I think we
10 can avoid this situation in future, if not for this
11 immediate cycle that we're in, then the future cycle.

12 But for purposes of this audit, we have to come to
13 the conclusion that the DNC, the Democratic National
14 Convention Committee, was not put on fair notice of the
15 disallowance of telephone service charges. And for that
16 reason, we urge the Commission to revisit the repayment
17 determination, and decide that the Convention Committee
18 should not be penalized, should not be required to repay
19 these expenses, which we had every reason to believe, at the
20 time, were permissible under the Commission's regulations.

21 Thank you very much, Mr. Chairman and members of
22 the Commission. We would be pleased to answer any questions
23 you may have.

24 CHAIRMAN THOMAS: Thank you, Joe. I will just ask
25 one question at the outset, just so we are all very clear on

Heritage Reporting Corporation
(202) 628-4888

1 administrative and overhead expenses.

2 So we submit to you that in this case, to the
3 extent that this language in the E and J is all controlling
4 here, the purposes of notice and comment clearly have not
5 been served. And we respectfully suggest that to the extent
6 the final audit report relies on that, E and J language is
7 completely changing the meaning and import of this
8 regulation, and that's a violation of the Administrative
9 Procedure Act.

10 Now in closing I want to just suggest that here we
11 are now in 1999. We're sitting here again in the same
12 situation.

13 We have begun discussions with our three finalist
14 cities for the 2000 Democratic Convention, Boston, Denver,
15 and Los Angeles, about the budget. And they respond to
16 requests for proposals. We begin to negotiate the budget.
17 We eventually select one those cities.

18 And then, of course, in the next couple of months,
19 we'll refine that budget and memorialize the Host
20 Committee's obligations to pay for certain categories of
21 expenses in a contract that we will sign with one of those
22 cities and/or its Host Committee.

23 The Notice of Proposed Rulemaking that was just
24 issued in the Presidential financing scheme correctly points
25 out that it is virtually too late to develop new rules, even

Heritage Reporting Corporation
(202) 628-4888

1 the facts that are before us.

2 Which expenses are we talking about? Are we
3 talking about specifically only telephone service charges,
4 local and long distance, as distinguished from cell phones?

5 MR. SANDLER: Yes. It's our understanding that
6 the Audit Commission, the \$726,000-some dollars is local and
7 long distance telephone service charges, and that the
8 cellular phone charges of \$90,000, approximately, and
9 another \$50,000 of pager/beeper charges were reviewed,
10 clearly they are material, and they were allowed by the
11 Audit Division, as best we can determine.

12 CHAIRMAN THOMAS: And were --

13 MR. SANDLER: There's some confusion in the Audit
14 Division's analysis of our response, in which they seem to
15 suggest that what's being disallowed is cellular phone and
16 pager charges -- yes, the General Counsel's analysis,
17 right -- cellular phone and pager charges. But, in fact,
18 it's the opposite.

19 CHAIRMAN THOMAS: Also, I asked that question just
20 because it helps to crystallize the discussion a little bit,
21 because we're dealing with phones that are at least attached
22 to an office by a wire.

23 One could perhaps argue that cell phones maybe are
24 something other than office equipment. And you might have a
25 different kind of debate going on about whether or not those

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 19 of 56

19
1 are the kinds of things that are specifically allowed for in
2 the Host Committee regulations.

3 But here we are talking about telephones that are
4 hooked up by lines to offices that were used by Convention
5 Committee employees and staff and so forth. Is that right?

6 MR. SANDLER: That's our understanding, Mr.
7 Chairman.

8 CHAIRMAN THOMAS: And then just for our amusement,
9 would you like to clarify for the record which Commissioner
10 it was that made that suggestion.

11 MR. SANDLER: I believe it was you.

12 MR. MCDONALD: Oh, fine..

13 CHAIRMAN THOMAS: Thanks for bringing that up. So
14 in other words, the reason we are all sitting here today,
15 perhaps --

16 MR. MCDONALD: Here we go again.

17 CHAIRMAN THOMAS: So I won't ask any more
18 questions. Thank you.

19 Vice Chairman Wold, would you like to ask some
20 questions?

21 VICE CHAIR the MAN WOLD: Thank you, I would.

22 First, I want to complement you, Mr. Sandler, on
23 an excellent presentation. It was very articulate, very
24 well organized. And I appreciate the analysis you bring to
25 the problem here.

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 20 of 56

1 MR. SANDLER: Thank you, Commissioner.

2 VICE CHAIRMAN WOLD: One other -- first, one other
3 question about the facts, just to make sure we are clear.
4 Is there any limitation as to the period of time for which
5 these telephone charges are an issue? In other words, is
6 there any distinction between the period of time during the
7 preparation for the convention, and during the convention
8 itself? Is there any distinction to be made at all in that
9 regard?

10 MR. SANDLER: Well, there's a period of time when
11 the convention staff actually begins. There's a small group
12 of people in Washington, D.C. Clearly, those expenses are
13 paid for by the Convention Committee.

14 VICE CHAIRMAN WOLD: Right.

15 MR. SANDLER: We're talking about, as I understand
16 it, all of the telephone local, long distance charges for
17 the offices of the Convention Committee in Chicago.

18 VICE CHAIRMAN WOLD: But as far as the time in
19 Chicago, these charges don't relate exclusively to any
20 particular period of time, such as the preparation of the
21 hall, charges incurred in connection with the installation
22 of the podium, press table, false floors, camera platforms,
23 and so on. They were incurred during the whole period of
24 time --

25 MR. SANDLER: That's right.

Heritage Reporting Corporation
(202) 628-4888

1 VICE CHAIRMAN WOLD: -- through the convention
2 itself. Is that right?

3 MR. SANDLER: Yes, that's right.

4 VICE CHAIRMAN WOLD: All right. Thank you.

5 That was my understanding. I just wanted to make
6 sure that there isn't something lingering here or something
7 I missed.

8 I wanted to ask you about one aspect of your
9 argument here. You had said that the audit staff has
10 allowed expenses to be paid by the -- what is it? -- the
11 Host Committee, which could also be considered to be
12 overhead. You mentioned particularly the cell phones and
13 pager charges, and I think janitorial or maintenance, and
14 other administrative expenses. And I would like Audit's
15 response on that.

16 I recall something in the reports we have in front
17 of us that there were some such charges, but they were not
18 of a material nature which would, I think, tend to reduce
19 any argument based on those.

20 But I think you're argument raises two -- or has
21 two aspects to it. One is whether there has been a
22 consistent application of the regulation, and we are not
23 simply arbitrarily disallowing one element there. And if
24 the other charges that were allowed were material, then we
25 cannot be arbitrary and disallow simply one element of the

Heritage Reporting Corporation
(202) 628-4888

1 overhead, such as telephone charges.

2 The other aspect of that that could be significant
3 is whether there is any reliance in advance on that
4 argument, or it was simply an after-the-fact inconsistent
5 application here. Let me just ask you that. Are you
6 contending there was any reliance on the Commission allowing
7 these other overhead charges to be paid by the Host
8 Committee, or is it simply you are saying we are
9 inconsistently applying the regulation?

10 MR. SANDLER: Our reliance was on the language of
11 the regulation itself, its plain meaning, and its history.

12 In prior conventions, the Host Committees clearly
13 paid these charges. In New York, in 1992, they were paid.
14 In Atlanta, in 1988, they were paid by the Host Committee.
15 But there was no audit of Host Committee expenses at that
16 time. So we were all dealing a bit in the dark here --

17 VICE CHAIRMAN WOLD: All right.

18 MR. SANDLER: -- in terms of practice, which is all
19 the more reason why we had to rely simply on, you know, the
20 common sense application of the regulations.

21 VICE CHAIRMAN WOLD: Okay.

22 MR. SANDLER: The arbitrary application in terms
23 of cell phone, but not hard-line charges, that was after the
24 fact --

25 VICE CHAIRMAN WOLD: All right.

Heritage Reporting Corporation
(202) 628-4888

1 MR. SANDLER: -- with respect to the 1996
2 convention.

3 VICE CHAIRMAN WOLD: Okay. Thank you. That's the
4 extent of my questions at this point, Mr. Chairman. Thank
5 you.

6 CHAIRMAN THOMAS: I didn't note at the outset, by
7 the way, that one of our colleagues, Commissioner Sandstrom,
8 is recused in this matter. So, I might ordinarily turned
9 him for questions, but instead I'm going to turn to
10 Commissioner McDonald.

11 COMMISSIONER MCDONALD: Thank you, Mr. Chairman.
12 Now how is that he is recused? This is the kind
13 of deal I want to get involved in.

14 He owns the phone? Is that what I heard someone
15 uttered? I won't say who. It wouldn't be fair to
16 Commissioner Elliott. He owns a phone. I tried that
17 yesterday.

18 Joe, Neil, welcome. Thank you for coming.

19 Actually, you kind of got to the heart of
20 something that I was very curious to ask about. First of
21 all, Joe, just to be sure I understand your comments, you're
22 not suggesting, are you, that we are sometimes -- we have
23 contradictory positions? Surely, you wouldn't be saying
24 that about the Federal Election Commission. If I didn't
25 know better, I'd be suspicious of that.

Heritage Reporting Corporation
(202) 628-4888

1 And, secondly, before I get to my questions,
2 you're going to Boston, Los Angeles, and where?

3 MR. SANDLER: The three finalist cities are
4 Boston, Los Angeles, and Denver. So one of those cities
5 will be the convention. And I mentioned that because we are
6 actually reviewing the proposed budgets with them right now.

7 COMMISSIONER MCDONALD: Well, just don't go to San
8 Diego. I know a lot about that place.

9 Let me, if I might, just ask a couple of things
10 I'm just curious about. You answered one of my questions
11 which was, when you were referring to the history, I did not
12 realize or recognize that the Host Committees had made those
13 payments in Atlanta and in New York. I think that's awfully
14 important. And I was not aware of that. And I was going to
15 ask you about that. So that is news to me, and that is
16 helpful.

17 I would like to ask the auditors, so I could just
18 talk to both of you, in relationship to the cell phone
19 activity, first of all, is that assessment that Joe assumes,
20 is that a correct assessment of how this breaks out, Rick or
21 Bob?

22 MR. HALTER: Well, what we did, in the cases where
23 we could identify cell phone charges to the Convention
24 Committee, those charges are within the \$700,000-plus total.

25 There were instances where we could not tell where

Heritage Reporting Corporation
(202) 628-4888

1 those charges went, and we did not include them. There were
2 instances in our testing that did not show any material
3 problem with other types of divisions between equipment
4 versus supplies or other topics that were brought up.

5 The focus, based on the testing, was with the
6 regulation dealing with the telephone charges. Without some
7 rather extensive research back in the work papers, which I
8 can't do right now, as far as the beeper charges and stuff
9 like that, I just can't respond to that.

10 MR. SANDLER: I think we have to distinguish
11 between -- long distance charges, when you use a cell phone
12 and there's some long distance carrier involved, and the
13 per-minute charges, which are equivalent to local calling
14 that you use, whether those were in-kind or paid in cash, I
15 don't -- they may have been donated in-kind.

16 But in either case, they would have been reported
17 and presumably, you know, subject to the audit process. And
18 as far as we can tell, there was no discussion or effort to
19 disallow the cell phone usage charges. Maybe the long
20 distance were either on the same bill or part of the same
21 package. We could check that further. I don't know.

22 COMMISSIONER MCDONALD: I'm still not quite clear.
23 Do you think you did or did not allow the cell phone
24 charges? I apologize. I'm just not quite sure I
25 understand.

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 26 of 56

1 MR. HALTER: Well, I do know that there are some
2 cell phone charges included in the amount that is at issue.
3 I can't respond specifically if the local cell phone or the
4 per-minute charges are in there or are not in there. I can
5 try to get the research done while this is continuing. I
6 just can't --

7 COMMISSIONER MCDONALD: Well, I think it would be
8 instructive. Because let's say part of it is. What would
9 it be based on if you had part of it?

10 If you take my phone out, I can call anywhere for
11 a dime. Regrettably, I talk so much that I'd now have a
12 thing that I can talk for about two cents, because I'm on it
13 a lot. I'm just trying to understand the difference.

14 Would the rationale have been that you could use
15 your cell phone locally, maybe, but you could not use it on
16 a long distance? I'm just trying to understand the
17 breakout.

18 MR. HALTER: What I said in the beginning was in
19 those instances where we could identify telephone usage,
20 whether its desk phone or cell phone or -- I guess they are
21 the only two types -- to the DNCC, paid by the host or paid
22 by the city, we included that in the amount in question.

23 There may have been other telephone payments made
24 by the Host Committee and by the city. And if we did not or
25 could not tie those in to the National Committee, then we

Heritage Reporting Corporation
(202) 628-4888

1 did not include those in the numbers. So that may be a way
2 to explain part of it. But without seeing the specific
3 bills and the payments in question, you know, I really can't
4 -- I just can't tell you.

5 COMMISSIONER MCDONALD: I understand. But just so
6 I -- on the factual side, so I understand, you don't except
7 the premise that that's how you've analyzed this payback.

8 MR. HALTER: What premise?

9 COMMISSIONER MCDONALD: The premise about the cell
10 phones not being included, at least in part. You really
11 don't know --

12 MR. HALTER: We do not except that, because on a
13 sheet that I'm looking at, that's not as detailed as I would
14 like it to be, there are cellular phone charges. So --

15 COMMISSIONER MCDONALD: I mean, it's just a
16 factual question I'm asking. I know that we don't have time
17 --

18 MR. HALTER: We didn't try to split cell phone
19 minute charges, cell phone long distance charges or anything
20 like that.

21 COMMISSIONER MCDONALD: Okay. Okay. I was just
22 trying to be sure that I was following. And you can kind of
23 go back and take a look at that and see what you think may
24 have transpired there, from your own work papers, I gather.

25 CHAIRMAN THOMAS: Bob?

Heritage Reporting Corporation
(202) 628-4888

1 MR. COSTA: I'd only like to clarify for the
2 record, the focus of the review was to identify use. And if
3 the use was tied directly to the convention, and paid for by
4 the host, we challenge that.

5 And if it was for a phone that's out on the desk,
6 or if it was for a cell phone, and we could associate it
7 directly with convention activity, we said that's a
8 convention expense, paid for by the Host Committee, and we
9 challenged it.

10 So that's truly the basis of it, and it's a mix.
11 My guess is, it's some of all of those. Probably more
12 hardware phones sitting on desks than cell phones, but
13 that's not necessarily true, either. But the focus was, if
14 it was used and paid for by the Host Committee, and we could
15 associate it directly with convention activity and
16 convention people, we charged it.

17 COMMISSIONER MCDONALD: Okay. That's helps some,
18 because I think there's even a dispute about, in essence,
19 what we're trying to examine.

20 Mr. Chairman, I think that's all the questions I
21 have for right now.

22 CHAIRMAN THOMAS: So in light of that discussion,
23 did you want to add anything further on this actual
24 question?

25 MR. SANDLER: Clearly, the Audit Division made

Heritage Reporting Corporation
(202) 628-4888

1 clear in its own factual conference memory and audit report,
2 that you did not challenge the actual installation and
3 equipment, itself. You said use of a phone sitting on
4 somebody's desk, you allowed the cost for that.

5 MR. COSTA: I allowed installation and wiring,
6 yes; and then the hardware, itself, absolutely. But the
7 service charge, once you picked up the phone was included,
8 absolutely.

9 CHAIRMAN THOMAS: Commissioner Elliott?

10 COMMISSIONER ELLIOTT: Thank you, Joe. Thank you
11 for your presentation. I have a couple questions.

12 Did you have separate contracts with the Host
13 Committee and another contract with the city of Chicago?

14 MR. SANDLER: No, there was one contract with the
15 city of Chicago.

16 COMMISSIONER ELLIOTT: And that included their
17 Host Committee responsibilities?

18 MR. SANDLER: Yes.

19 COMMISSIONER ELLIOTT: The contract covered those
20 things that Host Committees do?

21 MR. SANDLER: That's right.

22 COMMISSIONER ELLIOTT: In that contract, did it
23 specifically state that they would pay for the telephone
24 use?

25 MR. SANDLER: Absolutely.

Heritage Reporting Corporation
(202) 628-4888

1 COMMISSIONER ELLIOTT: So that was in the
2 contract?

3 MR. SANDLER: Definitely.

4 COMMISSIONER ELLIOTT: And when they paid that,
5 they were going with the contract as it had been signed?

6 MR. SANDLER: That's correct.

7 COMMISSIONER ELLIOTT: Okay. Now in previous
8 Convention Committees, with the city or a Host Committee,
9 did it include telephone use?

10 MR. SANDLER: Yes.

11 COMMISSIONER ELLIOTT: And was that allowed by us?

12 MR. SANDLER: Well, there was no -- as I
13 understand, prior to the current regulations, there was no
14 separate audit of the Host Committee, itself.

15 COMMISSIONER ELLIOTT: No, but you had to pay --
16 but they paid for them, and you didn't.

17 MR. SANDLER: Correct.

18 COMMISSIONER ELLIOTT: So there was an audit of
19 your committee.

20 MR. SANDLER: That's right.

21 COMMISSIONER ELLIOTT: And there was no question
22 raised about the fact that you hadn't paid for the telephone
23 use.

24 MR. SANDLER: That's correct.

25 COMMISSIONER ELLIOTT: Thank you very much.

Heritage Reporting Corporation
(202) 628-4888

1 MR. HALTER: I would just like to note for the
2 record, we've been auditing the Host Committee since, I
3 guess, '76 but, of course, not necessarily the city or the
4 city -- or the municipal corporation that may have been
5 involved.

6 CHAIRMAN THOMAS: Commissioner Elliott?

7 COMMISSIONER ELLIOTT: Then let me ask, when we
8 have audited previous Host Committees, have we allowed the
9 previous Host Committees to pay for the use of the phones,
10 rather than the committees?

11 MR. HALTER: Well, the way I can answer that is
12 that it has not been an issue in audits -- in prior audits
13 of Host Committees whether -- this topic has not been an
14 issue. I can say in the last two or three -- at least the
15 last two conventions, at least going back to '92, that the
16 Convention Committees themselves have paid in the six
17 figures, over \$200,000, in telephone charges. Beyond that,
18 I can't be more responsive.

19 COMMISSIONER ELLIOTT: Thank you.

20 CHAIRMAN THOMAS: Commissioner Mason?

21 COMMISSIONER MASON: First of all, let me
22 apologize to my fellow commissioners and counsel for my
23 tardiness. I had a sick child at home, and my wife was
24 wanting to talk to me. But I read the presentation ahead of
25 time, and I very much appreciate it. And, in fact, I have

Heritage Reporting Corporation
(202) 628-4888

1 several questions.

2 First, just on this point, on the '88 and '92
3 Democratic Committees, and if either of you can establish,
4 it sounds as if the Convention Committees in those years
5 paid some telephone charges.

6 Counsel is telling us that it's his believe or
7 knowledge that the Host Committee also paid some telephone
8 charges in those years. And the audit staff is telling us
9 they don't know, because it just wasn't an audit -- it
10 wasn't an item in the audit; that it may have been true that
11 the Host Committees paid those charges, but we didn't
12 uncover them or didn't identify them as an issue, if they
13 did.

14 MR. HALTER: That's certainly true.

15 COMMISSIONER MASON: Do you think, Mr. Sandler,
16 that you could provide us with any information indicating
17 those payments in '88 and '92?

18 MR. SANDLER: Yes, we'll try to come up with those
19 from '92.

20 COMMISSIONER MASON: You made a sort of
21 interesting observation about what I would say was kind of a
22 geographical limitation on convention expenses. You said,
23 now, of course, when the convention staff is just a few
24 people here in Washington, those charges -- and I think you
25 were specifically talking about phone charges -- would have

Heritage Reporting Corporation
(202) 628-4888

1 been paid by the Convention Committee, rather than the Host
2 Committee. Why do you say, "of course"?

3 MR. SANDLER: Well, when people are still here in
4 Washington, I guess, we regard that as clearly not being
5 more in the nature of true, you know, general and
6 administrative overhead planning for the convention, working
7 on numbers and papers and so forth, and not directly on site
8 in support of the convention.

9 They are, in effect, considered kind of a division
10 of the DNC, at that point, although they are paid for --
11 basically, the DNC advances Federal money to pay those
12 expenses, and then is reimbursed from the grant when we
13 receive it.

14 COMMISSIONER MASON: I asked that specific
15 question, and let me broaden it out into a little more
16 general one. Because it seemed to be the thrust of your
17 presentation that there was really no limitation on
18 convention-related expenses that a Host Committee could pay
19 overhead; that the Host Committee could pay overhead, and
20 the Convention Committee could pay overhead.

21 And I'm just wondering what, if any, walls or
22 distinctions -- and I understand there are obviously going
23 to be some expenses that are overlapping. But you seem to
24 be going a little further than that, and saying, the Host
25 Committee could pay for anything.

Heritage Reporting Corporation
(202) 628-4888

1 MR. SANDLER: Looking at the language of the
2 regulations, again, just from the -- I don't think we were
3 saying it could pay for anything.

4 But looking at the language of the regulations, it
5 appears that offices and office equipment is a permissible
6 expense for the Host Committee, whether it's literally on
7 the convention site, or whether, because of space
8 limitations, it may be off-site, but elsewhere in the city.
9 That's sort of the logical reading of the regulations.
10 That's how the Audit Division has interpreted it. We've
11 never read it to include expenses in Washington.

12 When I say there was no limitation, there was no
13 limitation in terms of not being able to pay generally for
14 administrative and overhead expenses, in the plain language
15 of any of these versions of the regulations.

16 But if you look at the plain language, it
17 clearly -- it associates it with the city, with the site of
18 the convention, on its face. And I think that, we did have
19 fair notice of, and we've never taken the position that
20 outside of that convention city, you could pay for staff and
21 their offices.

22 COMMISSIONER MASON: Were the phone charges an
23 item in the contract between the Committee -- the Democratic
24 Committee and the Host Committee in Chicago?

25 MR. SANDLER: The city of Chicago -- yes, they

Heritage Reporting Corporation
(202) 628-4888

1 were. I can --

2 COMMISSIONER MASON: It's enumerated in the
3 contract that the Host Committee or the city would pay for
4 these phone charges that are at issue?

5 MR. SANDLER: Yes.

6 COMMISSIONER MASON: That sort of brings up an
7 idea that I had had, vis-a-vis, how to handle this in the
8 future, because you've talked about your difficulties in
9 negotiating a contract now.

10 What would be your reaction to the concept of
11 submitting whatever contract you negotiate, perspective,ly,
12 for the 2000 Convention to the Commission, through the
13 advisory opinion process?

14 MR. SANDLER: Well, we're dealing with numerous
15 categories of expenses and hundreds of line items. I just -
16 - I think it's theoretically possible to do that. I don't
17 know that the Commission would want to put itself in the
18 position of writing the convention contract or micro-
19 managing, you know, the convention contract, to that extent.

20 And the other problem is we do have a problem of
21 timing in the sense that this is something that we would be
22 negotiating and bringing to closure in the next couple of
23 months.

24 And I think the Republican National Convention,
25 they've already chosen their city, Philadelphia, for 2000.

Heritage Reporting Corporation
(202) 628-4888

1 And our understanding is that they've already concluded
2 negotiation in their contract. So to reopen that, based on
3 the results of an advisory opinion, might be difficult.

4 I think it would be possible to identify certain
5 specific kinds of issues like this, that are particularly
6 troublesome or puzzling, and possibly bring those to the
7 Commission's attention, and ask for guidance from the
8 Commission, through the advisory opinion process. And
9 that's something that we would certainly be willing to
10 entertain and discuss with whatever city and its Host
11 Committee that is selected for the 2000 convention.

12 COMMISSIONER MASON: Is it your contention that
13 had you been on notice about the telephone service charge
14 restriction that you might have negotiated the contract
15 differently?

16 MR. SANDLER: Certainly, if the '94 regulations -
17 - the language in the regulations had said, equipment but
18 not including, you know, the usage charges or something of
19 that nature. And, clearly, we wouldn't have put that in the
20 contract, and we would have provided for that in our own
21 budget.

22 COMMISSIONER MASON: Do you know if the convention
23 staff on-site in Chicago had Internet access?

24 MR. SANDLER: They did, I believe, yes, at some
25 point.

Heritage Reporting Corporation
(202) 628-4888

1 COMMISSIONER MASON: Do you know who paid for it?

2 MR. SANDLER: It was a Host Committee -- the
3 Internet access was a Host Committee item. Now, we paid --
4 the Convention Committee paid for the hosting of its own web
5 site, I believe. But I believe that the Internet charges
6 and the Internet service provided were paid for by the Host
7 Committee. I know that it was provided for that way in the
8 contract.

9 COMMISSIONER MASON: So if you had taken advantage
10 of, say, E-mail service or Internet telephony, that also
11 would have been a Host Committee expense?

12 MR. SANDLER: Yes, that's my understanding. It
13 was provided -- I don't know how it came out in the final
14 budget. We could provide that information to the
15 Commission. But it was in the bid and in the Internet
16 services provided for in the contract with Chicago, that the
17 Host Committee would assist and pay for that.

18 COMMISSIONER MASON: Just of interest to me in
19 making distinctions among the various types of expenses and
20 so on, my reaction to Commissioner Thomas' comment on the
21 telephones being attached to the wall, of course, is that we
22 now have wireless phones. So I think it's difficult to
23 separate these things out.

24 Lastly, is it your position that the position
25 taken by the Audit Division, which is that telephone service

Heritage Reporting Corporation
(202) 628-4888

1 charges are not allowable to the Host Committee, would be
2 reasonable if it had been clearly propounded, and pursuant
3 to the APA, that proper notice had been given, opportunity
4 for comment, and so on like that.

5 In other words, if we now said well, maybe this
6 wasn't real clear and we are now going to go back and
7 clarify it, and here's where we are going to draw the line.
8 Would that be a reasonable regulatory position to take?

9 MR. SANDLER: Yes. The issue is the extent to
10 which the categories expenses, in some way, relate to --
11 directly relate to the convention, and the putting on of the
12 convention. And, certainly, the Commission has a wide
13 latitude in making judgments under the general
14 reasonableness test about that.

15 And, certainly, had it been propounded, had it
16 been made clear, had we been given notice and an opportunity
17 to comment, that would be -- we would not be contending that
18 was an unreasonable or arbitrary place to draw the line.

19 COMMISSIONER MASON: Thank you.

20 CHAIRMAN THOMAS: I'm going to go to Bob Costa,
21 next. I know he had wanted to ask a question a little while
22 ago. But you can ask any other questions you'd like as this
23 time.

24 MR. COSTA: Just a point of clarification, you
25 were asked earlier to provide for the record any information

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 39 of 56

1 that you have concerning the Host Committee's payment of
2 telephone expenses for the Convention Committee in the past.

3 I think it would be helpful to the Commission if
4 you could specifically identify whether it's a Host
5 Committee or a municipality or whatever that you're dealing
6 with, and that the telephone expenses that you are saying
7 were paid were not their telephone expenses, but were, in
8 fact, convention expenses.

9 MR. SANDLER: That's my understanding. We'll
10 clarify that for the record.

11 CHAIRMAN THOMAS: Any other questions? Larry?

12 MR. NOBLE: First, just to clarify something.
13 Joe, you said that our memo was wrong in referring to the
14 cellular phone and pager charges. I assume you are talking
15 about page six? I just want to clarify something that seems
16 to have come out of this, which is --

17 MR. SANDLER: Right.

18 MR. NOBLE: -- what that memo states, to my
19 understanding, that this is true, that the Audit Division
20 included the cellular phone and pager charges, where they
21 could identify them.

22 MR. SANDLER: Oh, I see. You weren't saying that
23 that was all that was included --

24 MR. NOBLE: No, no, we were just --

25 MR. SANDLER: -- including those that were

Heritage Reporting Corporation
(202) 628-4888

1 identified. Now, I understand that, from the --

2 MR. NOBLE: Right.

3 MR. SANDLER: -- from the convention --

4 MR. NOBLE: I just wanted to clarify that.

5 MR. SANDLER: -- from the Audit staff. Okay.

6 MR. NOBLE: Putting the E and J aside for a
7 moment, did you believe that the rules were clear, when you
8 read them, about what was included and what was not
9 included, that the Host Committee could pay?

10 MR. SANDLER: They seemed reasonably clear.
11 Putting the E and J language aside?

12 MR. NOBLE: Yes.

13 MR. SANDLER: Yes, they were.

14 MR. NOBLE: So you thought that part was clear,
15 that you could pay for the phone service charges?

16 MR. SANDLER: Yes.

17 MR. NOBLE: On what basis did you make that
18 determination?

19 MR. SANDLER: Office equipment, office supplies --
20 offices, office equipment, similar convention facilities and
21 services. It's like, again, we wouldn't have drawn a
22 distinction between the typewriter and the ribbon, or the
23 printer and the ribbon, these days.

24 MR. NOBLE: So you drew no distinctions based on
25 the service of something used, the cost of using something,

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 41 of 56

1 versus the cost of buying it or acquiring it in the first
2 place?

3 MR. SANDLER: No.

4 MR. NOBLE: What was the purpose of the phone
5 calls that were made?

6 MR. SANDLER: The purpose of the phone calls was
7 to do the business of putting on the convention in the city,
8 for the staff to talk to each other, and to talk to the
9 staff at the hall, and to talk to the vendors; of course, to
10 talk to the Host Committee. A lot of it was back and forth
11 to the Host Committee in the city, and all the people,
12 contractors, et cetera, that were working with various
13 aspects of the convention.

14 As well as -- I mean, some of it, of course, is
15 just necessarily communication with the DNCC staff. And I'm
16 sure there are phone calls to the DNCC, the White House, and
17 other officials of that nature that go into it. But,
18 essentially, it's conducting the business of putting on the
19 convention.

20 MR. NOBLE: Did you view them as being to promote
21 the convention city?

22 MR. SANDLER: That's a hard thing to say. I don't
23 know that they were any more or less to promote the
24 convention city than the provision of the offices themselves
25 on Clark Street, in Chicago, which were clearly permissible

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 42 of 56

1 under the regulations.

2 MR. NOBLE: What I'm trying to get here is where
3 you drew the lines. What did you think was not payable by
4 the Host Committee?

5 MR. SANDLER: Staff salaries of the convention
6 committee, overhead administrative expenses, you know, in
7 Washington, that were not on the convention site, and other
8 things that are, you know, specifically excluded from the
9 language of the regulations.

10 MR. NOBLE: But you think these calls would have
11 been something that Commission could have explicitly
12 excluded?

13 MR. SANDLER: Specifically excluded, yes. I think
14 the Commission has wide latitude in developing these
15 regulations.

16 MR. NOBLE: So you're not drawing a distinction on
17 the purpose of the calls; that these really did go more to
18 what the Host Committee should pay for, but really just that
19 we didn't tell you the Host Committee can't pay for those?

20 MR. SANDLER: Correct, that's right. It's a
21 reasonable judgment that the Commission could have made, but
22 they didn't -- they didn't make it in a way that we could
23 ascertain and understand it, and intelligently apply it
24 before the fact.

25 MR. NOBLE: I'm curious about your distinction

Heritage Reporting Corporation
(202) 628-4888

1 about -- that Commissioner Mason asked about, the geographic
2 distinction. Your view then, again, is that the purpose of
3 the expenditure wasn't important. It was where the
4 expenditure was.

5 MR. SANDLER: Well, the regulation at issue, the
6 specific one in 9008.52 (Clv) talks about convention-related
7 services for that location, such as -- and then it goes on
8 to talk about electrical air conditioning system, offices,
9 office equipment.

10 And it's our understanding that the offices, if
11 they are in the city, the fact that they may be outside, in
12 the case of Chicago, the United Center, where there is very
13 limited physical space for offices, and they are a mile or
14 two away on Clark Street, wasn't -- and, of course, the
15 Audit Division agreed with that -- wasn't a significant
16 distinction.

17 But we never believed that -- and I think it's the
18 word "location" there that puts you on notice that you
19 really can't reasonably, you know, assume that anything in
20 Washington can be paid for by the Host Committee or the
21 city.

22 MR. NOBLE: Now moving to the E and J, was the
23 committee aware of the E and J, when it signed the contract,
24 and when it allocated these expenditures?

25 MR. SANDLER: It was close, but yes. I mean, we

Heritage Reporting Corporation
(202) 628-4888

1 signed the contract in August of '94. I think the E and J
2 was -- let's see, was it? We were aware of it.

3 MR. NOBLE: But you thought the E and J --

4 MR. SANDLER: Yes, June, yes.

5 MR. NOBLE: You thought the E and J taken with the
6 regulation -- was not consistent with the regulation.

7 MR. SANDLER: Well, it wasn't consistent and there
8 wasn't any -- we understood you were clearly emphasizing no
9 staff salaries. But in terms of how that language could be
10 reconciled with offices, office equipment, similar
11 convention facilities and services, it didn't -- there was
12 no way, meaningfully, to apply it.

13 MR. NOBLE: So you felt now there was some
14 conflict between the E and J and the regulations.

15 MR. SANDLER: Certainly.

16 MR. NOBLE: Okay. Thank you.

17 CHAIRMAN THOMAS: Any other questions from my
18 colleagues?

19 (No response.)

20 CHAIRMAN THOMAS: If I could just sort of explore
21 one thing, briefly.

22 What is your sense of what convention cities offer
23 to other types of conventions? What happens, for example,
24 when the doctors want to do a convention in Chicago? Do you
25 get a sense that there's anything analogous in those

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 45 of 56

1 situations where the doctors' organization negotiates with
2 the city to try to have the city pay for a lot of expenses
3 of preparing the convention hall, and providing offices, and
4 perhaps evening providing telephone service?

5 I'm just curious as a matter of background. You
6 may not have occasion to understand all of that as well,
7 since you are dealing always with negotiations over
8 convention set-ups. But I'm just curious.

9 MR. SANDLER: I'm not really familiar with that.
10 The problem is, the only convention activity that we are
11 familiar of that's of this scope, and it's actually much
12 bigger than this scope, is the Olympics, which is a bad
13 analogy, because all -- through corporate sponsorships, it's
14 all, you know, essentially, the Olympic -- the local
15 organizing Olympic Committee raises hundreds of millions of
16 dollars through corporate sponsorships, and then essentially
17 pays for everything.

18 So it's not -- you don't have an analogy where a
19 municipality -- I mean, the Host Committee does pay for
20 everything, and the International Olympic Committee
21 essentially pays for nothing, which is the analogy.

22 So it's not a useful analogy. I just don't know
23 where -- you know, of anything quite of that nature, that's
24 big enough to involve the establishment, you know, of the
25 Host Committee, to that extent.

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D
Page 46 of 56

1 CHAIRMAN THOMAS: One last question, if we decide
 2 to try to put in some distinctions that would solve this
 3 riddle for the 2000 election cycle in our pending
 4 rulemaking, will you be of the view that we are unfairly
 5 attempting to do that, since the rules that we have put out
 6 don't adequately go to those -- give you notice of those?

7 MR. SANDLER: Well, I mean, I think it's -- well,
 8 I think if it's done expeditiously it could be relevant to
 9 the 2000 cycle. I mean, there is no specific proposal in
 10 the Presidential findings that NPRM issued, for which the
 11 comments are due at the end of this month.

12 And if there were, you know, obviously, we would
 13 want an opportunity to comment on something specific before
 14 it was issued. But if it was done expeditiously enough, and
 15 it wasn't so radical as to change the whole nature of the
 16 relationship, but there were specific items taken out, like
 17 the telephone service charges, it would not be too late to,
 18 you know, within reason, to amend a convention budget.

19 CHAIRMAN THOMAS: Thank you.

20 Vice Chairman Wold?

21 VICE CHAIRMAN WOLD: If you are finished, Mr.
 22 Chairman.

23 One question, either to you, Mr. Sandler, or to
 24 Mr. Costa, does the Commission have a copy of the contract
 25 with the city in which the allocation of telephone charges

Heritage Reporting Corporation
 (202) 628-4888

1 arose?

2 MR. SANDLER: Yes.

3 VICE CHAIRMAN WOLD: So we have the provision, and
4 we could look at the provision?

5 MR. SANDLER: It has to be publicly filed, right?

6 MR. HALTER: Yes, and plus we have it in the work
7 papers.

8 VICE CHAIRMAN WOLD: All right. Can either of you
9 tell me how specifically that contract did deal with the
10 issue of telephone charges? Was that something that's been
11 inferred into it now, or after the fact, or was it
12 specifically listed in there as an expenditure allocated to
13 the Host Committee?

14 MR. HALTER: I can get that.

15 VICE CHAIRMAN WOLD: All right. We touched on
16 this earlier, but it may be helpful to look at the language,
17 itself.

18 COMMISSIONER MASON: While they are looking, could
19 I --

20 VICE CHAIRMAN WOLD: Sure, go ahead.

21 COMMISSIONER MASON: -- follow-up on that related
22 point, because this is starting to bother me. I asked about
23 the AO process, and I appreciate Mr. Sandler wanting to
24 spare us the work. Of course, the way the process works, if
25 he submits the AO, we have to respond within a fairly

Heritage Reporting Corporation
(202) 628-4888

1 reasonable period of time.

2 And if we are in the position where the committees
3 are filing contracts in advance of the convention, and we
4 have them in-house, and we know what the contract says, and
5 then we are waiting for two years, a year and-a-half, or
6 whatever, to commence an audit, and then we are saying, oh,
7 well, you know, this provision here in the contract is a
8 problem, I don't think we are operating particularly
9 efficiently. And maybe the AO process isn't the right
10 answer.

11 But if we are getting these contracts, and there
12 are generic things like this, you know, where it's in the
13 contract, and we think that's in conflict with the regs, we
14 may want to come up with a way to deal with that ahead of
15 time because, as Mr. Sandler says, if you give them a notice
16 a year or so ahead of time, they can always go back and
17 amend the contract.

18 You know, it might not be easy to do, but it would
19 be doable. And I don't see a whole lot of sense in a
20 problem which we could identify well in advance, waiting for
21 the audit to resolve.

22 VICE CHAIRMAN WOLD: I think I would be a little
23 concerned about the extend to which we are then signing off
24 on the contract, and any interpretation of it, but things
25 that are not readily apparent on the face of it. Is it

Heritage Reporting Corporation
(202) 628-4888

1 better to have the risk on the private parties on this? I
2 don't know.

3 I really am concerned about how much we can sign
4 off on it in advance, because I think what you suggest,
5 Commissioner Mason, is correct, that once we did sign off on
6 it, they would be entitled to rely on it. And that's one
7 concern I have here, the extent to which there was reliance
8 on the past interpretations or past practices, or whatever.

9 MR. HALTER: Do you want me to --

10 VICE CHAIRMAN WOLD: What is the provision? Is it
11 something you can --

12 MR. HALTER: Well, I can go through it pretty
13 quickly. Under Section 12, Telecommunications, it says the
14 city will provide a telecommunications system, including
15 such features as the DNCC shall reasonably request and
16 otherwise meeting specifications to be mutually established
17 by the DNCC and the city in consultation with applicable
18 vendors.

19 The city will provide the following additional
20 items: a cellular phone system, including a combination of
21 a number of cellular phones and minutes of air time, a pager
22 system, a two-way radio system, satellite up-link and down-
23 link services, and electronic voting system for use in the
24 convention hall; 12.3, long distance service, the city shall
25 pay for all long distance charges incurred by the DNCC at

Heritage Reporting Corporation
(202) 628-4888

1 the Convention Facilities, and at any media or hospitality
2 lounge to be provided in this agreement, provided that the
3 city shall not be required to expend for this item in excess
4 of the amount shown in Exhibit A.

5 MR. SANDLER: I'd like to point out that the word
6 "Convention Facilities" is capital "C" and "F". It's a
7 defined term. It includes the Clark Street offices in the
8 contract.

9 MR. HALTER: Yes.

10 MR. SANDLER: It's defined in the contract to
11 include that.

12 COMMISSIONER MCDONALD: And what was the amount
13 that was reflected in Exhibit A, just out of curiosity?

14 MR. HALTER: Well, it's over \$2 million.

15 COMMISSIONER MCDONALD: So, really, the Host
16 Committee owes you over a million dollars?

17 MR. SANDLER: That may be for all of the items in
18 that.

19 COMMISSIONER MASON: They were really on their
20 cell phones.

21 MR. COSTA: We didn't challenge installation or
22 any of those things, again, only the service charges. And,
23 also, to clarify the record, we didn't get this contract
24 until we commenced field work.

25 VICE CHAIRMAN WOLD: I heard that it included long

Heritage Reporting Corporation
(202) 628-4888

1 distance charges. Is there a separate reference to local
2 services charges, monthly use, or whatever?

3 MR. HALTER: I can say on the budget, the long
4 distance commitment was \$367,250. There is like an
5 installation of a half a million, installation commitment.

6 VICE CHAIRMAN WOLD: Was anything challenged for
7 installation charges? The Host Committee paid that, then.

8 MR. HALTER: No, we didn't challenge that.

9 VICE CHAIRMAN WOLD: What about the local service
10 charges? Were there monthly charges for anything?

11 MR. HALTER: There's not a separate line item
12 listed in the budget for local.

13 VICE CHAIRMAN WOLD: Do you know if they are
14 included in the amount at issue here? Is there any
15 distinction to be made between long distance charges and
16 other local charges?

17 MR. HALTER: No.

18 VICE CHAIRMAN WOLD: Thank you.

19 CHAIRMAN THOMAS: Commissioner McDonald, and then
20 Larry Noble.

21 COMMISSIONER MCDONALD: Thank you. Let me just go
22 back one second to one thing that's a little bit unclear to
23 me, in terms of -- we had the regulation. There was a
24 conflict between the regulation itself and the E and J.
25 We've had this question brought up about the advisory

Heritage Reporting Corporation
(202) 628-4888

1 opinion process.

2 And then, pursuant to the advisory opinion
3 process, we've had the discussion about whether, as
4 Commissioner Mason pointed out, and I'm kind of where he is,
5 if I can figure out how we can do it -- it's kind of an
6 interesting problem.

7 In an advisory opinion process, you essentially
8 sign off as well. Well, you know, you may call it something
9 else, but you sign off, as well.

10 And what I do want to understand, as this is kind
11 of important, is the reason that you didn't seek an advisory
12 opinion was that you based it on '88 and '92, and you saw
13 the regulation as overriding, or what am I missing about why
14 you would not have asked for one, in view of what you've
15 said?

16 MR. SANDLER: In view of the language of the
17 regulations, it really -- it did not occur to us that
18 telephone service charges were going to be an issue.

19 COMMISSIONER MCDONALD: There are two things about
20 the telephone service that I would -- particularly for my
21 good friend, Vice Chairman Wold, I have talked to the phone
22 company and asked if they would charge me on a per word
23 basis, as opposed to per minute, because I think it's
24 discriminatory against some of us that speak slowly.

25 VICE CHAIRMAN WOLD: I thought you meant some of

Heritage Reporting Corporation
(202) 628-4888

1 us don't use longer words.

2 COMMISSIONER MCDONALD: Well, that's another
3 problem.

4 I did want to point out to Joe, I think using the
5 Olympic Committee is somewhat unfortunate. It appears to me
6 that they truly have about everything paid for.

7 MR. SANDLER: That's right, yes.

8 COMMISSIONER MCDONALD: And I do mean everything.

9 MR. SANDLER: This particular one.

10 COMMISSIONER MCDONALD: And I do mean everything.

11 Thank you. It's helpful. I just want to be clear
12 about that, so we'll have an understanding.

13 CHAIRMAN THOMAS: We might having to look into
14 that aspect of it, if we go to the Convention Committee. So
15 we do have an opportunity to give you a word of caution
16 there.

17 Any other questions? Larry Noble, did you --

18 MR. NOBLE: Actually, Commissioner McDonald asked
19 the question I was going to ask.

20 CHAIRMAN THOMAS: Okay. Very well, unless there
21 are other comments you need to make before we close it up --
22 Neil Reiff?

23 MR. REIFF: In August of 1998, the Convention
24 Committee closed its accounts, and refunded the amounts of
25 unspent funds that were remaining in the account. And that

Heritage Reporting Corporation
(202) 628-4888

1 was about approximately \$50,000. And in the event the
2 Commission upholds the repayment determination, they should
3 also adjust the net amount due by the Convention Committee.

4 MR. SANDLER: It doesn't that happen
5 automatically.

6 CHAIRMAN THOMAS: We'll certainly take that under
7 advisement. Thank you.

8 Very well, thank you, again, for taking the time,
9 and we will consider your comments, accordingly. Again, if
10 there any materials that, based on the discussion today, you
11 would like to submit, we would, of course, like to see
12 those. That would be helpful.

13 VICE CHAIRMAN WOLD: They are going to -- I
14 understand they are going to submit the experience with
15 previous payments, by Host Committees or cities.

16 MR. SANDLER: And we'll also confirm our
17 understanding of where this is in the language of the 1996
18 contract, to the extent it hasn't already been provided.

19 CHAIRMAN THOMAS: So no further business
20 appearing, this hearing is concluded.

21 MR. SANDLER: Thank you very much, Mr. Chairman.

22 (Whereupon, at 11:20 a.m. the hearing was
23 adjourned.)

24 //

25 //

REPORTER'S CERTIFICATE1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

DOCKET NO.: 99-5
CASE TITLE: 1996 Democratic National Convention Committee
HEARING DATE: January 13, 1999
LOCATION: Washington, D.C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the Federal Election Commission.

Date: January 13, 1999

Shari Bowman

Shari Bowman

Official Reporter

Heritage Reporting Corporation

Suite 600

1220 L Street, N. W.

Washington, D. C. 20005

Heritage Reporting Corporation
(202) 628-4888

ATTACHMENT D

Page 56 of 56

JAN 21 2 59 PM '99

**BEFORE THE
FEDERAL ELECTION COMMISSION**

**REQUEST OF
1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.
FOR ADMINISTRATIVE REVIEW OF
REPAYMENT DETERMINATION**

SUPPLEMENTAL SUBMISSION

Pursuant to the letter dated November 20, 1998 from Associate General Counsel Kim Bright-Coleman, the 1996 Democratic National Convention Committee, Inc. (the "Convention Committee") hereby submits additional written materials for the Commission's consideration, in connection with the Convention Committee's Request for Administrative Review of Repayment Determination filed with the Commission on September 8, 1998. These additional materials are intended to respond to the requests of Commissioners, made during the oral hearing on January 13, 1999, for clarification of certain matters raised during the oral hearing.

I. Payment of Local and Long Distance Telephone Service Charges for 1992 and 1988 Democratic National Conventions

During the oral hearing, several Commissioners questioned whether the Host Committees for the 1988 and/or 1992 Democratic National Conventions paid local or long distance service charges for telephones used by the Convention Committee and, if so, whether any such payments were disallowed in the Final Audit Reports on the Convention Committees for those Conventions.

A. 1992 Convention

We have not been able to locate a complete file of original invoices from the 1992 Convention or audit workpapers. It appears from the documents available in the files that the City of New York budgeted \$350,000 for "Telephone" costs and that, of this amount, part was used for local telephone service that included local telephone service charges.

ATTACHMENT E
PAGE 1 OF 139

X Attached as Exhibit 1 hereto is the formal request for payment from the City of New York approving payment of \$185,000 in costs for the Convention Committee for a New York Telephone Company (NYNEX) service known as "Intellipath II." Attached to that letter are the summaries of the City and Host Committee budgets showing a commitment of \$350,000 by the City for "Telephone" costs.

Attached as Exhibit 2 hereto is the signed Convention Committee order for "Intellipath II," that indicates that this service includes the normal monthly usage charges, per line, for local service and Centrex access.

Attached as Exhibit 3 hereto is a summary of funds expended by the City as of August 25, 1992, subsequent to the Convention. It reflects payments by the City of \$202,100 to New York Telephone and \$68,320 to AT&T. It is unclear, however, whether any of the payments to AT&T includes any long-distance service charges.

* Therefore, we cannot determine with any reliability whether the City or Host Committee in 1992 paid any long distance telephone service charges.

To the extent Convention Committee local telephone service charges were included in the City of New York's expenditures, it appears that such charges were not referenced or discussed, and were not disallowed, in the Final Audit Report.

B. 1988 Convention

* We have not been able to locate original invoices or audit work papers from the 1988 Convention that would indicate the extent to which the City of Atlanta or the Host Committee ("Atlanta '88") paid telephone service charges for telephones used by the Convention Committee.

* Attached as Exhibit 4 hereto is a Department Budget Statement for Atlanta '88 dated September 27, 1988, subsequent to the Convention. Under the heading "Telecommunications," it shows an expenditure by the Host Committee of \$204,230 for "Telecommunications Service." This line item, however, is not broken out between possible equipment and installation charges and telephone service charges.

It is not possible, therefore, for us to determine with any reliability whether any local or long distance telephone service charges for the Convention Committee were paid by the Host Committee in 1988.

The Final Audit Reports on the 1988 Convention Committee and Host Committee do not reference or discuss the allowability of telephone service charges as a permissible City or Host Committee expense.

C. Conclusion

It appears that a substantial amount of local telephone service charges for the 1992 Convention Committee were paid for by the City of New York. We are unable to determine whether the City of New York or the 1992 Host Committee paid for any long distance service charges. We are also unable to determine who paid for the 1988 Convention Committee's local and long distance telephone service charges.

As we noted in the oral argument before the Commission on January 13, 1999, it is not the contention of the 1996 Convention Committee that it relied on any decision by the Audit Division, one way or the other, on the payment by the City or Host Committee of local or long distance telephone charges for the Convention Committee in 1988 or 1992. In determining the allocation of expenses and the budgets for the 1996 Democratic National Convention in Chicago, the 1996 Convention Committee was not aware that the allowability of such charges had ever been an issue.

In signing a contract obligating the City of Chicago and/or its Host Committee to pay these expenses, the Convention Committee relied on the plain language of the regulations and their legislative history, as explained in detail in our Request for Administrative Review filed with the Commission on September 8, 1998.

II. Provisions in Contract with City of Chicago Relating to Telephone Service Charges

Several Commissioners questioned whether the 1996 Convention Committee's contract with the City of Chicago specifically provided for payment of telephone service charges by the City and/or its Host Committee.

Attached as Exhibit 5 hereto are relevant portions of the Contract, specifically, the "Definitions" section (Article 2); Article 12, dealing with "Telecommunications;" and Article 14, dealing with "Facilities for DNCC Operations." Section 12.2(a) provides that the City will provide "a cellular phone system, including a combination of number of cellular phones and minutes of air time." Section 12.3 provides that, "The City shall pay

for all long-distance charges incurred by the DNCC at the Convention Facilities and at any media or hospitality lounge to be provided in this Agreement.”

The “Definitions” section (Article 2) defines “Convention Facilities” to include the “Convention Offices,” which is defined in turn to include the facilities and spaces described in section 14.1, which requires the City to provide office space for the Convention Committee.

Thus, the 1996 Convention Committee’s contract with the City of Chicago specifically required the City to pay for cellular telephone usage charges (air time) and long distance service charges, for the Convention Committee.

III. Payment of Cellular Telephone and Pager Charges for 1996 Convention Committee

In our September 8, 1998 Request for Administrative Review, and in our oral argument, we referred to the fact that the Final Audit Report had apparently treated as permissible the payment by the City of Chicago and/or its Host Committee of cellular telephone and pager system usage charges. It was suggested by the Audit Division during the oral argument that the Audit Division had in fact disallowed any cellular telephone usage charges it had identified during the audit, and that such charges were included in the \$725,835 total of telephone charges recommended for repayment.

We have been unable to determine definitively how the Audit Division treated cellular telephone and pager charges, because we cannot determine exactly which invoices were included in the \$725,835 disallowed. We have identified 18 payments to AT&T by the Host Committee or the City, totaling \$115,335, all of which were for long distance telephone charges. We believe that, with various adjustments, it is likely that this number corresponds to the \$108,577 in AT&T charges disallowed by the Audit Division. As best we can determine, none of this amount includes any cellular telephone or pager service charges.

We have also identified payments to Ameritech for local telephone service, totaling \$ 614,641, which approximates the \$ 618,258 in payments to Ameritech

disallowed by the Audit Division. Copies of these invoices are attached as Exhibit 6 hereto.

Assuming that these payments are the ones disallowed by the Audit Division, they are all for local telephone service and access charges and do not include cellular telephone or pager usage charges. We have identified at least three payments for such charges:

- (1) \$61,826.75 to Ameritech on August 15, 1996, including \$30,000 of pre-paid cellular phone cards, i.e., airtime costs for cellular telephone use;
- (2) \$6,348.04 to Ameritech on November 15, 1996, for alphanumeric paging service;
- (3) \$7,971.50 to Ameritech on August 1, 1996 for cellular telephone airtime charges.

Copies of the documentation for these payments are attached as Exhibit 7. We do not believe these are inclusive of all charges for pager service and cellular telephone usage, and are not certain if any of these invoices, or corresponding invoices for such service charges, were in fact disallowed by the Audit Division, although it appeared to us that they were not.

It is unclear, then, whether and to what extent cellular telephone service charges and pager charges were allowed as permissible Host Committee expenses. It may be that the Audit Division intended to disallow all such expenses, and simply did not identify certain charges. It may also be the case that the Audit Division disallowed all such charges, and that we were confused about what was included in and excluded from the disallowed amounts. In any case, we do not in any way fault the Audit Division for the manner in which the audit was conducted. To the contrary, the Convention Committee's experience with the Audit Division was extremely positive, and the Convention Committee indeed greatly appreciated their courtesy and professionalism.

Our contention, again, is that no reasonable person reading the plain language of the Commission's regulations, the history of the regulations, and the Explanation and Justification, could possibly anticipate that a whole range of charges related to administrative and overhead functions of the Convention Committee would be treated as

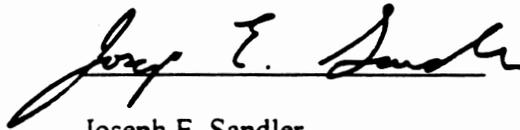
permissible Host Committee expenses, while local and long distance telephone service charges would be singled out as impermissible expenses. As noted in our initial submission and in the oral argument, the regulations clearly allow the Host Committee and City to pay for, the Host Committee and City did pay for, and the Audit Division allowed their payments for, a variety of administrative and overhead expenses, including offices, use of office equipment and the provision and installation of such equipment. Further, even if the Audit Division included some, or most, cellular and pager service charges in the disallowed amounts, the Final Audit Report clearly allowed a variety of other usage and service charges in support of the Convention Committee's administrative and overhead function, including office electricity and air conditioning, office supplies, rental of office equipment, postage and the like.

In these circumstances, the Convention Committee simply did not have fair notice that the regulation would be interpreted as it has been interpreted in the Final Audit Report—that is, to allow payment by the Host Committee and City for a whole variety of administrative and overhead expenses, including service charges of various kinds, but not telephone service charges. In the absence of such fair notice, an agency may not deprive a party of property by imposing civil liability. General Electric Co. v. United States Environmental Protection Agency, 53 F.3d 1324, 1328 (D.C. Cir. 1995). Therefore, the Commission should not require the Convention Committee to repay the local and long distance telephone service charges paid for by the Host Committee and the City.

CONCLUSION

For the reasons set forth above, and in the Request for Administrative Review of Repayment Determination filed with the Commission on September 8, 1998, the Commission should revise the repayment determination in the Final Audit Report to find that the Host Committee payment of \$600,325 of telephone service charges and the City payment of \$126,510 of telephone service charges were permissible disbursements and, therefore, that no repayment by the Convention Committee is required.

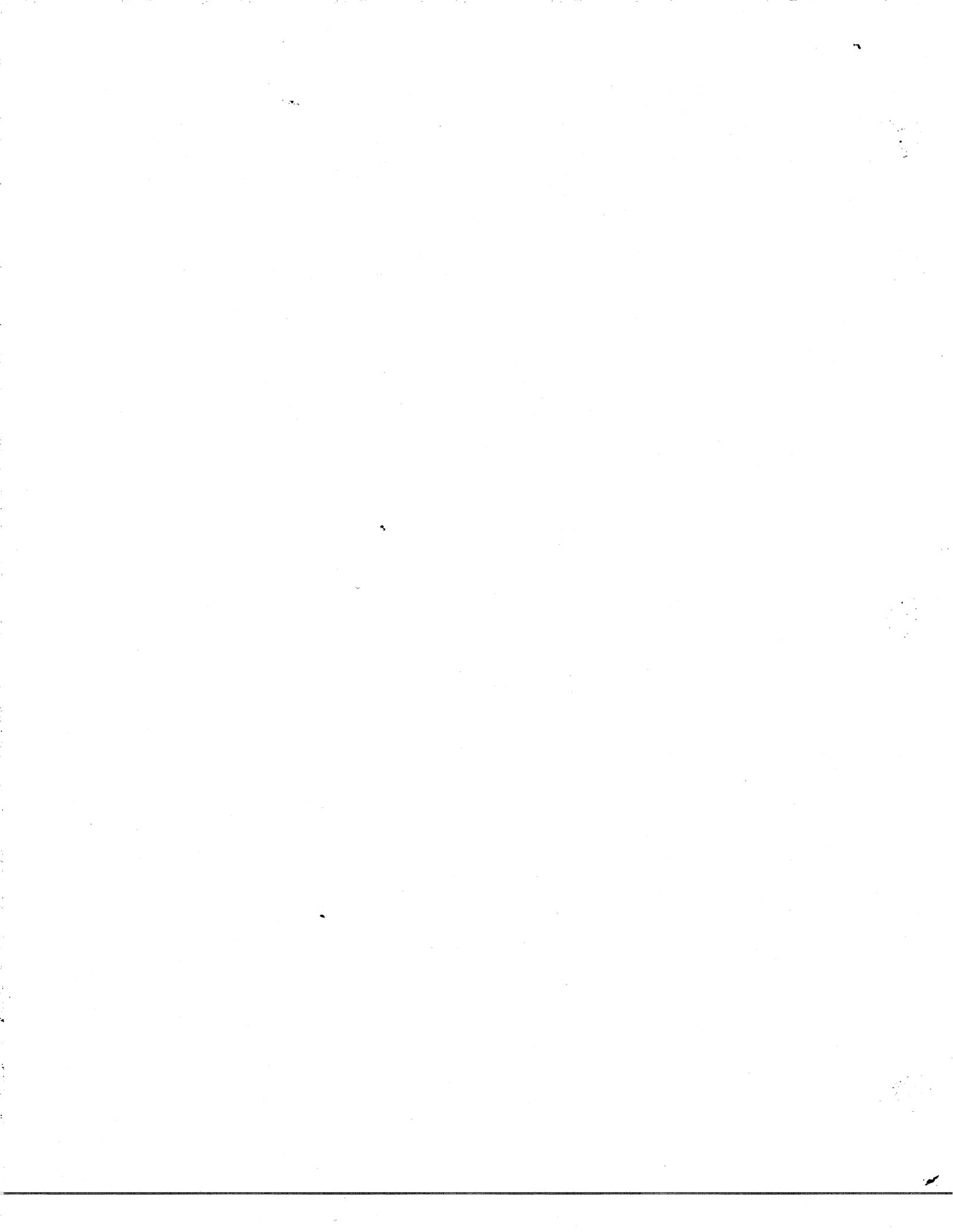
Respectfully submitted,



Joseph E. Sandler
Neil P. Reiff
SANDLER & REIFF, P.C.
6 E. Street, S.E.
Washington, D.C. 20003
(202) 543-7680

Counsel for 1996 Democratic National Convention
Committee, Inc.

Dated: January 21, 1999





NY Telephone

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

September 17, 1991

Anita Mullin
Director of Budget
Department of Business Services
Battery Maritime, Bldg. 4th Floor
New York, NY 10004

Dear Anita,

This is to certify that the attached letter from New York Telephone to the Democratic National Convention Committee in asking for \$185,000 toward telephone services can be paid and this payment will count toward our overall commitment of \$350,000 toward telephone expenses that was made by the City of New York in a contract signed with the 1992 Democratic National Convention Committee Inc., dated 7/11/90. Also attached is exhibit 17.01 City and Host Committee budget to show the allocation of \$350,000 towards the telephone system.

Sincerely,



Charles R. Howell
City Coordinator
1992 Democratic National Convention
51 Chambers Street, Rm. 525
New York, NY 10007

cc: Deputy Mayors
Henry Miller
Mario Cooper
Mark Bilsky



New York Telephone

A NYNEX Company

100 Church Street
New York, New York 10007

NYNEX Systems Marketing

September 6, 1991

Mr. Mark Bilsky
Democratic National Convention Committee
430 South Capital Street S.E.
Washington, DC 20003

Dear Mark:

This is a follow-up to our conversation regarding the advance payment for the Democratic National Convention Committee's Intellipath II System.

Per section 3C of the "Request for Service" document, New York Telephone has requested an advance payment for the Committee's Intellipath II system. This payment is for New York Telephone's system. The committee will be directly billed by AT&T for the station equipment and wire.

Due to the fast-paced, dynamic and unique nature of the convention, the committee's Intellipath II system will be changing rapidly. The advance payment insures that funds are available for system growth at all times. Specifically, it eliminates the possibility of service delays due to potential discrepancies over billing issues and reduces the lead-time required for system expansion. Furthermore, the advance payment minimizes the administrative time required to keep track of the system's dynamic growth.

The advance payment will be placed in the Democratic National Convention Committee's account and will be jointly monitored and updated on an ongoing basis. The committee will be continuously informed of all debits and credits to this account. Of course, account balances will be available at any time upon your request.

It is our understanding that the Democratic National Convention Committee will provide New York Telephone with an advance payment in the amount of \$185,000. Once again, this payment will be applied toward the Intellipath II system costs.

ATTACHMENT E
Page 9 of 139

Thank you for choosing New York Telephone for your communications system. Please call me at (212) 513-9195 if you have any questions.

Sincerely,



Timothy J. LiVolsi
Account Manager

cc: W. Murphy
C. Bates

EXHIBIT 17.01 CITY AND HOST COMMITTEE BUDGETS

New York City Budget

Rental	\$ 4,700,000
Construction	4,345,000
Transportation	650,000
Parking	175,000
Telephone	350,000
Insurance	2,000,000
Security	125,000
Printing	250,000
Office Space/Equipment	175,000
Medical	50,000
Voting System	100,000
Subtotal	12,920,000
10% Contingency	1,292,000
Police (including contingency)	6,600,000
Total	<u>\$20,812,000</u>

Host Committee Budget

NYC RFP

Promotion	
Decorations	\$ 325,000
Parties	400,000
Printing	40,000
Administration	
Communication Equip.	7,500
Computer hardware/software	325,000
Office furniture/equip.	275,000
Office supplies	75,000
Office refreshments	10,000
Storage space	2,500
Security Guards	35,000
Messenger service	7,500
Janitorial service	20,000
VCR & TV receivers	2,500
Local cable TV	1,000
DNC Staff Housing	120,000
Host Committee Staff Support	700,000

Convention Expenditures	
Reservations	45,000
Printing	40,000
Subtotal	\$ 2,431,000
10% Contingency	243,100
Total	<u>\$ 2,674,100</u>
Grand Total	<u>\$23,486,100</u>

REQUEST FOR SERVICE

INTELLIPATH IIR DIGITAL CENTREX SERVICE
(100 or more lines)

The 1992 Democratic National Convention Committee, Inc. (Customer) orders Intellipath IIR Digital Centrex Service (Service) from New York Telephone Company (Company) at the prices set forth in this Request for Service.

1. **DESCRIPTION OF SERVICE**

The Service is Intellipath II service, which is described in the Company's PSC No. 900 Tariff, and the Service is offered under the standard terms and conditions of the tariff. The Customer may take any number of lines within a range of 20 to 650, and the Service includes the standard and optional Intellipath II features listed in Appendix A. The Service will be provided at the Customer's locations identified in Appendix B.

2. **CUTOVER AND SERVICE PERIOD**

- a) The cutover will be a phased cutover beginning in September 1991 with the installation of 20 lines at 1250 Broadway, New York, New York. The Customer expects to have cutover approximately 650 lines, and the price specified in Paragraph 3 is premised on the Customer taking approximately 650 lines. The Customer and the Company will agree on a cutover implementation schedule. The Customer will be billed for each line as it is installed.
- b) The Company will provide the Service to the Customer over a period of 12 months (Service Period), beginning on the date the first lines are cutover.

3. **PRICES**

- a) The monthly price of an Intellipath II line, including the standard and the optional features specified in Appendix A, is \$42.00 per line. This monthly price includes the Federal End-User Common Line Charge (EUCL) of \$5.69 and the Centrex Exchange Access Charge (CEAC) of \$1.61. This monthly line price is guaranteed against Company-initiated change during the Service Period.

STANDARD AND OPTIONAL FEATURES

I. STANDARD FEATURES

Automatic Call Back
Call Forwarding
- All Calls
- Busy
- Don't Answer
Call Hold
Call Pick-Up
Call Transfer
Call Waiting
- Dial
- Incoming
- Originating
Code Restrictions
Consultation Hold
Dial Transfer Arrangement on Incoming Trunk Groups
Directed Call Pick-up
- With Barge-In
- Without Barge-In
Direct Inward Dialing
Direct Outward Dialing
Distinctive Call Waiting Tones
Distinctive Ringing
Hunting
Intercept
Line Treatments
Station-to-Station Calling
Three-Way Calling

II. OPTIONAL FEATURES

Authorization Codes
Automatic Route Selection (ARS) Basic (1)
Uniform Call Distribution (2)
Speed Calling - 10 No. List
Electronic Telephone Set (ETS Capability (300)
 Display Features (10) & Group Intercom (20)
Meet-Me Conference (10)
Six Way Conference (10)
Attendant Console per Customer (1) & Console (1)
Network Speed Calling (1)
Virtual Numbers (150)
Call Arrangements (200)
Hot Line (50)
Centrex Customer Rearrangement System (CCRS) (1)
Remote Access (5)
Simplified Message Desk Interface (SMDI) (1)

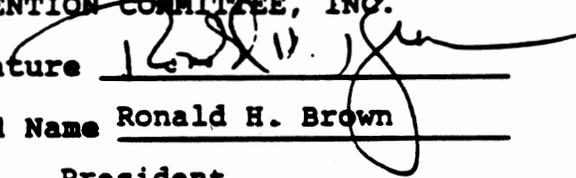
2914e

- b) In addition to the monthly price, the Customer will pay: i) service connection charges at then-prevailing tariff rates; and ii) sales and excise taxes and tariff surcharges that applicable laws and tariffs require the Customer to pay.
- c) The Customer shall pay to the Company advance payments prior to the commencement of the Service. The amount of the advance payments will be agreed to by the Customer and the Company prior to the commencement of the Service.

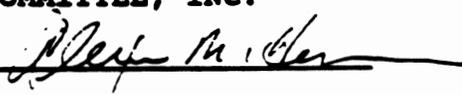
4. FLEXIBILITY AND ADDITIONAL LINES

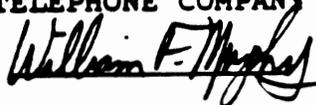
- a) The Customer has the flexibility to increase and decrease the number of lines under this Request for Service at any time during the Service Period so long as the number of lines remains within the range specified in Paragraph 1. Lines added within the range incur service connection charges at then-prevailing tariff rates. Lines subtracted within the range do not incur tariffed termination charges. Termination charges apply only for lines terminated by the Customer below the range.
- b) If the Customer wishes to increase the number of Intellipath II lines above the range, or if the Customer requests Service at a location or locations not identified in Appendix B, the Customer may do so by placing an order with the Company. The Company will develop a price and present the price to the Customer for its consideration.

* * * * *

THE 1992 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.
 Signature 
 Typed Name Ronald H. Brown
 Title President
 Date October 23, 1991

NEW YORK TELEPHONE COMPANY
 Signature 
 Typed Name Eugene P. Connell
 Title Vice President M&T
 Date October 25, 1991

THE 1992 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.
 Signature 
 Typed Name Alexis M. Herman
 Title Assistant Treasurer
 Date October 23, 1991

NEW YORK TELEPHONE COMPANY
 Signature 
 Typed Name William F. Murphy
 Title Convention Manager
 Date October 25, 1991

CUSTOMER LOCATIONS

1250 Broadway	150 Lines
Madison Square Garden	300 "
Hotel Pennsylvania	75 "
Hilton Hotel	50 "
Sheraton Centre and Towers	50 "
Fashion Institute of Technology	25 "

NEW YORK CITY REPORT

**ORIGINAL FUNDS FUNDS FUNDS FUNDS
BUDGETED DELEGATED EXPENDED**

EDC

BUDGETED AMOUNT:

	EDC	4,700,000	4,839,177		
MADISON SQUARE GARDEN			4,000,000	4,000,000	4,000,000
POST OFFICE			40,000	25,000	25,000
FIT			75,000	75,000	75,000
ONE PENN PLAZA (MID CITY ASSOC.)*			514,727	514,727	533,612
TWO PENN PLAZA			13,015	13,015	13,015
ONE PENN PLAZA (AT&T)			47,854	47,854	47,786
CREDENTIALS OFFICE			63,781	63,781	64,130
CLEANING, A/C, CLOSEDOWN			15,000		
MSG STORAGE (C.H. Workorders)**			70,000	31,500	130,000
TOTAL			4,839,177	4,770,677	4,888,543

REMAINING

0 88,500 (49,366)

* Helmsley Spear Invoice for \$110,661 outstanding.

** Includes estimate from MSG.

EDC

BUDGETED AMOUNT:

	EDC	4,345,000	6,521,970		
ARCHITECT			644,450	475,000	475,000
CONSTRUCTION (On time start) <i>includes 500,000 contingency</i>			5,425,184	6,425,184	5,243,026
SOUND			100,000	0	0
DISABLED ALTERATIONS			25,000	0	0
CON EDISON/TRANSFORMER			127,000	0	126,316
CON ED/TRANSFORMER POWER USAGE			0	0	11,809
ELEMCO STAND-BY ELECTRICIANS			0	0	21,462
MSG LABOR CHARGES			0	0	950,000
MSG POWER USAGE			0	0	110,000
TOTAL			6,321,634	5,900,184	6,937,413

REMAINING

200,336 621,786 (415,443)

* \$332,000 of Media charge back funds reduced to \$215,843.

DBS

BUDGETED AMOUNT:

	DBS	650,000	550,000		
AIRPORT SHUTTLE *			152,000		151,500
IN TOWN SHUTTLE			252,354		252,354
AIRPORT SHUTTLE(ATLANTIC PARATRANS)			17,500		17,500
CREATIVE TRANSPORTATION			7,250		7,250
T-SHIRTS			31,000		31,000
MISC			0		3,864
EMPLOYMENT AGENCY			0		36,000
TOTAL			460,104		499,468

REMAINING

89,896 50,532

* Grayline Invoice for \$78,000 outstanding.

ORIGINAL
BUDGETED AMOUNTS **EXPENDITURES** **FINANCIAL STATEMENTS** **FUNDS**
OPERATING **NON-OPERATING** **OPERATING** **NON-OPERATING**

DBS				
BUDGETED AMOUNT:	175,000	93,000		
Meyers		46,000		48,699
MacIowe		20,000		18,000
Kinney		27,000		33,365
1250 PARKING		0		4,510
TOTAL		93,000		104,574
REMAINING		0		(11,574)

DBS				
BUDGETED AMOUNT:	350,000	294,700		
New York Telephone		202,100	202,100	202,100
AT & T		85,500	85,500	68,320
Computers		7,100	7,100	7,100
TOTAL		294,700	294,700	277,520
REMAINING		0	0	17,180

EDC				
BUDGETED AMOUNT:	2,000,000	1,401,750		
Present Insurance		1,233,750	1,233,750	1,233,750
Additional Car Insurance		98,000	98,000	95,000
Deductible for 175 cars*		70,000	70,000	13,000
TOTAL		1,401,750	1,401,750	1,341,750
REMAINING		0	0	60,000

* 8/92 Estimate for deductible is \$13,000.

DBS				
BUDGETED AMOUNT:	125,000	0		
Security needs at 1250 Broadway, Headquarters hotels, Ramada ...				
TOTAL		0		
REMAINING		0		



PRINTERS

BUDGETED AMOUNT:

DBS

250,000 263,502

Xerox	250,000	172,000	150,000
Computers/Printers	13,502	13,502	13,502
Kamber	0	0	70,000
*22,000 Xerox invoice outstanding	0	0	22,000
TOTAL	263,502	185,502	255,502

REMAINING 0 78,000 8,000

UTILITIES

BUDGETED AMOUNT:

DBS

175,000 200,000

-8 & 10th Floors (Awaiting accounting)	100,000	62,292	31,172
-Utilities(DEP)	75,000	62,418	91,575
-Alterations(DGS)	25,000	0	0
-Clean up & furniture removal	200,000	124,710	122,747
TOTAL	200,000	124,710	122,747

REMAINING 0 75,290 77,253

*Final utilities, alterations and cleanup bills outstanding.

MEDICAL SERVICES

BUDGETED AMOUNT:

DBS

50,000 10,000

Emergency services in MSG. Awaiting further discussions with proposed provider.	10,000	0	0
---	--------	---	---

REMAINING 0 0 10,000

DELEGATE VOTING SYSTEM

BUDGETED AMOUNT:

DBS

100,000 60,000

Delegate voting system.	60,000	0	0
TOTAL	60,000	0	0

REMAINING 0 60,000

UNACCOUNTED FOR EXPENSES

UNACCOUNTED FOR EXPENSES

BUDGETED AMOUNT:	0	95,000	
The following are jointly recognized as unaccounted for expenses.			
- A/C for 1250 Broadway		20,000	
- Fire Department		25,000	
- A/C for One & Two Penn Plaza		<u>50,000</u>	0
TOTAL		95,000	95,000
REMAINING		0	0

CONTINGENCIES

BUDGETED AMOUNT:	1,292,000	98,744	
- Media Related			
-Kleinnecht		0	51,458
- Elec Expenses			
-Thomas Miller		0	11,051
-Memdik Realty		0	11,009
-MBE Electric		<u>0</u>	<u>2,500</u>
TOTAL		0	76,018
REMAINING		98,744	98,744
			22,726

NEW YORK STATE

TOTAL BUDGET*

21,027,843

RECAP REMAINING:

Rental of Facilities	(49,366)
Construction	(415,443)
Transportation	50,532
Parking	(11,574)
Telephone	17,180
Insurance	60,000
Security	0
Printing	8,000
Office Space Equipment	77,283
Medical Services	10,000
Voting System	60,000
Unaccounted For Expenses	0
Contingency	22,726
	<hr/>
	(170,692)
	<hr/>

* \$332,000.00 of Media Charge Back Funds reduced to \$215,843.

HOUSE COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 SUMMARY
 2/31/88

07-862-88
 11:54 AM

DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
ADMINISTRATION	0.00	7,801,022.13	3,035,470.53	
CONTRACT OBLIGATIONS	0.00	110,362.43	114,731.71	4,369.28
INFORMATION SYSTEMS	0.00	204,989.14	49,613.67	(155,375.47)
TRANSPORTATION	0.00	738,639.27	700,000.00	(38,639.27)
HOUSING	0.00	209,824.05	170,484.64	(39,339.41)
FOOD	0.00	59,694.93	98,581.34	38,886.41
TELECOMMUNICATIONS	0.00	304,571.42	397,240.08	92,668.66
MEDIA	0.00	117,867.86	146,029.72	28,161.86
CONVENTION FACILITIES	0.00	4,640,662.66	4,575,039.22	(65,623.44)
SECURITY	0.00	199,205.27	3,274,627.56	3,075,422.29
POST	0.00	1,023,187.39	835,181.65	(188,005.74)
	0.00	10,410,106.55	13,399,999.92	2,989,893.37

7. Capital

ATLANTA 98 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 ADMINISTRATION
 6/31/86

27-Sep-86
 11:48 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400611	PERSONNEL	0.00	361,577.75	395,236.00	33,658.25
400911	INTERNS	0.00	33,000.00	24,550.00	(8,450.00)
410111	PROFESSIONAL SERVICES	0.00	274,319.80	341,982.00	67,662.20
420111	STAFF TRAVEL-IN AREA	0.00	2,497.42	3,984.00	1,486.58
420211	STAFF TRAVEL-OUT OF AREA	0.00	7,425.46	9,774.00	(2,348.54)
430111	RENTAL OF SPACE	0.00	281,714.32	277,000.99	(4,713.33)
440111	OFFICE SUPPLIES	0.00	56,303.97	56,449.00	145.03
440211	POSTAGE	0.00	20,133.20	22,945.00	2,811.80
440311	OTHER SUPPLIES	0.00	7,524.24	5,000.00	(2,524.24)
450311	EQUIP. & FURN.-RENTALS	0.00	119,195.40	128,909.00	10,713.60
460111	COMMUNICATIONS	0.00	75,912.62	75,028.00	(884.62)
460211	PUBLICATION, PRINT, SUBS	0.00	11,037.66	9,410.00	(1,627.66)
460311	FRIGHT AND SHIPPING	0.00	7,281.82	6,322.00	(959.82)
460411	CONFERENCES AND MEETINGS	0.00	6,364.48	9,120.00	2,755.52
460511	EMPLOYMENT DEVELOPMENT	0.00	687.50	687.00	(0.50)
460611	ADVERTISING/PUBLIC REL.	0.00	2,672.20	1,555.00	(1,117.20)
460811	DATA PROCESSING CHARGES	0.00	1,469.57	1,278.00	(191.57)
460911	PARKING	0.00	37,003.55	43,412.00	6,408.45
461011	LUNCHEON MEETINGS	0.00	7,493.03	3,541.00	(3,952.03)
461111	HOUSING	0.00	38,383.18	125.00	(38,258.18)
461411	DECORATIONS	0.00	3,704.95	0.00	(3,704.95)
493011	CONTINGENCY	0.00	0.00	33,106.34	33,106.34
465011	INTEREST	0.00	52,079.53	0.00	(52,079.53)
469011	PENALTIES	0.00	850.20	0.00	(850.20)
469911	MISCELLANEOUS-OTHER	0.00	16,200.35	6,024.00	(10,176.35)
470111	GENERAL LIABILITY	0.00	1,110,468.16	1,325,000.00	214,531.84
490011	CAPITAL EXPENDITURES	0.00	263,259.95	256,730.00	(6,529.95)
		0.00	2,901,022.13	3,035,470.33	234,448.20

ATLANTA '88 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 CONTRACT OBLIGATIONS
 8/31/88

26-960-88
 11:17 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400612	PERSONNEL	0.00	70,061.44	73,536.20	3,274.76
400912	INTERNS	0.00	0.00	0.00	0.00
410112	PRO SERVICES	0.00	0.00	0.00	0.00
420112	STAFF TRAVEL-IN AREA	0.00	335.17	335.17	0.00
420212	STAFF TRAVEL-OUT OF AREA	0.00	3,631.70	3,432.70	(2,179.00)
430112	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440112	OFFICE SUPPLIES	0.00	1,714.25	1,709.75	(4.50)
440212	POSTAGE	0.00	0.00	0.00	0.00
440312	OTHER SUPPLIES	0.00	177.74	177.74	0.00
450312	EQUIP & FURN LEASE	0.00	453.36	1,366.08	910.72
460112	COMMUNICATIONS	0.00	0.00	0.00	0.00
460212	PUBLICATION, PRINT, SUBS	0.00	1,642.20	1,642.20	0.00
460312	FREIGHT AND SHIPPING	0.00	283.75	172.25	(111.50)
460412	CONFERENCES	0.00	0.00	0.00	0.00
460512	EMPLOYMENT DEVELOPMENT	0.00	350.00	350.00	0.00
460612	ADVERTISING	0.00	0.00	0.00	0.00
460812	DATA PROCESSING	0.00	0.00	0.00	0.00
460912	PARKING	0.00	0.00	0.00	0.00
461012	LUNCHEON MEETINGS	0.00	53.70	53.70	0.00
461112	HOUSING	0.00	23,959.31	31,338.11	3,478.80
469912	MISCELLANEOUS-OTHER	0.00	377.91	577.81	0.00

 0.00 110,362.43 114,731.71 4,369.28

ATLANTA '88 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 INFORMATION SYSTEMS
 5/31/88

26-Sep-88
 11:12 AM

ACCOUNT	DESCRIPTION	CURRENT YTD-	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400314	PERSONNEL	0.00	63,970.06	62,728.54	(1,241.52)
400914	INTERNE	0.00	0.00	0.00	0.00
420114	STAFF TRAVEL - IN AREA	0.00	342.50	342.50	0.00
420414	OTHER TRAVEL	0.00	830.28	0.00	(830.28)
430114	RENTAL OF SPACE	0.00	0.00	0.00	0.00
430214	RENOVATION	0.00	0.00	0.00	0.00
430314	REPAIRS & MAINTENANCE	0.00	2,077.00	2,077.00	0.00
440214	POSTAGE	0.00	10,803.71	9,964.66	(839.05)
450214	EQUIPMENT LEASE	0.00	120,980.70	104,011.00	(16,969.70)
440314	OTHER SUPPLIES	0.00	3,779.92	285.00	(3,494.92)
460114	COMMUNICATIONS	0.00	0.00	0.00	0.00
460214	PUBLICATION, PRINT, SUBS.	0.00	29.97	29.97	0.00
460314	FREIGHT	0.00	0.00	0.00	0.00
460414	CONFERENCES	0.00	0.00	0.00	0.00
460514	EMPLOYMENT DEVELOPMENT	0.00	175.00	175.00	0.00
460614	ADVERTISING	0.00	0.00	0.00	0.00
460814	DATA PROCESSING	0.00	0.00	0.00	0.00
672114	RECOVERY-3NC	0.00	0.00	(130,000.00)	(130,000.00)
		0.00	204,989.14	49,613.67	(155,375.47)

✓ ✓ 47

Lee 3 AM

ATLANTA '88 COMMITTEE, INC. 26-Sep-88
DEPARTMENT BUDGET STATEMENT 11:24 AM
TRANSPORTATION
9/31/88

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400621	SALARIES & WAGES - TRANS.	0.00	121,994.57	185,276.73	63,282.16
400921	INTERNS	0.00	0.00	0.00	0.00
410121	PRO SERVICES	0.00	56,854.40	0.00	(56,854.40)
420121	TRAVEL-IN	0.00	489.46	100.00	(389.46)
420221	STAFF TRAVEL-OUT OF AREA	0.00	1,820.25	1,820.23	0.00
430121	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440121	OFFICE SUPPLIES	0.00	821.46	679.00	(142.46)
440221	POSTAGE	0.00	0.00	0.00	0.00
440321	OTHER SUPPLIES	0.00	34,316.12	30,000.00	(4,316.12)
450321	EQUIP & FURN RENTAL	0.00	2,974.00	3,000.00	2,026.00
460121	COMMUNICATIONS	0.00	0.00	0.00	0.00
460221	MEDIA DEPOT	0.00	6,398.97	3,000.00	(3,398.97)
460321	FREIGHT	0.00	850.00	750.00	(100.00)
460421	CONFERENCES	0.00	0.00	0.00	0.00
460521	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460621	ADVERTISING	0.00	0.00	0.00	0.00
460821	DATA PROCESSING	0.00	0.00	0.00	0.00
460921	PARKING	0.00	5,629.80	5,000.00	(629.80)
461021	LUNCH	0.00	67.94	0.00	(67.94)
461121	HOUSING	0.00	5,226.30	5,000.00	(226.30)
469921	MISCELLANEOUS	0.00	2,606.19	0.00	(2,606.19)
660121	LINCUSINES	0.00	0.00	0.00	0.00
660221	MOTORPOOL	0.00	7,685.29	5,688.00	(1,997.29)
660321	PARKING LOT LEASES	0.00	63,876.68	46,962.00	(16,914.68)
660421	CIVIC CENTER	0.00	38,627.12	25,090.00	(13,537.12)
660521	CHARTER BUSES	0.00	387,211.00	370,032.00	(17,179.00)
660621	SHUTTLE CREW	0.00	19,753.52	13,602.00	(6,151.52)
300621	TRAILER PARKING	0.00	(38,563.80)	0.00	38,563.80
		0.00	738,639.27	700,000.00	(38,639.27)

ATLANTA '88 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 -HOUSING/HOTELS
 8/31/88

28-Sep-88
 11:27 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400623	PERSONNEL	0.00	182,332.47	163,176.22	(19,156.25)
400923	INTERNS	0.00	0.00	0.00	0.00
410123	PRO SERVICES	0.00	10,431.08	0.00	(10,431.08)
420123	STAFF TRAVEL - IN AREA	0.00	1,701.96	2,086.58	384.62
420223	TRAVEL-OUT	0.00	2,548.75	0.00	(2,548.75)
430123	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440123	OFFICE SUPPLIES	0.00	55.91	55.91	0.00
440223	POSTAGE	0.00	0.00	0.00	0.00
440323	OTHER SUPPLIES	0.00	78.62	20.80	(57.82)
450323	EQUIP & FURN RENTAL	0.00	0.00	0.00	0.00
460123	COMMUNICATIONS	0.00	0.00	0.00	0.00
460223	PUBLICATIONS	0.00	0.00	0.00	0.00
460323	FREIGHT	0.00	4,829.08	0.00	(4,829.08)
460423	CONFERENCES	0.00	3,520.15	0.00	(3,520.15)
460523	EMPLOYMENT DEVELOPMENT	0.00	600.00	600.00	0.00
460623	ADVERTISING	0.00	0.00	0.00	0.00
460823	DATA PROCESSING	0.00	0.00	0.00	0.00
460923	PARKING	0.00	0.00	0.00	0.00
461023	LUNCH	0.00	165.00	0.00	(165.00)
461123	HOUSING	0.00	3,545.13	4,545.13	1,000.00
461423	FOOD	0.00	75.90	0.00	(75.90)
		0.00	209,884.05	170,484.64	(39,399.41)

✓ ✓ X

ATLANTA '88 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 FOOD
 8/31/88

25-Sep-88
 11:30 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400624	PERSONNEL	0.00	20,320.04	17,581.75	(2,738.29)
400924	INTERNS	0.00	0.00	0.00	0.00
410124	PROFESSIONAL SERVICES	0.00	39,322.39	30,737.09	(8,585.30)
420124	TRAVEL-IN	0.00	0.00		
420224	TRAVEL-OUT	0.00	0.00	0.00	0.00
430124	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440124	OFFICE SUPPLIES	0.00	0.00	0.00	0.00
440224	POSTAGE	0.00	0.00	0.00	0.00
440324	OTHER SUPPLIES	0.00	52.50	52.50	0.00
450324	EQUIP & FURN RENTAL	0.00	0.00	0.00	0.00
460124	COMMUNICATIONS	0.00	0.00	0.00	0.00
460224	PUBLICATIONS	0.00	0.00	0.00	0.00
460324	FREIGHT	0.00	0.00	0.00	0.00
460424	CONFERENCES	0.00	0.00	0.00	0.00
460524	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460624	ADVERTISING	0.00	0.00	0.00	0.00
460924	DATA PROCESSING	0.00	0.00	0.00	0.00
460924	PARKING	0.00	0.00	0.00	0.00
461024	LUNCH	0.00	0.00	0.00	0.00
461124	HOUSING	0.00	0.00	0.00	0.00
469924	MISC	0.00	0.00	50,210.00	50,210.00
		0.00	59,642.43	98,581.34	38,938.91

✓ ✓ *41*

ATLANTA 69 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 TELECOMMUNICATIONS
 8/31/68

82-802-82
 11:35 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400625	PERSONNEL	0.00	6,702.85	0.00	(6,702.85)
400925	INTERNS	0.00	0.00	0.00	0.00
410125	PROFESSIONAL SERVICES	0.00	33,235.65	33,175.00	(60.65)
420125	TRAVEL-IN	0.00	0.00	0.00	0.00
420225	TRAVEL-OUT	0.00	0.00	0.00	0.00
430125	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440125	OFFICE SUPPLIES	0.00	0.00	0.00	0.00
440225	POSTAGE	0.00	0.00	0.00	0.00
440325	OTHER SUPPLIES	0.00	0.00	0.00	0.00
450325	EQUIP & FURN RENTAL	0.00	10,212.67	15,510.67	5,298.00
460125	TELECOMMUNICATION SERV.	0.00	264,230.23	3,500.00	(260,730.23)
460225	PUBLICATION	0.00	0.00	0.00	0.00
460325	FREIGHT	0.00	34.00	0.00	(34.00)
460425	CONFERENCES	0.00	0.00	0.00	0.00
460525	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460625	ADVERTISING	0.00	0.00	0.00	0.00
460825	DATA PROCESSING	0.00	50,000.00	57,500.00	7,500.00
460925	PARKING	0.00	156.00	0.00	(156.00)
461025	LUNCH	0.00	0.00	0.00	0.00
461125	HOUSING	0.00	0.00	0.00	0.00
469925	MISC	0.00	0.00	0.00	0.00
490025	CONTINGENCY	0.00	0.00	287,593.99	287,593.99
		0.00	304,571.42	397,240.00	92,668.66

✓

✓

✓

ATLANTA 88 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 MEDIA
 8/31/88

26-Sep-88
 11:30 AM
 DEPT 028

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400628	PERSONNEL	0.00	47,859.73	46,933.66	(924.07)
400928	INTERNS	0.00	0.00	0.00	0.00
410128	PRO SERVICES	0.00	0.00	0.00	0.00
420128	STAFF TRAVEL-IN AREA	0.00	83.16	83.16	0.00
420228	STAFF TRAVEL-OUT OF AREA	0.00	394.06	394.06	0.00
430128	RENTAL OF SPACE	0.00	2,199.00	2,199.00	0.00
440128	OFFICE SUPPLIES	0.00	2,121.75	1,481.75	(640.20)
440228	POSTAGE	0.00	8,529.40	12,482.53	3,953.13
440328	OTHER SUPPLIES	0.00	1,186.51	1,099.51	(87.00)
450328	EQUIP. & FURN.-RENTALS	0.00	1,624.13	1,624.13	0.00
460128	COMMUNICATIONS	0.00	0.00	0.00	0.00
460228	PUBLICATION, PRINT, SUBS	0.00	21,173.98	29,964.24	8,790.26
460328	FREIGHT	0.00	50.50	0.00	(50.50)
460428	CONFERENCES	0.00	0.00	0.00	0.00
460528	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460628	ADVERTISING/PUBLIC REL.	0.00	27,859.20	44,989.44	17,130.24
460828	DATA PROCESSING	0.00	0.00	0.00	0.00
460928	PARKING	0.00	0.00	0.00	0.00
461028	LUNCHEON MEETINGS	0.00	133.25	133.25	0.00
461128	HOUSING	0.00	4,254.19	4,244.19	(10.00)
469928	MISCELLANEOUS-OTHER	0.00	398.80	398.80	0.00
		0.00	117,867.86	146,029.72	28,161.86

✓ ✓

✓

ATLANTA '88 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 CONSTRUCTION/CONVENTION FACILITIES
 8/31/88

26-Sep-88
 11:32 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD SUGGET VS YTD ACTUAL
400629	PERSONNEL	0.00	12,021.76	7,722.00	(4,298.96)
400929	INTERNS	0.00	0.00	0.00	0.00
410129	CONSTRUCTION-TURNER	0.00	189,103.50	150,000.00	(39,103.50)
420129	TRAVEL-IN	0.00	0.00		
420229	STAFF TRAVEL-OUT OF AREA	0.00	40.00	40.00	0.00
430129	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440129	OFFICE SUPPLIES	0.00	0.00	0.00	0.00
440229	POSTAGE	0.00	0.00	0.00	0.00
440329	OTHER SUPPLIES	0.00	1,171.96	912.09	(259.87)
450329	SEATING RENTAL	0.00	94,400.00	65,000.00	(29,400.00)
460129	COMMUNICATIONS	0.00	0.00	0.00	0.00
460229	PUBLICATIONS	0.00	0.00	0.00	0.00
460329	FREIGHT AND SHIPPING	0.00	227.95	207.70	(20.25)
460429	CONFERENCES	0.00	0.00	0.00	0.00
460529	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460629	ADVERTISING	0.00	0.00	0.00	0.00
460829	DATA PROCESSING	0.00	0.00	0.00	0.00
460929	PARKING	0.00	0.00	0.00	0.00
461029	LUNCH	0.00	0.00	0.00	0.00
461129	HOUSING	0.00	4,079.86	3,106.97	(972.89)
530029	CONSTRUCTION	0.00	24,924.81	0.00	(24,924.81)
530629	CABLE	0.00	12,370.00	13,000.00	630.00
620129	ARCHITECTS/ONNI MODEL	0.00	127,739.70	251,049.96	123,290.26
660529	ONNI LEASE	0.00	1,319,490.40	1,499,999.62	180,509.22
660629	BICC LEASE	0.00	697,413.50	785,000.02	87,586.52
670029	CAPITAL EXPENDITURES	0.00	2,422,516.00	1,907,000.06	(515,515.94)
671029	CAP. EXP-DECOR.UNITED EXPO	0.00	100,751.37	80,000.00	(40,751.37)
672029	RECOVERY-SKY BOX	0.00	0.00	(30,000.00)	(30,000.00)
* 672129	RECOVERY-SMC	0.00	0.00	(135,000.00)	(135,000.00)
441429	FOOD	0.00	5,500.00	0.00	(5,500.00)
300329	MISC. INCOME	0.00	(7,584.15)	0.00	7,584.15
300429	ANCHOR BOSTH	0.00	(246,301.00)	0.00	246,301.00
300529	BROADCAST PLATFORM	0.00	(117,203.00)	0.00	117,203.00
		0.00	4,640,682.66	4,578,039.22	(62,643.44)

* \$130,000 ML INC

ATLANTA 199 COMMITTEE, INC.
 DEPARTMENT BUDGET STATEMENT
 SECURITY
 5/31/88

29-882-88
 11:33 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400631	PERSONNEL	0.00	77,521.45	55,484.75	(22,036.70)
400931	INTERNS	0.00	0.00	0.00	0.00
410131	PRO SERVICES	0.00	0.00	0.00	0.00
420131	TRAVEL-IN	0.00	0.00	0.00	0.00
420231	STAFF TRAVEL -OUT OF AREA	0.00	301.00	303.00	(198.00)
430131	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440131	OFFICE SUPPLIES	0.00	0.00	0.00	0.00
440231	POSTAGE	0.00	0.00	0.00	0.00
440331	OTHER SUPPLIES	0.00	8,979.77	3,691.48	(5,298.29)
450331	EQUIP & FURN RENTAL	0.00	0.00	0.00	0.00
460131	COMMUNICATIONS	0.00	1,345.57	0.00	(1,345.57)
460231	PUBLICATION, PRINT, SUBS.	0.00	5,226.67	5,226.67	0.00
460331	FREIGHT AND SHIPPING	0.00	680.25	452.75	(227.50)
460431	CONFERENCES	0.00	431.37	0.00	(431.37)
460531	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460631	ADVERTISING	0.00	0.00	0.00	0.00
460831	DATA PROCESSING	0.00	0.00	0.00	0.00
460931	PARKING	0.00	78.00	13.00	(65.00)
461031	LUNCHEON MEETINGS	0.00	3,950.99	2,509.16	(1,441.83)
461131	HOUSING	0.00	0.00	0.00	0.00
469931	MISCELLANEOUS-OTHER	0.00	634.75	118,153.25	117,319.00
490231	SERVICES-CITY OF ATLANTA	0.00	0.00	2,100,000.00	2,100,000.00
490331	SERVICES-FULTON COUNTY	0.00	0.00	351,912.00	351,912.00
490431	SERVICES-STATE OF GEORGIA	0.00	0.00	562,881.00	562,881.00
660331	PARKING LOT LEASES	0.00	74,000.00	74,000.00	0.00
461431	FOOD	0.00	20,855.45	0.00	(20,855.45)
		0.00	199,205.27	3,274,627.56	3,075,422.29

✓ ✓ 47

Companions

CB Commercial - business Promo

ATLANTA '88 COMMITTEE, INC.
DEPARTMENT BUDGET STATEMENT
HOST
8/31/88

07-Sep-88
11:56 AM

ACCOUNT	DESCRIPTION	CURRENT MONTH	YEAR TO DATE	TOTAL BUDGETED AMOUNT	YTD BUDGET VS YTD ACTUAL
400641	PERSONNEL	0.00	71,143.68	70,302.06	(841.62)
400941	INTERNS	0.00	0.00	0.00	0.00
410141	PRO SERVICES	0.00	1,911.70	0.00	(1,911.70)
420141	STAFF TRAVEL-IN AREA	0.00	395.95	345.15	(50.80)
420241	STAFF TRAVEL-OUT OF AREA	0.00	201.27	201.27	0.00
430141	RENTAL OF SPACE	0.00	0.00	0.00	0.00
440141	OFFICE SUPPLIES	0.00	8,645.43	6,800.00	(1,845.43)
440241	POSTAGE	0.00	8,077.13	7,000.00	(1,077.13)
440341	OTHER SUPPLIES	0.00	23,910.00	30,000.00	26,090.00
450341	EQUIP & FURN RENTAL	0.00	0.00	0.00	0.00
460141	COMMUNICATIONS	0.00	440.68	3,396.00	2,955.32
460241	PRINTING	0.00	32,874.99	54,798.00	21,923.01
460341	FREIGHT AND SHIPPING	0.00	121.25	200.00	78.75
460441	CONFERENCES	0.00	74.18	100.00	25.82
460541	EMPLOYEE DEVELOPMENT	0.00	0.00	0.00	0.00
460641	ADVERTISING/PUBLIC REL.	0.00	24,970.13	20,000.00	(4,970.13)
460841	DATA PROCESSING	0.00	0.00	0.00	0.00
460941	PARKING	0.00	199.85	30.00	(149.85)
461041	LUNCH	0.00	36.96	0.00	(36.96)
461141	HOUSING	0.00	9,247.85	440.00	(8,807.85)
461341	ED PROJECTS	0.00	16,275.10	17,000.00	724.90
469941	MISC	0.00	3,085.06	40,000.00	36,914.94
461241	SPECIAL EVENTS-ASOC	0.00	44,036.25	40,000.00	(4,036.25)
490541	EVENTS-PARAGON	0.00	83,186.27	80,000.00	(3,186.27)
490641	C. HENNING STUDIOS	0.00	784,736.11	705,000.00	(79,736.11)
490741	EVENTS-UNITED STPC	0.00	96,019.50	250,000.01	163,980.51
490841	DELEGATE PARTIES	0.00	25,232.20	40,000.00	14,767.80
490941	VOLUNTEER ACTIVITIES	0.00	39,789.54	30,000.00	(9,789.54)
491041	HOST FOOD	0.00	0.00	70,000.00	70,000.00
490141	HOST AIRPORT	0.00	687.66	70,903.00	70,215.34
490241	HOST TOURS	0.00	309,484.15	237,263.99	(72,220.16)
490341	BCLC EVENT	0.00	36,224.00	0.00	(36,224.00)
491141	CONGRESSIONAL FUNCTIONS	0.00	14,401.39	0.00	(14,401.39)
461441	FOOD	0.00	42,660.00	0.00	(42,660.00)
470141	INSURANCE	0.00	330.00	0.00	(330.00)
310120	PRIVATE CONTRIBUTIONS	0.00	(592,453.99)	(490,000.00)	102,453.99
660741	FUND RAISING REVENUES	0.00	(32,347.00)	(468,619.83)	(416,272.83)
		0.00	1,023,187.39	835,181.65	(188,005.74)

1,667 ✓ ✓

AGREEMENT
1996 Democratic National Convention

THIS AGREEMENT is entered into on August 4, 1994, by and among the City of Chicago (the "City"), 1996 Democratic National Convention Committee, Inc. (the "DNCC"), a District of Columbia non-profit corporation affiliated with the Democratic National Committee (the "DNC"); and United Center Joint Venture, an Illinois general partnership ("UCJV").

WHEREAS, the Honorable Richard M. Daley, Mayor of the City of Chicago, by authority of a resolution of the Chicago City Council adopted on April 13, 1994 and published in the City Council Journal of Proceedings at pages 48622-24, through, among other things, the submission of a formal proposal in response to the Request for Proposal issued by the DNC, has invited the Democratic Party to call the 1996 Democratic National Convention (the "Convention") to meet in the City of Chicago; and

WHEREAS, the DNCC was formed to plan and implement, and is vested with the operational and financial responsibility for, the Convention; and

WHEREAS, by authority of the Charter of the Democratic Party, the DNC, acting for and on behalf of the Democratic Party, has accepted said invitation, subject to the execution and delivery of this Agreement obligating the City to provide the facilities, equipment, services, funding and other items which the City has offered in its proposal (and the supplements

thereto) and containing such other terms and conditions as shall be satisfactory to the Chairman of the DNC; and

WHEREAS, it is anticipated that the Convention will attract a substantial number of people to the City, will stimulate substantial economic development in the City and its environs and will generate substantial good will and other benefits for the City and its environs, including substantial opportunities for Chicago firms and for employment of citizens of Chicago; and

WHEREAS, the City and DNCC are committed to achieving the maximum economic benefit for the City of Chicago; and

WHEREAS, the City and the DNCC are committed to working together to achieve efficiencies and cost savings so as to minimize the costs of the Convention to the City; and

WHEREAS, the City and the DNCC are committed to involve and provide opportunities for minorities, women and persons with disabilities in connection with the planning of and provision of goods and services for the Convention; and

WHEREAS, the City and the DNCC desire to obtain from UCJV, and UCJV desires to grant to the City and DNCC, a license to use certain facilities in the United Center for the Convention, pursuant to the terms and conditions provided herein;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto hereby agree as follow:

1. THE CONVENTION

Subject to the terms and conditions of this Agreement, DNCC agrees to cause the Convention to be called in the City during August 1996 to select nominees of the Democratic Party for the offices of President and Vice President of the United States of America, and to take such other actions as the Convention may deem appropriate.

2. DEFINITIONS

For the purposes of this Agreement:

"Contractor" means any person or entity with whom or which the City enters a contract for the provision of goods, facilities or services which the City is obligated to provide under this Agreement.

"Convention Facilities" means and includes, collectively, all of the following: the Licensed Premises (as defined in section 5.1 hereof); the Media Pavilion (as defined in section 9.1 hereof); the auditorium facility described in section 9.2 hereof; the hotel designated by the DNCC as its headquarters; and the Convention Offices.

"Convention Offices" means and includes, collectively, the facilities and spaces described in sections 14.1, 14.2 and 14.3 hereof.

"Convention Proceedings Period" means the period beginning 12:01 a.m. CDT on the day preceding the first day on which the Convention proceedings are scheduled to take place through and

including 9:00 a.m. CDT on the day following the last day on which Convention proceedings take place.

"Limited Access Period" means the period from and including May 23, 1995 through and including the fourth day following the last day on which a game is played at the United Center during the 1995-96 season (including playoff schedule if applicable) of the Chicago Bulls basketball team or, if later, by the Chicago Blackhawks ice hockey team.

"Post-Convention Period" means the period from 9:01 a.m. CDT on the day following the last day on which Convention proceedings take place through and including September 9, 1996.

"Restricted Access Period" means the period from and including the date of this Agreement through and including May 22, 1995.

"Unlimited Access Period" means the period from and including the fifth day following the last day on which a game is played at the United Center during the 1995-96 season (including playoff schedule if applicable) by the Chicago Bulls basketball team or, if later, by the Chicago Blackhawks ice hockey team, through and including 9:00 a.m. CDT on the day following the last day on which Convention proceedings take place.

networks described in section 11.1 and otherwise for use by DNCC staff, in such quantities and including such features as the DNCC shall reasonably request in accordance with a schedule to be determined by the DNCC no later than September 1, 1995 that shall reasonably reflect the incremental build-up of staff and workflow.

11.3. Special application needs. The City shall provide:

(a) a stand-alone computer aided design system, to be installed at the Convention Offices at least 120 days prior to the first day of the Convention Proceedings Period, including all necessary hardware, software and printers; and

(b) wire services as agreed.

11.4. Installation and integration. The City shall provide all services and materials necessary to install and maintain the hardware and software to be provided under this Article 11, and the networks to be created under section 11.1. The City agrees to contract with a mutually acceptable firm to provide consulting with respect to systems integration.

12. TELECOMMUNICATIONS

12.1. Telecommunications system. The City will provide a telecommunications system including such features as the DNCC shall reasonably request and otherwise meeting specifications to be mutually established by the DNCC and the City in consultation with applicable vendors.

12.2. Other facilities and services. The City will provide the following additional items:

- (a) a cellular phone system, including a combination of number of cellular phones and minutes of air time;
- (b) a pager system;
- (c) a two-way radio system;
- (d) satellite uplink and downlink services;
- (e) an electronic voting system for use in the Convention Hall.

12.3. Long distance service. The City shall pay for all long-distance charges incurred by the DNCC at the Convention Facilities and at any media or hospitality lounge to be provided in this Agreement, provided that the City shall not be required to expend for this item in excess of the amount shown in Exhibit A.

13. TRANSPORTATION

13.1. Commitments. The City agrees to provide:

- (a) the use of up to 100 air conditioned buses, a significant number of which (to be mutually determined by the City and DNCC) shall be equipped for access by persons with disabilities, and a significant number of which (to be reasonably determined by the City) shall operate on alternative fuels, during the period from and including a date to be mutually agreed not earlier than August 15, 1996 through and including two days after the last day of the Convention Proceedings Period, with

the provision of the transportation services contemplated herein and to help design plans for overall transportation coordination for the Convention.

14. FACILITIES FOR DNCC OPERATIONS

The City shall provide or procure for the use of the DNCC the following facilities and services for officers, staff and volunteers of DNCC and affiliated organizations:

14.1. Office space. A minimum of 60,000 square feet of office space in a mutually acceptable building, for use as the DNCC's headquarters office, of which 7,500 square feet shall be available to DNCC from and including June 1, 1995 through and including October 12, 1996, and the remainder of which shall be available on a schedule to be mutually agreed, contemplating use of all 60,000 square feet during the period from and including June 1, 1996 through and including September 30, 1996. The City shall cause to be constructed buildouts and other modifications.

14.2. Ticketing operations office. A minimum of 3,500 usable square feet, at at least one location and not more than three locations reasonably acceptable to DNCC and convenient to the hotel district, to serve as a ticketing operations office, during the period from and including July 7, 1996 through and including September 8, 1996.

14.3. Transportation center office. A minimum of 5,000 square feet, at a location acceptable to DNCC, to serve as the

transportation operations center, during the period from and including July 21, 1996 through and including September 8, 1996.

14.4. Access. The Convention Offices shall be available for use by DNCC staff 24 hours a day. A loading dock must be available at the location referred to in section 14.1 on weekends and after working hours during the period from and including July 5, 1996 through the end of the Convention Proceedings Period.

14.5. Utilities. Electricity and water available on a 24-hour basis; heating, ventilation and air conditioning as normally provided, except on a 24-hour a day basis (including weekends) during the Unlimited Access Period, janitorial service and any other utilities and services needed for the Convention Offices.

14.6. Telephone system. A telephone system for use in the Convention Offices prior to installation of the system to be developed and installed under section 12.1 hereof.

14.7. Equipment and supplies. The following items of equipment, facilities and supplies for use in the Convention Offices, in such quantities and of such types as are mutually agreed by the City and the DNCC:

- (a) office furnishings and related items;
- (b) office supplies;
- (c) use of a postage meter and postage;
- (d) use of photocopying equipment, and supplies for and maintenance service for such equipment;

- (e) an account with an overnight courier service and an account with a ground delivery service;
- (f) local messenger service;
- (g) use of audiovisual equipment and subscriptions to cable television service;
- (h) subscriptions to newspapers, magazines and minority publications; and
- (i) office furnishings.

14.8. Staff security. Security for all Convention Offices; a photo identification security system to control access to the Convention Offices; and use of a safe for the DNCC at the location referred to in section 14.1 during the periods such offices are to be available to the DNCC.

14.9. Staff housing. The City shall provide housing and furnishings for DNCC staff as needed on a schedule to be mutually agreed. Such housing shall be conveniently located with respect to the Convention Facilities, the hotel designated by the DNCC as its headquarters and the Convention Offices and shall be otherwise mutually satisfactory to the City and DNCC, provided that the City shall not be required to expend for such housing in excess of the amount specified in Exhibit A.

14.10. Transportation Passes. Up to 40 passes shall be provided, for the City's public transportation system, on a schedule to be mutually agreed.

14.11. Recycling. The City shall involve all Convention-
Offices and other Convention operations in its recycling
initiative to the greatest extent practicable.

15. HOTEL RESERVATIONS SYSTEM

15.1. Reservations system. (a) The City will provide
housing applications and the envelopes and postage necessary to
mail them to prospective Convention attendees requesting housing
in connection with the Convention.

(b) The City will make available the computerized
reservation system of the Chicago Convention and Tourism Bureau
for use in receiving housing applications and assigning
accommodations to Convention participants.

16. PERSONS WITH DISABILITIES

16.1. Statutory requirements. The City shall endeavor in
good faith to ensure that all of the Convention Facilities,
transportation and telecommunications services, staff housing and
other spaces, structures, services and facilities of whatsoever
nature to be procured by the City under this Agreement shall meet
or exceed the applicable requirements of the Americans with
Disabilities Act, 42 U.S.C. § 12181 et seq., and the Illinois
Environmental Barriers Act, 410 ILCS 25/1 et seq.

16.2. Outreach to persons with disabilities. Through its
Mayor's Office for People with Disabilities ("MOPD") and such

REC'D Don - 4/2/96
Sent to Comp. 4/9/96

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

Payee Name Ameritech

Amount \$ 151.01

16% : 24
payment check
has been # 224.95

Date check needed 4/2/96

Vendor invoice number 8/1/96

Purpose of expenditure Telephone service for DNCC offices

PO 960594516

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

Check Preparer [Signature]
Executive Director

Don Davis
Finance Director

Date received _____ Contract # _____

Check # _____ Check receipt confirmation signature: _____
(for pick up only)

Date of check _____

Acct. # _____

Fund Adel/Male

Name/Title _____
Account 629 99-2005-90-0723

Applies to contract line Communications - 62 Comm Code: 9.15-7
Vendor: 402041 K



March 27, 1996

Brad Kiley
 Director of Administration
 Democratic National Convention Committee
 320 N. Clark, Room 600A
 Chicago, IL 60610

- Chairman Co-Chairman
 Edgar Meyer Richard M. Daley Mayor
- Chairman
 Fred C. Rossiter William M. Daley Mayor, Brown & Root
- Letter for
 Executive Director
- Letter to the Board (as of 1/31/96)
- 1. Administration: Fred of the Letter to the Board
 - 2. The National Convention: The National Convention, United States
 - 3. National Convention: Morris Educational, Alan M. McPherson
 - 4. National Convention: National Convention, Alan M. McPherson
 - 5. National Convention: National Convention, Alan M. McPherson
 - 6. National Convention: JMB Realty Corporation, Paul G. Blanton
 - 7. National Convention: Thomas A. Johnson Company, Thomas J. Johnson
 - 8. National Convention: Kraft Foods, Inc., Robert S. Johnson
 - 9. National Convention: Lufkin National Bank, Norman R. Johnson
 - 10. National Convention: Lufkin National Bank, Robert J. Johnson
 - 11. National Convention: Lufkin National Bank, Robert A. Johnson
 - 12. National Convention: McDonald's Corporation, Jack M. Johnson
 - 13. National Convention: McDonald's Corporation, Robert J. Johnson
 - 14. National Convention: McDonald's Corporation, Robert J. Johnson
 - 15. National Convention: McDonald's Corporation, Robert J. Johnson
 - 16. National Convention: McDonald's Corporation, Robert J. Johnson
 - 17. National Convention: McDonald's Corporation, Robert J. Johnson
 - 18. National Convention: McDonald's Corporation, Robert J. Johnson
 - 19. National Convention: McDonald's Corporation, Robert J. Johnson
 - 20. National Convention: McDonald's Corporation, Robert J. Johnson

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item 63 - Communication Systems Cash expense

Vendor: Amertech

Account	Cost
312 832-1996	\$ 224.95
312 832-2515 - new charge	\$ 41.48
credit for paying 832-2515 twice	(\$15.42)
Total	\$151.01

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention

Sincerely,

Don Davis
 Finance Director
 Chicago '96

Accepted and acknowledged:
 1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE

By: Bradley J. Adams Date: 3 27 96

- cc: Nancy Clawson, Counsel, Chicago '96
 Leslie Fox, Executive Director, Chicago '96
 Janet V. Green, Deputy Chief Executive Officer, DNCC
 Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
 Page 45 of 139





731208320199625520061002006100000213860000043881

Please include your 14-digit account number on your check and/or any correspondence ACS



AMERITECH
P O Box 4520
Carol Stream IL 60197 4520

Account Number
312 832 1996 255 9

MAR 1 1996



33957 ZP 1 9 134K 2522 * * * * *
DEMOCRATIC NATIONAL
CONVENTION
510 N PESHTIGO CT FLR 6
CHICAGO IL 60611 4309

43881

CURRENT CHARGES TOTAL
PAST DUE AFTER... MAR 29, 1996 AMOUNT DUE. 438.81

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.

Mail payments to: Ameritech, P.O. Box 4520, Carol Stream, IL 60197-4520

312 832 1996 255 9

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

MAR 1 1996

Previous Bill	Payments Thank You	Adjustments	Past Due Amount	Current Charges	Total Amount
1210.42	996.56	0.00	213.85	224.86	47

DEMOCRATIC NATIONAL CONVENTION 510 N PESHTIGO CT F

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2
Monthly Service
Local Calls
Local and State Additional Charges
Taxes (111 10.70)

TOTAL CURRENT CHARGES



ATTACHMENT E
Page 46 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599516	PV 05 960599516	402041 K	1

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 04/02/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	151.010	151.01
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS: 3/29/96 ---					
TOTAL					151.01

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			151.01
TOTAL									151.01

ATTACHMENT E
Page 47 of 139

ALAINA M. BRIDGES

PREPARED BY	214-4843	<p align="center">DEPARTMENTAL APPROVAL</p> <p align="center">I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above.</p> <p align="center">_____ DATE</p> <p align="right">_____ DATE</p>
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 950599555	PV 05 950599555	402041 U	

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 2500
BEDFORD PARK, IL

604992500

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 01/30/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	13,302.660	13,302.66
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL TELEPHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS. 31283251525 ---					
TOTAL					13,302.66

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			13,302.66
TOTAL									13,302.66

ATTACHMENT F

Page 49 of 139

ALAIN M. BRIDGES

PREPARED BY 214-4843	DEPARTMENTAL APPROVAL I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above _____ DATE _____ DATE
ENTERED BY	
AUDITOR'S APPROVAL	
RECEIVED BY	



Telecommunications

013120832251540404025500932440000000000000000000000000767415

NOV 28 1995

Please include your 14-digit account number on your check and/or any correspondence

AMERITECH

PO Box 2500
Bedford Park IL 60499-2500

Account Number
312 832-2515 255 9

NOV 1, 1995

9 30 S

7674

DEMOCRATIC NATIONAL CONVENTION

738 ZP 1 B 9 B 85007 5DGT
ATTN GENERAL SVCS
510 N PESHTIGO CT FLR 6
CHGO IL 60611-4309

CURRENT CHARGES NOV 28, 1995 TOTAL AMOUNT DUE 76.74

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, PO Box 2500, Bedford Park IL 60499-2500

312 832-2515 255 9

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

NOV 1, 1995

Previous Bill	Payments	Adjustments	Balance	Current Charges	Total Amount Due
				76.74	76.74
				DEMOCRATIC NATIONAL CONVENTION	ATTN GENERAL SVCS

SUMMARY OF CURRENT CHARGES

AMERITECH Monthly Service	8.71
Local Usage Services	3.84
Other Charges and Credits (See Section 1, Page 3) ..	60.48
Local & State Add'l Charges (See Section 1, Page 4)	.08
Taxes (IL 3.65)	3.65
AMERITECH CURRENT CHARGES	76.74
TOTAL CURRENT CHARGES (Late Payment Charge after 11-28)	76.74

ATTACHMENT E
Page 50 of 139



Ameritech

Telecommunications

013120832199640404025500932440000030000000000000005856318

AMERITECH

PO Box 2500
Bedford Park IL 60499-2500

737 ZP 1 B 9 B 85007 SDGT

DEMOCRATIC NATIONAL
CONVENTION
510 N PESHTIGO CT FLR 6
CHGO IL 60611-4309

Please include your 14-digit
account number on your check
and/or any correspondence

Account Number
312 832-1996 255 9

NOV 1, 1995

9 30 S 58563

CURRENT CHARGES NOV 28, 1995 TOTAL AMOUNT DUE 585.63
PAST DUE AFTER

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.

Mail payments to: Ameritech, PO Box 2500, Bedford Park IL 60499-2500

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

312 832-1996 255 9

NOV 1, 1995

Previous Bill	Payments	Adjustments	Balance	Current Charges	Total Amount Due
				585.63	585.63

DEMOCRATIC NATIONAL CONVENTION 510 N PESHTIGO CT FLR 6

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	170.61
Other Charges and Credits (See Section 1, Page 3) ..	386.63
Local & State Add'l Charges (See Section 1, Page 4)	.53
Taxes (IL 27.86)	27.86
AMERITECH CURRENT CHARGES	585.63
TOTAL CURRENT CHARGES (Late Payment Charge after 11-28)	585.63

Ameritech

ATTACHMENT E
Page 51 of 139



0131208321996404040660009324407353300112525900003189604

Please include your 14-digit account number on your check and/or any correspondence

AMERITECH
PO Box 2500
Bedford Park IL 60499-2500

Account Number
312 832-1996 660 0

NOV 2, 1995

9 30 S 342/353
1093363

20 FN 3 B 1 E 85009
CITY OF CHICAGO
CITY OF CHICAGO CNET-DMC
510 N PESHTIGO CT FLR 6
CHICAGO IL 60611-4309

CURRENT CHARGES DUE UPON RECEIPT TOTAL AMOUNT DUE: 10,933.63

Detach and mail top section with your check payable to Ameritech. Write account number on check. PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.

Mail payments to: Ameritech, PO Box 2500, Bedford Park IL 60499-2500

CUSTOM BUSINESS SERVICES

312 832-1996 660 0

BILLING SUMMARY

NOV 2, 1995

Final Bill

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
			11252.59	318.96CR	10933.63

CITY OF CHICAGO

CITY OF CHICAGO CNET-DMC

510 N PESHTIGO CT FLR 6

SUMMARY OF CURRENT CHARGES

AMERITECH	
Other Charges and Credits (See Section 1, Page 1) ..	478.86CR
Itemized Calls (See Section 1, Page 9) .....	.00
Local & State Add'l Charges (See Section 1, Page 10)	.23CR
Taxes (IL 17.17CR)	17.17CR
AMERITECH CURRENT CHARGES	496.26CR

Immediately following are charges from long distance companies. Ameritech provides billing for these companies as a convenience to you so that you do not receive multiple bills. Ameritech is not affiliated in any way with these long distance companies.

Ameritech

ATTACHMENT E
Page 58 of 139



Tolson

01312149511324040405150078041000290000000000000001866413

CENTRAL SERVICES

Please include your 14-digit account number on your check and/or any correspondence

AMERITECH
PO Box 2500
Bedford Park IL 60499-2500

Account Number
312 E95-1132 5153

OCT 16, 1995

9 84 8 019/029
18664

2200 CP 1 B 20 158078 *CR 78
GENRL NATL CONVENTION
510 N PESHTIGO CT
FLR 6
CHICAGO IL 60611-4309

CURRENT CHARGES NOV 10, 1995 TOTAL AMOUNT DUE 186.64
PAST DUE AFTER

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, PO Box 2500, Bedford Park IL 60499-2500

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 E95-1132 5153

OCT 16, 1995

Previous Bill	Payments	Adjustments	Balance	Current Charges	Total Amount Due
				186.64	186.64

GENRL NATL CONVENTION 510 N PESHTIGO CT FLR 6

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	6.76
Other Charges and Credits (See Section 1, Page 3) ..	162.75
Local & State Add'l Charges (See Section 1, Page 4)	.17
Taxes (IL 8.48)(Cty 8.48)	16.96
AMERITECH CURRENT CHARGES	186.64

TOTAL CURRENT CHARGES (Late Payment Charge after 11-10) 186.64



Date 1-24-75
4-29-75
4-30-75

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

Payee Name AmeriTech

Amount 27,996.67

Date check needed

Vendor invoice number 312-336-1996

Purpose of expenditure Phone bill - April 16

PD 0100599527

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:

Check Preparer

Executive Director

Finance Director

Date received

Contract

Check #

Check receipt confirmation signature

(for pick up only)

Date of check

Acct

Name/Title

Fund HEI/1671

Account 629-94-2005-9038-0423

Applies to contract line

COMMUNICATIONS-90

Vendor code

40241K

PERMANENT



April 22, 1996

Brad Kiley
Director of Administration
Democratic National Convention Committee
320 N. Clark, Room 600A
Chicago, IL 60610

Treasury Co-Chair

Jim Edgar
Governor
Richard M. Daley
Mayor

Co-Chair

Harold C. Norrborn
Governor
William M. Daley
Mayor, Brown & Platt

Leslie Fox
Executive Director

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds:

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

<u>Account</u>	<u>Cost</u>
312 336-1996	\$8,141.57

Note: The total invoice was \$21,996.67 out of which \$13,855.10 was charged earlier as part of the attached letter. The \$13,855.10 was determined by subtracting the information call charges (\$1.80, \$3.68, and \$127.80) from the \$13,988.38 "other charges and credits" section of the bill.

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, INC.

By: Budley J. Hickey Date: 4-24-96

cc: Nancy Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
55 of 139





February 29, 1996

Moved To Line 69
installation / more

Mr. Brad Kiley
Director of Administration
Democratic National Convention
320 North Clark Street, Room 600-A
Chicago, IL 60610

Dear Brad:

We seek concurrence of the 1996 Democratic Convention Committee, Inc. (DNCC) for the cash expenditure associated with telecommunication line activation by Ameritech in the expanded DNCC space on the sixth floor of 320 North Clark Street.

The cost breakdown is as follows:

QTY	VENDOR #	DESCRIPTION	UNIT PRICE	EXT'D PRICE
1	Ameritech	Re arrange working eqpt. in 6th floor wiring closet		1080.00
1	Ameritech	Remove dead cable and jumpers on 7th floor		540.00
1	Ameritech	Remove dead cable jumpers on 6th floor		160.00
70	Ameritech	Install 70 analog lines	102.74	7191.80
70	Ameritech	Install 70 LSDN lines	102.74	7191.80
115	Ameritech	Install 115 voice mailboxes	15.00	1725.00
1	Ameritech	material handling		621.00
100	AT&T	100 NT-1 for LSDN lines	180.00	18000.00
100	AT&T	100 Power Supplies for above NT-1	27.00	2700.00

**CASH
ITEM/DESCRIPTION**

**CASH
EXPENDITURE**

Telecommunications

\$39,409.60

The attached cost estimate represents a not-to-exceed upper limit maximum which will be applied to budget line item #63 TELECOMMUNICATIONS.

Please acknowledge the above expenditure by signing, dating, and returning one copy to my attention. Chicago '96 this signed document as our Notice-To-Proceed.

Very truly yours,

Don Davis
Don Davis
Finance Director
Chicago '96

Ameritech
Apr 12th \$8,358.99
May 13th \$13,555.10

Accepted and acknowledged:
1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.

By: *Bradley J. Kiley*
Date: *01 April 1996*

ENCLOSURE
Page 56 E
139





0131203361996404040252009802400000500132523300219966713

Please include your 14-digit account number on your check and/or any correspondence



AMERITECH
PO Box 4520
Carol Stream IL 60197-4520

Account Number
312 336-1996 252 8

APR 16, 1996



2 FN 6 B 1 C 87187
CHICAGO 96
%CORNEILA HEINS
320 N CLARK RM 402
CHICAGO IL 60610-4711

9 82 G

3524900

CURRENT CHARGES
PAST DUE AFTER...

MAY 13, 1996

TOTAL
AMOUNT DUE...

35,249.00

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, PO Box 4520, Carol Stream IL 60197-4520

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 336-1996 252 8

APR 16, 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
			1382.33	21966.67	35249.00
CHICAGO 96		%CORNEILA HEINS		320 N CLARK RM 402	

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	6,523.02
Local Usage Services	492.36
Other Charges and Credits (See Section 1, Page 1) ..	13,988.38
Itemized Calls (See Section 1)	9.71
Local & State Add'l Charges (See Section 1)	17.96
Taxes (IL 965.06)	965.06
AMERITECH CURRENT CHARGES	21,996.49

Immediately following are charges from long distance companies. Ameritech provides billing for these companies as a convenience to you so that you do not receive multiple bills. Ameritech is not affiliated in any way with these long distance companies.

ATTACHMENT E
Page 57 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599527	PV 05 960599527	402041 K	1

REMITTANCE ADDRESS:

AMERITECH
 P.O. BOX 4520
 CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 04/24/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	21,996.670	21,996.67
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
*** VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS: 336-1996 ***					
TOTAL					21,996.67

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			21,996.67
TOTAL									21,996.67

ATTACHMENT E
 Page 58 of 139

PREPARED BY ALAINA M. BRIDGES 214-4843	DEPARTMENTAL APPROVAL I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above. _____ DATE _____ DATE
ENTERED BY	
AUDITOR'S APPROVAL	
RECEIVED BY	

ENTERED APR 27 1996 - REC

RD Done 4/20/96

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

Payee Name AmeriTech

Amount \$ 13,252³³

Date check needed _____

Vendor invoice number 312-336-1996 2528

Purpose of expenditure Phone bill

RD 060549520

Check #

97049366
Check has cleared
5/2/96

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY - DO NOT WRITE BELOW THIS LINE

Approval signatures:

Check Preparer

Executive Director

Finance Director

Date received _____ Accepted and acknowledged _____ Contract # _____

Check # _____ Check receipt confirmation signature: _____

Date of check _____ (for pick up only) _____

Acct # _____ Name _____

Fund Hotel/Hotel Name/Title _____

Applies to contract line Communications - 062

Account 629-99-2005-0038-0423

Vendor Code: 402041K
Comm Code: 91577



April 19, 1996

Brad Kiley
Director of Administration
Democratic National Convention Committee
320 N. Clark, Room 600A
Chicago, IL 60610

Co-Chair: Richard M. Daley, Mayor
Secretary: William Al. Daley, Mayor, Brown & Platt
Leslie Fox, Executive Director

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Amentech

<u>Account</u>	<u>Cost</u>
312 336-1996	\$4,893.34

Note: The total invoice was \$13,252.33 out of which \$8,358.99 was charged earlier as part of the attached letter. The \$8,358.99 was determined by subtracting the information call charges (\$7.82 and \$130.80) from the "other charges and credits" section of the bill.

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, INC.

By: *Sam Miller* Kiley Date: 4/19/96

cc: Nancy Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 60 of 139





477-7117

0131203361996404040252009802400000500000000000132523313

Please include your 14-digit account number on your check and/or any correspondence



AMERITECH
PO Box 4520
Carol Stream IL 60197-4520

Account Number
312 336-1996 252 8

MAR 16, 1996



15 FN 3 B 1 E 46245
CHICAGO '86
% DAVE TKAC
320 N CLARK RM 402
CHGO IL 60610-4711

9 82 G / 1325233

CURRENT CHARGES APR 12, 1996 TOTAL AMOUNT DUE 13,252.33
PAST DUE AFTER

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, PO Box 4520, Carol Stream IL 60197-4520

312 336-1996 252 8

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

MAR 16, 1996

Previous Bill	Payments Thank You	Adjustments	Balance	Current Charges	Total Amount Due
2463.00	2463.00			13252.33	13252.33

CHICAGO '86 % DAVE TKAC 320 N CLARK RM 402

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	4,161.71
Local Usage Services	1.58
Other Charges and Credits (See Section 1, Page 1) ..	8,497.61
Itemized Calls (See Section 1, Page 13) .....	.80
Local & State Add'l Charges (See Section 1, Page 16)	11.47
Taxes (IL 579.18)	579.18
AMERITECH CURRENT CHARGES	13,252.33
TOTAL CURRENT CHARGES (Late Payment Charge after 04-12)	13,252.33



ATTACHMENT E
Page 62 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599520	PV 05 960599520	402041 K	1

REMITTANCE ADDRESS:

AMERITECH
 P.O. BOX 4520
 CAROL STREAM, IL
 601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT
 ACCEPTANCE DATE: 04/20/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	13,252.330	13,252.33
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS. 312 3361996 ---					
TOTAL					13,252.33

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			13,252.33
TOTAL									13,252.33

ATTACHMENT E
 Page 63 of 139

ALAINA M. BRIDGES

PREPARED BY 214-4843	DEPARTMENTAL APPROVAL I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above. _____ DATE _____ DATE _____
ENTERED BY	
AUDITOR'S APPROVAL	
RECEIVED BY	

ENTERED JUN 04 1996

Date ~~5-23-96~~ 5-23-96

PD Done - 6/3/96

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

Payee Name AmeriTech

Amount \$252.22

Date check needed ASAP

Vendor invoice number _____

Purpose of expenditure Communications Systems

832-1996	-W28	220.64	PD	9160599535	9160599535
832-2515	LH 40	24.03			
895-1132	LH 48	7.55			
		<u>\$252.22</u>			

Receipt of goods/service confirmed by: Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:

	
Check Preparer	Executive Director
	Finance Director

Date received _____ Contract # _____

Check # _____ Check receipt confirmation signature: _____
(for pick up only)

Date of check _____

Acct. # _____

ATTACHMENT E
Page 64 of 139

Fund Hotel/otel

Account 629-99-2005-9038-0423

Applies to contract line Communication-962

Comp Code 91577
Vendor Code 41200116



Executive Director: Richard H. Daley, Mayor
Deputy Executive Director: William H. Daley, Mayor, Brown & Plant
Linda Fox, Executive Director

May 22, 1996

Brad Kiley
Director of Administration
Democratic National Convention Committee
320 N. Clark, Room 600A
Chicago, IL 60610

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

Account	Cost
312 832-1996	\$220.64
312 832-2515	\$ 24.03
312 E95-1132	7.55
Total	\$252.22

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention

Sincerely,

Don Davis
Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, INC.

By: *Bradley J. Kulas* Date: 5-22-96

cc: Nancy Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 65 of 131



DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO	VENDOR NUMBER	PAGE
PD 05 960599535	PV 05 960599535	402041 K	-

960599535

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 06/03/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
00 9157700000			EA	252.220	252.22
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
... VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS 5 1/96 ...					
TOTAL					252.22

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			252.22
TOTAL									252.22

ATTACHMENT E

Page 66 of 139

ALAINA M. BRIDGES

PREPARED BY	214-4843
ENTERED BY	
AUDITOR'S APPROVAL	
RECEIVED BY	

DEPARTMENTAL APPROVAL

I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above

DATE

DATE



731208320199625527180002006100000073940000029458

GENERAL SERVICES

Please include your 14-digit account number on your check and/or any correspondence

.....TUE MAY -9 A9:10

AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

TELECOMMUN.

Account Number
312 832-1996 255 9

MAY 1, 1996

.....

29658 ZP 1 B 183C 25281 **SDGT
DEMOCRATIC NATIONAL
CONVENTION
510 N PESHTIGO CT FLR 6
CHICAGO, IL 60611-4309

29458

CURRENT CHARGES MAY 29, 1996 TOTAL AMOUNT DUE 294.58
PAST DUE AFTER

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, P.O. Box 4520, Carol Stream, IL 60197-4520

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 832-1996 255 9

MAY 1, 1996

Previous Bill	Payments Thank You	Adjustments	Past Due Amount	Current Charges	Total Amount Due
448.43	375.40	0.00	73.94	220.64	294.58

DEMOCRATIC NATIONAL CONVENTION 510 N PESHTIGO CT FLR 6

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	170.61
Local Calls	39.32
Local and State Additional Charges .....	.21
Taxes (Ill 10.50)	10.50
TOTAL CURRENT CHARGES	220.64

ATTACHMENT E
Page 67 of 139



731208320251525529180002006100000025010000000098

GENERAL SERVICES Please include your 14-digit account number on your check and/or any correspondence.

..... 96 MAY -9 A9:10

AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

TELECO

Account Number
312 832-2515 255 9

MAY 1, 1996

.....

29659 ZP 1 B 163C 25281 **5DGT
DEMOCRATIC NATIONAL
CONVENTION
ATTN GENERAL SVCS
510 N PESHTIGO CT FLR 6
CHICAGO, IL 60611-4309

098CR

PAYMENT IS NOT REQUIRED

BALANCE 0.98CR

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 832-2515 255 9

MAY 1, 1996

Previous Bill	Payments	Adjustments	Balance	Current Charges	Total Amount Due
25.01CR	0.00	0.00	25.01CR	24.03	0.98CR
DEMOCRATIC NATIONAL		CONVENTION		ATTN GENERAL SVCS	

SUMMARY OF CURRENT CHARGES

AMERITECH

For Detailed Charges - See Page 2

Monthly Service	8.71
Local Calls	12.97
Local and State Additional Charges	1.27
Taxes (111 1.08)	1.08

TOTAL CURRENT CHARGES

24.03

ATTACHMENT E

Page 68 of 139

Ameritech

0131214951132404040515009804100208000000074500000150018
GENERAL SERVICES

Please include your 14-digit account number on your check and/or any correspondence

96 APR 26 P155

.....

AMERITECH
PO Box 4520
Carol Stream IL 60197-4520

TELECOMM

Account Number
312 E95-1132 515 3

APR 16, 1996

9 84 B 200/208
1500

.....

1703 CP 1 A 17 B 97878 CR 3
GENRL NATL CONVENTION
510 N PESHTIGO CT
FLR 6
CHICAGO IL 60611-4309

CURRENT CHARGES MAY 13, 1996 TOTAL AMOUNT DUE 15.00
PAST DUE AFTER

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, PO Box 4520, Carol Stream IL 60197-4520

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

312 E95-1132 515 3

APR 16, 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
			7.45 paid	7.55	15.00
GENRL NATL CONVENTION		510 N PESHTIGO CT		FLR 6	

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	6.76
Other Charges and Credits (See Section 1, Page 1) ..	.10
Local & State Add'l Charges (See Section 1, Page 1)	.01
Taxes (IL .34)(Cty .34 ) .....	.68
AMERITECH CURRENT CHARGES	7.55
<hr/>	
TOTAL CURRENT CHARGES (Late Payment Charge after 05-13)	7.55

ATTACHMENT E
Page 69 of 139

Ameritech

ENTERED APR 27 1996 FD

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

L127

Payee Name Amikel

Amount \$224.48

Date check needed ASAP

Vendor invoice number 932-2515-832-1946

Purpose of expenditure Telephone service for DNCC

Office
ID 960599521

Receipt of goods/service confirmed by Don Davis/Dir

Person requesting disbursement Don Davis/Dir

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

[Signature]
Executive Director

[Signature]
Finance Director

Check Preparer

Accepted and acknowledged.

Date received

1996 Democratic National Convention of TELCO, INC

Contract #

Check #

Check receipt confirmation signature:

(for pick up only)

Date of check

Acct #

Name/Title

ATTACHMENT E
Page 70 of 139

Fund Amikel

Account 629-99-2015-9038-0423

Applies to contract line

Communications - 9605 Comm Code: 915-77
Vendor: 402041K



April 19, 1996

Brad Kiley
Director of Administration
Democratic National Convention Committee
320 N. Clark, Room 600A
Chicago, IL 60610

Honorary Co-Chair
Edgar
Mayor
Richard M. Daley
Mayor
Chair
Harold C. Norwood
Executive Director
William M. Daley
Mayor, Brown & Platt
Leslie Fox
Executive Director

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds.

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

<u>Account</u>	<u>Cost</u>
312 832-1996	\$224.48
312 832-2515	\$ 48.93
Total	\$273.41

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, INC.

By: *Burdette J. Hilde* Date: 4-19-96

cc: Nancy Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 71 of 139





731208320199625525092002006100000224950000044943

GENERAL SERVICES

Please include your 14-digit account number on your check and/or any correspondence

APR -9 A9:04

AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

TELECOMMUNICATIONS

Account Number
312 832-1996 255 9

APR 1, 1996

32252 ZP 1 B 136H 74862 SDGT
DEMOCRATIC NATIONAL
CONVENTION
510 N PESHTIGO CT FLR 6
CHICAGO, IL 60611-4309

44943

CURRENT CHARGES APR 29, 1996 TOTAL AMOUNT DUE 449.43
PAST DUE AFTER

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, P.O. Box 4520, Carol Stream, IL 60197-4520

312 832-1996 255 9

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

APR 1, 1996

Previous Bill	Payments Thank You	Adjustments	Past Due Amount	Current Charges	Total Amount Due
438.81	213.88	0.80	224.86	224.88	449.43

DEMOCRATIC NATIONAL CONVENTION 510 N PESHTIGO CT FLR 6

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	170.81
Local Calls	42.88
Local and State Additional Charges	.21
Taxes (111 - 10.68)	10.68
TOTAL CURRENT CHARGES	224.48



DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO	VENDOR NUMBER	PAGE
PD 05 960599521	PV 05 960599521	402041 K	1

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 04/20/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	224.480	224.48
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC					
*** VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS 1996.2515 ***					
TOTAL					224.48

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			224.48
TOTAL									224.48

ATTACHMENT E
Page 73 of 134

PREPARED BY	ALAINA M. BRIDGES 214-4843	DEPARTMENTAL APPROVAL I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above _____ DATE _____ DATE _____
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		

Date 6-25-96
JD Davis 7/11/96

**DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM**

Payee Name AmeriTech

Amount 8,538.42

ENTERED JUL 15 1996 *JD*

Date check needed _____

Vendor invoice number _____

Purpose of expenditure phone service

PD 960599560

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE.

Approval signatures:

ATTACHMENT E
PAGE 74 OF 139

Check Preparer _____

Executive Director _____

Finance Director _____

Date received _____

Contract # _____

Check # _____

Check receipt confirmation signature
(for pick up only)

Date of check _____

Acct # _____

Name/Title _____

75 4661/1621

Account 629-09-2005-9038-0423

Applies to contract line 63

Code 415-77
Code 045829U

Nominating Co-Chair

Richard M. Dohy
Meyer, Brown & Platt

Co-Chair

Richard C. Neuharth
Meyer, Brown & Platt

Local PAs
Executive Director

Co-Chair in Formation (as of 6/16/96)

- East Laboratories
Joe L. Burstein
- East-Cover Company
David H. Lewis
- East-Temporary Company
D. Chast
- East-Web
David C. Hamilton
- East-Corporation
Lawrence Peltier
- East-Board's Computer
David F. Ketting
- East-Corporation
Thomas G. Ryan
- East-United National Company
David U. Anderson
- East-Advisory/
David R. Ketting
- East-AT
David R. Phillips
- East-Advisory's Corporation
David M. Anderson
- East-International Inc.
David R. Lewis II
- East-Services & Co.
David B. Fox
- East-Consulting Share of Illinois
David F. McElroy
- East-Partners, Inc.
David M. Anderson
- East-Service-Terms Industries
David C. Hamilton
- East-J. Corporation
- East-Board of Trade
David H. Lewis
- East-Board Options Exchange
David B. "Duke" Chastain
- East-Mercedita Exchange
David F. Ketting
- East-Sea-Term
David R. Ketting
- East-Corporation
David M. Anderson
- East-Financial Corporation
David J. Hamilton
- East-Temporary Company
David H. Lewis
- East-Care-Care Company
David C. Hamilton
- East & Lybrand LLP
David E. Taylor
- East & Toronto LLP
David F. Ketting
- East-Development Specialist, Inc.
David A. Hamilton
- East's Flour Foods, Inc.
David A. Hamilton
- East-Daniel & Son Company
David R. Ketting
- East-Industries, Inc.
David J. Hamilton
- East & Young LLP
David C. Hamilton
- East-Field & Son Co.
David W. Field
- East-Chicago M&B Corporation
David L. Hamilton
- East of the Lake
David F. Ketting
- East-Forestry
David F. Ketting
- East's Enterprises, Inc.
David A. Hamilton
- The Hubbell Company
David Lewis
- Norris-Battaglia
Alan G. Battaglia
- Hamilton International, Inc.
William F. Aldinger
- Hvost Corporation
Jay Prasher
- Jones-Dale
Edward J. McNamee
- JMB Realty Corporation
Neil G. Blain
- Thomas J. McNamee Company
Thomas J. McNamee
- Kerr-R Funds, Inc.
Robert S. Morrison
- Labette National Corporation
Harold R. Bates
- Lewis Enterprises Inc.
Richard A. Morrison
- Lorillard North
John Briggs
- Loan Partners, LLC
Robert J. Loan
- Marshall Field's
David J. Smith
- McDonald's Corporation
Jack M. Greenberg
- Montgomery Ward & Co.
Bernard F. Brennan
- JP Morgan
C.H. Randolph Lyon, III
- Moravia, Inc.
Gary L. Taylor
- Norwood Corporation
Paul Evanson
- Northern Trust Corporation
William A. O'Brien
- Palco-Wobler
Alan Risher
- Peoples Energy Corporation
Richard E. Terry
- Sidney L. Post
- The Oneida One Company
William D. Smithburg
- Rail Lines
Andrew Corporation
William J. Tennyson
- Sea-Lee Corporation
John H. Bryan
- Seers, Bantosh and Co.
Arthur C. Morrison
- The ServiceMaster Company
Carlos Gomez
- TCI Communications, Inc.
James M. Lamb
- Tenneco, Inc.
Thomson R. Tennell
- Union
James J. O'Connell
- The Union of the Chicago
Federation of Labor
Lisa Turner
- United Air Lines, Inc.
John A. Edwards
- United Midwest
American Congress
- Walgreen Co.
Charles R. Walgreen, III
- WHX Technologies, Inc.
Philip B. Ramsey
- Xerox Corporation
Paul Altamir



June 25, 1996

Brad Kiley
Director of Administration
1996 Democratic National Convention Committee, Inc.
320 N. Clark, Room 600A
Chicago, IL 60610

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Amertech

<u>Account</u>	<u>Cost</u>
312 336-1996	\$8,538.42

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, Inc.

By: Bradley J. Kiley Date: 26 June 1996

cc: Nancy J. Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 75 of 139



731203360199625219197002306100008758340001729676

Please include your 14-digit account number on your check and/or any correspondence

AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

Account Number
312 336-1996 252

JUN 16 1996

66100 1729676

CHICAGO 96
%CORNELIA HEINS
320 N CLARK RM 402
CHICAGO, IL 60610-4711

CURRENT CHARGES JUL 11, 1996 TOTAL AMOUNT DUE. 17,296.76

Detach and mail top section with your check payable to Ameritech. Write account number on check. PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY. Mail payments to: Ameritech, P.O. Box 4520, Carol Stream, IL 60197-4520

312 336-1996 252

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

JUN 16 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
8758.34	0.00	0.00	8758.34	8538.42	17296.76
CHICAGO 96		%CORNELIA HEINS		320 N CLARK RM 402	

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 3

Monthly Service	6,504.94
Local Calls	1,364.92
Information Charges	202.13
Other Charges and Credits	2.10
Long Distance	23.54
Local and State Additional Charges	9.70
Taxes (Ill 404.23)	404.23
AMERITECH CURRENT CHARGES	8,511.56

Immediately following are charges from long distance companies. Ameritech provides billing for these companies as a convenience to you so that you do not receive multiple bills. Ameritech is not affiliated in any way with these long distance companies.

NCI TELECOMMUNICATIONS



ATTACHMENT E
Page 76 of 139



DETAILED CHARGES

Page :

Billing Questions. Call 1 800 480-2203
Changes in Service. Call 1 312 750-2000

312 336-1996 252

JUN 16 1996

SUMMARY OF CURRENT CHARGES . continued

For Detailed Charges . See Page 27

Long Distance	18.33
Taxes (III .92 ) .....	.92
MCI TELECOMMUNICATIONS CURRENT CHARGES	19.25

SPRINT

For Detailed Charges . See Page 28

Long Distance	7.25
Taxes (III .36 ) .....	.
SPRINT CURRENT CHARGES	7.

TOTAL CURRENT CHARGES

8,538.42

ATTACHMENT E
Page 77 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599560	PV 05 960599560	045829 0	

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL
601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT
ACCEPTANCE DATE: 07/11/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	8,538.420	8,538.42
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS 6/16/96 ---					
TOTAL					8,538.42

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			8,538.42
TOTAL									8,538.42

ATTACHMENT E
Page 78 of 139

ALAINA M. BRIDGES

PREPARED BY 214-4843	<p>DEPARTMENTAL APPROVAL</p> <p>I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above</p> <p>_____ DATE _____ DATE</p>
ENTERED BY	
AUDITOR'S APPROVAL	
RECEIVED BY	

CITY OF CHICAGO
DEPARTMENT OF FINANCE
OFFICE OF THE COMPTROLLER
120 NORTH LA SALLE STREET - ROOM 200 - CHICAGO, ILLINOIS 60602

CITY OF CHICAGO REMITTANCE ADVISE

FUND: 629 VENDOR: 048828 WARRANT NO.: 97106294

DATE	INVOICE NO.	NON-NEGOTIABLE INSTRUMENT DEPT:	VOUCHER NO.	ORDER NO.	AMOUNT
080296	2716/96	OTHER	PV05 96058855	PO05 96059958	*****8,945.00

TOTAL: *****8,945.00

THIS DOCUMENT IS FOR PRINTING OVER A LIGHT GREEN BACKGROUND ON WHITE PAPER

DATE: 08-07 96 TO THE TREASURER OF THE CITY OF CHICAGO WARRANT NO.: 97106294

FUND DEPT. CLERK: 629 99 2005 70483 VENDOR: 048828 U

87106294
710
\$8,945.00

AMBITON
P.O. BOX 4820
CAROL STREAM, IL 601874820




REVERSE SIDE HAS CITY SEAL WATERMARK

David M. Day *Barbara A. Knight*
Treasurer City Controller

Date 6/25/96
PD done 7/11/96

DNCC OFFICE SUPPLY/REIMBURSEMENT CHECK REQUEST FORM ENTERED JUL 15 1996 48

Payee Name Ameritech

Amount \$ 8,758 ³⁴

Date check needed _____

Vendor invoice number _____

Purpose of expenditure phone service

PD 960599554

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:

[Signature]
Don Davis
Executive Director

[Signature]
Don Davis
Finance Director

Check Preparer _____

Executive Director

Finance Director

Date received _____ Accepted and acknowledged by _____ Contract # _____
Democratic National Committee

Check # _____ Check receipt confirmation signature: _____
(for pick up only)

Date of check _____

Acct. # _____

Name/Title _____

ATTACHMENT E
Page 80 of 139

Fund 95 Hotel/Motel

Account 029-99-2005-903-0423 0458294

Applies to contract line 63- 825.44
64- 472.90

Vendor Code 426474
Comm Code 915-77



May 28, 1996

Brad Kiley
Director of Administration
Democratic National Convention Committee
320 N. Clark, Room 600A
Chicago, IL 60610

City Co-Chair
Mayor
Richard M. Daley
Mayor
William M. Daley
Mayor, Brown & Pless
Leslie Fox
Executive Director

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

<u>Account</u>	<u>Cost</u>
312 336-1996	\$8,285.44

Note: The total invoice was \$8,758.34 out of which \$472.90 was charged earlier as part of the attached letter. The \$472.90 was determined by totaling the installation charges in the "other charges and credits" section of the bill.

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, Inc.

By: Bradley J. Kiley Date: 29 May 1996

cc: Nancy Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 81 of 139





0131203361996404040252009802400000500000000000000087583414

Please include your 14-digit account number on your check and/or any correspondence



AMERITECH
PO Box 4520
Carol Stream IL 60197-4520

Account Number
312 336-1996 252 8

MAY 16, 1996



15 FN3 B1 F 83085
CHICAGO 96
%CORNEILA HEINS
320 N CLARK RM 402
CHICAGO IL 60610-4711

9 82 G / 875834

CURRENT CHARGES JUN 12, 1996 TOTAL AMOUNT DUE... 8,758.34
PAST DUE AFTER...

2. Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, PO Box 4520, Carol Stream IL 60197-4520

312 336-1996 252 8

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

MAY 16, 1996

Previous Bill	Payments Thank You	Adjustments	Balance	Current Charges	Total Amount Due
35249.00	35249.00			8758.34	8758.34

CHICAGO 96

%CORNEILA HEINS

320 N CLARK RM 402

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	6,583.02
Local Usage Services	1,109.97
Other Charges and Credits (See Section 1, Page 2) ..	619.64
Itemized Calls (See Section 1, Page 3)	12.14
Local & State Add'l Charges (See Section 1, Page 16)	7.83
Taxes (IL 415.50)	415.50
AMERITECH CURRENT CHARGES	8,748.10
 QAM	
Long Distance (See Section 2, Page 1)	9.75
Taxes (IL .49 ) .....	.49
QAM CURRENT CHARGES	10.24
TOTAL CURRENT CHARGES (Late Payment Charge after 06-12)	8,758.34



ATTACHMENT E
Page 82 of 139

1200 N. CASALE STREET
CHICAGO, IL 60602

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599559	PV 05 960599559	045829 0	1

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 07/11/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	8,758.340	8,758.34
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
*** VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS 312336-1996 ***					
TOTAL					8,758.34

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			8,758.34
TOTAL									8,758.34

ATTACHMENT E
Page 83 of 139

PREPARED BY	ALAINA M. BRIDGES 214-4843	<p>DEPARTMENTAL APPROVAL</p> <p>I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above.</p> <p>_____ DATE _____ DA</p>
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		

FEC PD done 7/30/96

**DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM**

Payee Name AmeriTech

Amount 241.45

Date check needed ASAP

Vendor invoice number _____

Purpose of expenditure	<u>832-1996</u>	<u>221.90</u>	<u>= 6530</u>
	<u>E75-1132</u>	<u>7.65</u>	<u>.LN 50</u>
<u>PDQ60549580</u>	<u>832-2515</u>	<u>11.90</u>	<u>.LN 42</u>
		<u>241.45</u>	

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:


 _____ Executive Director


 _____ Finance Director

Date received _____

Contract # _____

Check # _____

Check receipt confirmation signature:
(for pick up only)

Date of check _____

Account # _____

Fund 75- Hotel/Hotel

Name/Title _____
Account 629-99-2005-9038-0423

Applies to contract line 63

C. code 915-77
V. code 0458294



- Honorary Co-Chair**
Richard M. Daley
Mayor
- Co-Chair**
Richard C. Neubauer
William M. Daley
Mayor, Brown & Pelt
- Chair in Fortification of 6/18/96**
- James Laboratories
Alan L. Brennan
 - James-Corley Company
Edward M. Lewis
 - James Investment Company
Walter D. Chase
 - James C. Neubauer
Richard C. Neubauer
 - James Corporation
Laurence Fuller
 - James-Brown Corporation
Edward F. Kitting
 - James Corporation
James G. Ryan
 - James-Dale Medical Center
James U. Anderson
 - James Anderson
James R. Anderson
 - J&T
James R. Phillips
 - James-American Corporation
James M. Anderson
 - James International Inc.
James R. Anderson
 - James & Co.
James B. Fox
 - James-Crossing State of Illinois
James F. McCarty
 - James Partners, Inc.
James W. Anderson
 - James-Ferris Industries
James C. Miller
 - James J. Conners
 - James Board of Trade
James H. Miller
 - James Board of Trade Exchange
James B. "Duke" Chapman
 - James-Morris Exchange
James F. Smith
 - James-John-Texas
David Miller
 - James Corporation
A.W. Chrysler National
James Center
 - NA Financial Corporation
James J. Miller
 - NA Investment Corporation
James H. Chapman
 - James-Cole Company
James C. Safford
 - James & Lateral L.L.P.
James E. Taylor
 - James & Toledo L.L.P.
James P. Ratz
 - James-Sullivan, Inc.
James A. Brennan, Jr.
 - James's Floor Funds, Inc.
James A. Morrison
 - James-Dawson & Sons Company
James R. Walker
 - James Industries, Inc.
James J. DeMott
 - James & Young L.L.P.
James C. Safford
 - James & Sons Co.
James W. Field
 - James Chicago MSD Corporation
James L. Thomas
 - James of the Lakes
James Ferry
 - James's Enterprises, Inc.
James Adams
 - The Medical Company
David Lipp
 - Morris Brothers
Alan G. Murphy
 - Morris Investment, Inc.
William F. Adams
 - Morris Corporation
Jay Pritchard
 - Morris-Oak
Edward J. McMahon
 - JMB Realty Corporation
Neil G. Blain
 - Thomas J. Morris Company
Thomas J. Morris
 - Morris Funds, Inc.
Robert S. Morris
 - LaSalle National Corporation
Robert B. Blain
 - LaSalle American Van
Lawrence A. Morris
 - LaSalle Morris
James Blain
 - LaSalle Partners, L.L.C.
Robert J. Lutz
 - Marshall Field's
James J. Smith
 - McDonald's Corporation
James M. Grossman
 - McGraw-Hill
James F. Blain
 - JP Morgan
C.M. Robinson, Lynn, III
 - Morris, Inc.
Gary L. Taylor
 - Morris Corporation
Fred Evans
 - Northern Trust Corporation
William A. Quinn
 - Parsons
Alan Ratz
 - Parsons Energy Corporation
Robert E. Terry
 - Parsons L. Park
 - The Quarter Oak Company
William D. Smith
 - Real Estate
Andrew Corporation
William J. Torrey
 - Sears Inc Corporation
James H. Bryan
 - Sears, Roebuck and Co.
Arthur C. Morrison
 - The ServiceMaster Company
James C. Quinn
 - TCI Communications, Inc.
James M. Lutz
 - Texas, Inc.
Thomas R. Taylor
 - United
James J. O'Connor
 - The Union of the Chicago
Federation of Labor
Dan Taylor
 - United Air Lines, Inc.
James A. Edwards
 - United Nations
Andrew Corporation
 - Walgreen Co.
Charles R. Walgreen, III
 - WTR Technology, Inc.
Philip B. Ratz
 - WTR Corporation
Paul Adams

July 22, 1996

Brad Kiley
Director of Administration
1996 Democratic National Convention Committee, Inc.
320 N. Clark, Room 600A
Chicago, IL 60610

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds:

Line item: 63 - Communication Systems Cash expense

Vendor: Amertech

Account	Cost
312 832-2515	\$11.90

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, Inc.

By: Bradley J. Fisher Date: 22 July 1996

- cc: Nancy J. Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 86 of 139



DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599580	PV 05 960599580	045829 0	1

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL
601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT
ACCEPTANCE DATE: 07/30/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	241.450	241.45
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
... VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS: 7/1/96					
TOTAL					241.45

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			241.45
TOTAL									241.45

ATTACHMENT E
Page 87 of 139

ALAINA M. BRIDGES

PREPARED BY	214-4843	<p align="center">DEPARTMENTAL APPROVAL</p> <p align="center">I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above.</p> <p align="right">_____ DATE</p> <p align="right">DA</p>
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		

Please include your 14-digit account number on your check and/or any correspondence.



AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

Account Number
312 832-1996 2559

JUL -1, 1996



49 AV 1 E 2 A 45846 **SDGT
DEMOCRATIC NATIONAL
CONVENTION
320 N CLARK RM 402
CHICAGO, IL 60610-4711

74078

CURRENT CHARGES JUL 29, 1996 TOTAL AMOUNT DUE... 740.78
PAST DUE AFTER...

2. Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, P.O. Box 4520, Carol Stream, IL 60197-4520

312 832-1996 2559

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

JUL 1, 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
518.88	0.00	0.00	518.88	221.90	740.78

DEMOCRATIC NATIONAL CONVENTION 320 N CLARK RM 402

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	170.61
Local Calls	40.52
Local and State Additional Charges .....	.21
Taxes (111 10.56)	10.56
TOTAL CURRENT CHARGES	221.90



ATTACHMENT E
Page 88 of 139

DETAILED CHARGES

Billing Questions, Call 1 800 480-2203
Changes in Service, Call 1 312 760-2000
Repair Service, Call 1 800 884-2660

312 832-1996 256 9

JUL 1, 1986

IMPORTANT INFORMATION

Our records show that you have selected Ameritech as your presubscribed carrier for all of your IntraLATA long distance service. Our records show that you have selected AT&T as your presubscribed carrier for all of your InterLATA long distance service.

NO OTHER CALLING CARD IS EASIER TO USE THAN YOUR AMERITECH CALLING CARD. While long distance carriers may ask you to dial extra digits to place a local call using their calling card, Ameritech still offers the convenience of dialing "0" plus the telephone number. With the Ameritech Calling Card, you simply dial "0" followed by the number you want to reach. After the tone, enter your area code and phone number plus your easy-to-remember PIN (or special 14-digit code, if applicable). If you need a new Ameritech Calling Card, please call 1-800-614-CARD, ext. 421. If you would like to change your 4-Digit Personal Identification Number (PIN), call 1-800-569-9100.

CURRENT CHARGES

Monthly Service - Jul 1 thru Jul 31	
Remote Call Forwarding Service	15.51
Remote Call Fwdg Serv Adj Line	155.10
Total Monthly Service Charges	170.61
Local Calls	
Measured Service	
Local Area Calls	40.52
509 Call(s) during Peak Rate Period totaling 1246 Minute(s)	
312 Call(s) during 10% Discount Period totaling 836 Minute(s)	
15 Call(s) during 40% Discount Period totaling 16 Minute(s)	

ATTACHMENT E
Page 89 of 139

FOR CALLING CODES PLEASE SEE THE BACK OF THE FIRST PAGE

DETAILED CHARGES

Billing Questions, Call 1 800 480-2203
Changes in Service, Call 1 312 750-2000
Repair Service, Call 1 800 884-2660

312 632-1996 255 9

JUL 1, 1996

Local Calls - continued	
Calls Over 8 Miles .....	.00
0 Call(s) during Peak Rate Period totaling 0 Minute(s)	
0 Call(s) during 10% Discount Period totaling 0 Minute(s)	
0 Call(s) during 40% Discount Period totaling 0 Minute(s)	
Calls Over 15 Miles .....	.00
0 Call(s) during Peak Rate Period totaling 0 Minute(s)	
0 Call(s) during 40% Discount Period totaling 0 Minute(s)	
Peak Period is: 9am-8pm, Mon thru Fri	
10% Discount Period is: 8am-9am, 11am-2pm	
8pm-9pm - Mon thru Fri	
0-15 Miles Only	
40% Discount Period is: 9pm-8am - Mon thru Fri and	
All Day Sat, Sun, Holidays	
2096 Total Billed Minute(s)	
Total Measured Service	40.52
Total Local Calls	40.52
Local and State Additional Charges	
State Additional Charges .....	.21
Taxes	
Illinois at 5%	10.66
<hr/>	
TOTAL AMERITECH CURRENT CHARGES	221.90

ATTACHMENT E
Page 90 of 139

FOR CALLING CODES PLEASE SEE THE BACK OF THE FIRST PAGE

PD done - 7/17/96

**DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM**

ENTERED JUL 15 1996 *tlc*

Payee Name AmeriTeal

Amount ~~\$249.57~~ \$274.65

Date check needed ASAP

Vendor invoice number _____

Purpose of expenditure <u>Phone Service For DNCC</u>			
<u>ETS-1132</u>	42.80	<u>7.55</u>	<u>LN 49</u>
<u>832-2515</u>	42.80	<u>42.80</u>	<u>LN 41</u>
<u>832-1996</u>	249.57	<u>224.30</u>	<u>LN 29</u>
<u>PD 900599563</u>		32.57	<u>274.65</u>

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

 Check Preparer
[Signature]
 Executive Director

 Finance Director
[Signature]

Date received _____ Contract # _____

Check # _____ Check receipt confirmation signature: _____
(for pick up only)

Date of check _____

Acct. # _____

ATTACHMENT E
Page 91 of 139

Fund 95-1621/1621 Name/Title _____
Account 629-99-2005-9038-0123

Applies to contract line 63-Communications Code 4000
C. Code 915



June 23, 1996

Brad Kiley
Director of Administration
1996 Democratic National Convention Committee, Inc.
320 N. Clark, Room 600A
Chicago, IL 60610

Richard A. Davis
Altor
William A. Davis
Altor, Brown & Platt
Executive Director

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

<u>Account</u>	<u>Cost</u>
312 832-1996	\$224.30
312 832-2515	42.80
312 E95-1132	<u>7.55</u>
Total	\$274.65

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, Inc.

By: Bradley J. Kiley Date: 24 June 1996

cc: Nancy J. Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 92 of 139



0131214951132404040515009804100239000000075500000151017

Please include your 14-digit account number on your check and/or any correspondence



AMERITECH
PO Box 4520
Carol Stream IL 60197-4520

Account Number
312 E95-1132 515 3

MAY 16 1996



700 CP 1 B 16 M 57798 C 003
GENRL NATL CONVENTION
510 N PESHTIGO CT
FLR 6
CHICAGO IL 60611-4309

9 84 B 229 / 239
510

CURRENT CHARGES JUN 12, 1996 TOTAL AMOUNT DUE 15.10
PAST DUE AFTER..

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY
Mail payments to: Ameritech, PO Box 4520, Carol Stream, IL 60197-4520

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 E95 1132 515 3

MAY 16 1996

Previous Bill	Payments Thank You	Adjustments	Past Due Amount	Current Charges	Total Amount Due
15.00	7.48		7.55	7.55	15.10
GENRL NATL CONVENTION		510 N PESHTIGO CT		FLR 6	

SUMMARY OF CURRENT CHARGES

AMERITECH	
Monthly Service	6.76
Other Charges and Credits (See Section 1, Page 1) ..	.10
Local & State Add'l Charges (See Section 1, Page 1)	.01
Taxes (IL .34)(Cty .34 ) .....	.68
AMERITECH CURRENT CHARGES	7.55
TOTAL CURRENT CHARGES (Late Payment Charge after 06-12)	7.55

ATTACHMENT E
Page 93 of 139





731208320251525528213002006100000000980000004280

GENERAL SERVICES

Please include your 14-digit account number on your check and/or any correspondence. ACS

JUN -7 P 3:39
AMERITECH
P O Box 4520
Carol Stream, IL 60197-4520 TELECOMMUNICATIONS

Account Number
312 832-2515 255 9

JUN 1 1996

30414 ZP B 170K 8595 "5DC"
DEMOCRATIC NATIONAL CONVENTION
ATTN GENERAL SVCS
510 N PESHTIGO CT FLR 6
CHICAGO, IL 60611-4309

4280

CURRENT CHARGES JUL 1, 1996 TOTAL AMOUNT DUE 42.80
PAST DUE AFTER..

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY
Mail payments to Ameritech P O Box 4520 Carol Stream IL 60197-4520

312 832 2515 255 9

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

JUN 1 1996

Previous Bill	Payments	Adjustments	Balance	Current Charges	Total Amount Due
0.98CR	0.00	0.00	0.98CR	43.78	42.80
DEMOCRATIC NATIONAL CONVENTION				ATTN GENERAL SVCS	

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	8.71
Local Calls	31.76
Local and State Additional Charges	1.29
Taxes (TII 2.02)	2.02
TOTAL CURRENT CHARGES	43.78

ATTACHMENT E
Page 94 of 139





731208320199625523155002006100000294580000051888

GENERIC SERVICES Please include your 14-digit account number on your check and/or any correspondence ACS

.....96 JUN -7 P3:38

AMERITECH
P O Box 4520
Carol Stream IL 60197-4520

TELECOMMUNICATIONS

Account Number
312 832 1996 255 9

JUN 1 1996

.....
30413 ZP 1 B 170K 8595 "SDG"
DEMOCRATIC NATIONAL
CONVENTION
510 N PESHTIGO CT FLR 6
CHICAGO IL 60611-4309

51888

CURRENT CHARGES JUL 1, 1996 TOTAL AMOUNT DUE 518.88
PAST DUE AFTER.

.....
Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY
Mail payments to Ameritech P O Box 4520 Carol Stream IL 60197-4520

312 832 1996 255 9

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

JUN 1 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
294.88	0.00	0.00	294.88	224.30	518.88
DEMOCRATIC NATIONAL CONVENTION				510 N PESHTIGO CT FLR 6	

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	170.61
Local Calls	42.81
Local and State Additional Charges .....	.21
Taxes (111 10.67)	10.67
TOTAL CURRENT CHARGES	224.30



ATTACHMENT E
Page 95 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599563	PV 05 960599563	045829 0	

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 07/12/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	274.650	274.65
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS: 5/16/96 ---					
TOTAL					274.65

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			274.65
TOTAL									274.65

ATTACHMENT E
Page 96 of 139

PREPARED BY	214-4843	<p>DEPARTMENTAL APPROVAL</p> <p>I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above.</p> <p>_____ DATE _____ DATE</p>
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

Payee Name Ameritech

Amount \$8,945.99

Date check needed ASAP

Vendor invoice number July 16, 1996

Purpose of expenditure Phone Service

DD 9160544581

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

[Signature]
Check Preparer
Executive Director

[Signature]
Finance Director

Date received _____

Contract # _____

Check # _____

Check receipt confirmation signature: _____

Date of check _____

(for pick up only)

Acct # _____

Name/Title

Fund 95 - Hotel / Motel

Account 629-99-9005-9038-0423

Applies to contract line 63

Vendor: 0458294

Com: 915-77

ATTACHMENT E
Page 97 of 139



731203360199625215226002306100017296760002624275

Please include your 14-digit account number on your check and/or any correspondence

AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

Account Number
312 336-1996 252 8

JUL 16 1996

7 SP 6 E 1 A 78365 SNGLP
CHICAGO 96
%CORNEILA HEINS
320 N CLARK RM 402
CHICAGO, IL 60610-4711

2624275

CURRENT CHARGES
PAST DUE AFTER...

AUG 13, 1996

TOTAL
AMOUNT DUE

26,242.75 8,945.99

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, P.O. Box 4520, Carol Stream, IL 60197-4520

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 336-1996 252 8

JUL 16, 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
17296.76	0.00	0.00	17296.76	8945.99	26242.75
CHICAGO 96		%CORNEILA HEINS		320 N CLARK RM 402	

SUMMARY OF CURRENT CHARGES

AMERITECH

For Detailed Charges - See Page 3

Monthly Service	6,506.78
Local Calls	1,526.97
Information Charges	275.99
Other Charges and Credits .....	.92
Long Distance	18.42
Local and State Additional Charges	9.93
Taxes (Ill 415.80)	415.80
AMERITECH CURRENT CHARGES	8,754.81

INTERNATIONAL TELEMEDIA ASSOC.

For Detailed Charges - See Page 38

Long Distance	79.84
Taxes (Ill 3.99)	3.99
INTERNATIONAL TELEMEDIA ASSOC. CURRENT CHARGES	83.83



ATTACHMENT E
Page 99 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599581	PV 05 960599581	045829 0	1

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 08/01/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 9157700000		1	EA	8,945.990	8,945.99
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS: 7/16/96 ---					
TOTAL					8,945.99

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			8,945.99
TOTAL									8,945.99

ATTACHMENT E
Page 100 of 139

ALAINA M. BRIDGES

PREPARED BY	214-4843	DEPARTMENTAL APPROVAL I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above _____ DATE _____ DATE
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		

PD Done 8/27

ENTERED AUG 22 1996
DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

Payee Name Ameritech

Amount \$22062

Date check needed ASAP

Vendor invoice number •

Purpose of expenditure 8321996

DNCC phone service
PD 960599603

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

[Signature]
Check Preparer
Executive Director

[Signature]
Finance Director

Date received _____

Contract # _____

Check # _____

Check receipt confirmation signature:
(for pick up only)

Date of check _____

Acct. # _____

Name/Title

Fund 95 - Hotel/Hotel

Account 629-99-2005-9038-0423

Applies to contract line 63-communications

CC 915-77

VC 0458294



August 12, 1996

Brad Kiley
Director of Administration
1996 Democratic National Convention Committee, Inc.
320 N. Clark, Room 600A
Chicago, IL 60610

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

Account	Cost
312 832-1996	\$220.62
312 E95-1132	7.76
	<u>\$228.38</u>

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, Inc.

By: Bradley J. Kiley Date: 8-12-96

cc: Nancy J. Clawson, Counsel Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Allan McMillan, Counsel, DNCC

ATTACHMENT E
Page 103 of 139

DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO	VENDOR NUMBER	PAGE
PD 05 960599603	PV 05 960599603	045829 0	

960599603

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 08/20/96

TELEPHONE SERVICE FOR DNCC OFFICES

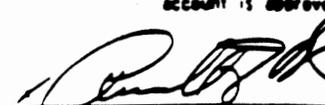
COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 915770000			EA	220.620	220.62
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
... VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS 8 / 96 ...					
TOTAL					220.62

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			220.62
TOTAL									220.62

ATTACHMENT E
Page 102 of 139

PREPARED BY	214-4843	<p style="text-align: center;">DEPARTMENTAL APPROVAL</p> <p style="text-align: center;">I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above</p> <p style="text-align: center;"></p> <p style="text-align: right;">DATE _____</p>
ENTERED BY		
AUDITOR'S APPROVAL		
RECEIVED BY		



731208320199625528214002006100000264260000048488

Please include your 14-digit account number on your check and/or any correspondence.



AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

Account Number
312 832-1996 255 9

AUG 1 1996



24 AV 1 E 2 A 11578 "SDG"
DEMOCRATIC NATIONAL
CONVENTION
320 N CLARK RM 402
CHICAGO, IL 60610-4711

48488

CURRENT CHARGES AUG 29, 1996 TOTAL AMOUNT DUE 484.88
PAST DUE AFTER...

Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY.
Mail payments to: Ameritech, P.O. Box 4520 Carol Stream, IL 60197-4520

312 832 1996 255 9

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

AUG 1 1996

Previous Bill	Payments Thank You	Adjustments	Past Due Amount	Current Charges	Total Amount Due
740.78	476.52	0.00	264.26	220.82	484.88
DEMOCRATIC NATIONAL CONVENTION				320-N-CLARK RM 402	

SUMMARY OF CURRENT CHARGES

AMERITECH

For Detailed Charges - See Page 2

Monthly Service	159.50
Local Calls	57.81
Other Charges and Credits	7.40C
Local and State Additional Charges .....	.21
Taxes (Ill 10.50)	10.50
TOTAL CURRENT CHARGES	220.62

ATTACHMENT E
Page 104 of 139



PD done 8/20/97

DNCC OFFICE SUPPLY REIMBURSEMENT
CHECK REQUEST FORM

Payee Name Ameritech

Amount \$10.24

Date check needed ASAP

Vendor invoice number _____

Purpose of expenditure DNCC Phone Service

PD 960599605

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

Check Preparer

[Signature]
Executive Director

[Signature]
Finance Director

Date received _____

Contract # _____

Check # _____

Check receipt confirmation signature:
(for pick up only)

Date of check _____

Acct. # _____

Name/Title

Fund 95 - Hotel/Hotel

Account 629-99-2005-9038-0423

Applies to contract line 63 - communications

cc: 915-77

cc: 0458294

214 N. CASALE STREET
CHICAGO, IL 60602
DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO	VENDOR NUMBER	PAGE
PD 05 960599605	PV 05 960599605	045825 U	1

REMITTANCE ADDRESS:

AMERITECH
P.O. BOX 4520
CAROL STREAM, IL

601974520

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 08/20/96

TELEPHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
OC 9157700000		1	EA	10.24	10.24
TELEPHONE SERVICES, LONG DISTANCE AND LOCAL					
TELEPHONE SERVICE FOR DNCC OFFICES					
... VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS 81196 ...					
TOTAL					10.24

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			10.24
TOTAL									10.24

ATTACHMENT E
Page 106 of 139

<p>ALAIMA M. BRIDGES</p> <p>PREPARED BY 214-4843</p> <hr/> <p>ENTERED BY</p> <hr/> <p>AUDITOR'S APPROVAL</p> <hr/> <p>RECEIVED BY</p>	<p style="text-align: center;">DEPARTMENTAL APPROVAL</p> <p style="text-align: center; font-size: small;">I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above.</p> <div style="text-align: center;"> <p>DATE _____</p> </div>
---	---



August 18, 1996

Brad Kiley
Director of Administration
1996 Democratic National Convention Committee, Inc.
320 N. Clark, Room 600A
Chicago, IL 60610

Dear Brad:

We seek the concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the expenditure of the following funds

Line item: 63 - Communication Systems Cash expense

Vendor: Ameritech

Account Cost
312 832-2515 \$ 10.24

Please acknowledge the above expenditures by signing, dating and returning one copy of this letter to my attention.

Sincerely,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 Democratic National Convention Committee, Inc.

By: Bradley J. Hill Date: 18 Aug 1996

cc: Nancy J. Clawson, Counsel, Chicago '96
Leslie Fox, Executive Director, Chicago '96
Janet V. Green, Deputy Chief Executive Officer, DNCC
Alfonse McMillan, Counsel, DNCC

ATTACHMENT E
Page 107 of 139

73120832025152552327400200610000001190000000221-

GENERAL SERVICES

Please include your 14 digit account number on your check and/or any correspondence.

AMERITECH
P.O. Box 4520
Carol Stream, IL 60197-4520

Account Number
312 832-2515 255 9

AUG 1 1996

DEMOCRATIC NATIONAL CONVENTION
ATTN GENERAL SVCS
510 N PESHTIGO CT FLR 6
CHICAGO, IL 60611-4309

2214

CURRENT CHARGES AUG 29, 1996 TOTAL AMOUNT DUE 22.14

2. Detach and mail top section with your check payable to Ameritech. Write account number on check. PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY. Mail payments to: Ameritech P.O. Box 4520, Carol Stream, IL 60197-4520

CUSTOM BUSINESS SERVICES BILLING SUMMARY

312 832 2515 255 9

AUG 1 1996

Previous Bill	Payments Thank You	Adjustments	Past Due Amount	Current Charges	Total Amount Due
54.70	42.80	0.00	11.90	10.24	22.14
DEMOCRATIC NATIONAL CONVENTION				ATTN GENERAL SVCS	

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	8.57
Local Calls	.07
Other Charges and Credits	.09CR
Local and State Additional Charges	1.26
Taxes (Ill .43)	.43
TOTAL CURRENT CHARGES	10.24

Ameritech

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

ENTERED IN 7 1995 REC

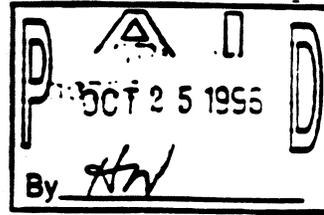
Payee Name Ameritech

Amount \$ 218.44

Date check needed ASAP

Vendor invoice number 09 25 96

Purpose of expenditure phone bill



Receipt of goods/service confirmed by _____

Person requesting disbursement _____

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

Hattie Williams Check Preparer
[Signature] Executive Director
Don Davis Finance Director

Date received 10-17-96 Contract # _____

Check # 2499 Check receipt confirmation signature: _____
(for pick up only)

Date of check 10-25-96

Acct. # _____ Name/Title _____

Fund _____ Account _____

Applies to contract line _____

CHICAGO COMMITTEE FOR 1996

ATTN: DON DAVIS
121 N LA SALLE ROOM 604
CHICAGO IL 60607

2499

2/17/96
BRANCH 011

PAY TO THE ORDER OF

Amertek

Two hundred eighteen dollars and 49/100

DOLLARS

18 49

October 25, 1996



FOR *Phone bill acct # 312 226-082-000-2*
#0021,99# 1:0710000131: 11 651,02#

Don Davis

DNCC OFFICE SUPPLY/REIMBURSEMENT CHECK REQUEST FORM

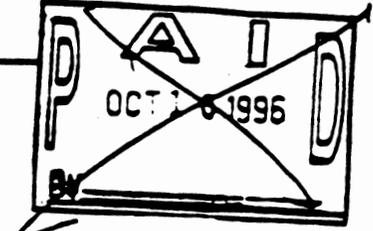
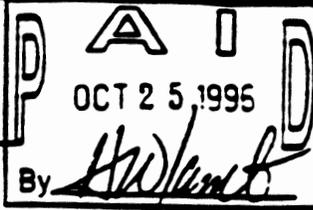
Payee Name Ameritech

Amount \$266.47

Date check needed ASAP

Vendor invoice number 091196

Purpose of expenditure Phone Bill



Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:

Hattie Williams
Check Preparer

[Signature]
Executive Director

Don Davis
Finance Director

Date received 10-11-96

Contract # _____

Check # 2500

Check receipt confirmation signature:
(for pick up only)

Date of check 10-25-96

Acct. # _____

Name/Title

Fund _____

Account _____

Applies to contract line _____



731208320199625524304002006100000124990000014142

Please include your 14-digit account number on your check and/or any correspondence.

AMERITECH
P.O. Box 4520
Carol Stream IL 60197-4520

Account Number
312 832 1996 255 9

SEP 1 1996

38 AVENUE 3A 66933 "5DG"
DEMOCRATIC NATIONAL
CONVENTION
320 N CLARK RM 402
CHICAGO IL 60610-4711

14142

CURRENT CHARGES SEP 30, 1996 TOTAL AMOUNT DUE 141.42
PAST DUE AFTER

2 Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY
Mail payments to Ameritech P.O. Box 4520, Carol Stream, IL 60197-4520

CUSTOM BUSINESS SERVICES
BILLING SUMMARY

312 832 1996 255

SEP 1 1996

Previous Bill	Payments Thank You	Adjustments	Balance	Current Charges	Total Amount Due
484.88	609.87	0.00	124.99CR	266.41	141.42
DEMOCRATIC NATIONAL CONVENTION				320 N CLARK RM 402	

SUMMARY OF CURRENT CHARGES

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	159.50
Local Calls	93.99
Local and State Additional Charges	.25
Taxes (111 12.67)	12.67
TOTAL CURRENT CHARGES	266.41



ATTACHMENT E
Page 113 of 134

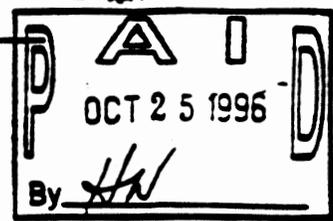
DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

LN 33
LN 52

Payee Name *AmeriTech*

Amount *\$34.78*

Date check needed *ASAP*



Vendor invoice number _____

Purpose of expenditure *832-2516 - \$11.93 LN 33*
875-1132 \$22.85 LN 52

Receipt of goods/service confirmed by *Don Davis*

Person requesting disbursement *Don Davis*

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY - DO NOT WRITE BELOW THIS LINE

Approval signatures:

Hathe Williams
Check Preparer

[Signature]
Executive Director

Don Davis
Finance Director

Date received *10-7-96*

Contract # _____

Check # *2501*

Check receipt confirmation signature:
(for pick up only)

Date of check *10-25-96*

Acct. # *0190*

Name/Title _____

Fund *C '96*

Account _____

Applies to contract line *63 - Tele communications*

CHICAGO COMMITTEE FOR 1996
ATTN: DON DAVIS
121 N LA SALLE ROOM 604
CHICAGO IL 60607

2501

21718
BRANCH 010

PAY TO THE ORDER OF: *American*

Thirty-four dollars and 78/100

October 25, 1996
\$ 34.78

DOLLARS



FOR DEPOSIT ONLY
FOR PHONE BILL A/C # 312 695-1134 953

⑆002501⑆ ⑆07100000131⑆ 1165402⑆

Don Davis
Don Davis

DNCC OFFICE SUPPLY/REIMBURSEMENT CHECK REQUEST FORM

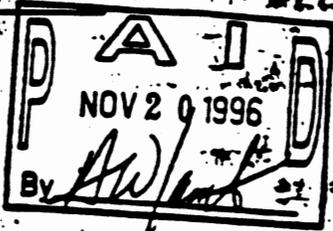
Payee Name Ameritech

Amount 149.53

Date check needed ASAP

Vendor invoice number OCT 29 1996

Purpose of expenditure Phone Bill



832-1996

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:

Hattie Williams
Check Preparer

[Signature]
Executive Director

Don Davis
Finance Director

Date received 11-19-96

Contract # _____

Check # 2585

Check receipt confirmation signature:
(for pick up only)

Date of check 11-20-96

Acct. # _____

Name/Title

Fund _____

Account _____

Applies to contract line _____



731208320199625529337002006100000141420000031594

Please include your 14-digit account number on your check and/or any correspondence ACIS

.....
AMERITECH
P O Box 4520
Carol Stream IL 60197-4520

Account Number
312 832-1996 255 9

OCT 1 1996

.....
29329 AT 1 B 134A 25302 "JDG"
DEMOCRATIC NATIONAL
CONVENTION
320 N CLARK RM 402
CHICAGO IL 60610-4711

31594

CURRENT CHARGES
PAST DUE AFTER

OCT 29, 1996

TOTAL
AMOUNT DUE

~~315.94~~

\$49.53

2 Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY
Mail payments to: Ameritech P O Box 4520, Carol Stream, IL 60197-4520

312 832 1996 255 9

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

OCT 1 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
141.42	0.00	0.00	141.42	174.52	315.94
DEMOCRATIC NATIONAL CONVENTION				320 N CLARK RM 402	- 266.41

SUMMARY OF CURRENT CHARGES

49.53

AMERITECH
For Detailed Charges - See Page 2

Monthly Service	159.50
Local Calls	6.55
Local and State Additional Charges .....	.17
Taxes (111 8.30)	8.30
TOTAL CURRENT CHARGES	174.52



CHICAGO COMMITTEE FOR 1996
ATTN: DON DAVIS
121 N LA SALLE ROOM 604
CHICAGO IL 60607

2585
3-17710
SERIAL 013

PAY TO THE ORDER OF

limited

forty-nine dollars and 53/100

\$ 49.53

DOLLARS

November 29, 1996



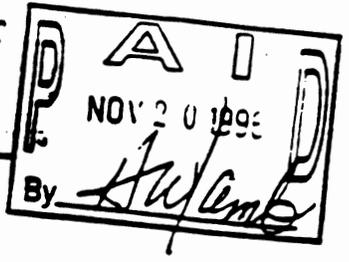
FOR *Phone bill # 312 832-1996-2559*
#002585* :0710000131:

11 6540 2*

[Signature]
Donald R. Davis

STATE BUSINESS SERVICES
BUILDING SUMMARY

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM



Payee Name AmeriTech

Amount \$538,153.77

Date check needed ASAP

Vendor invoice number Nov 13, 1996

Purpose of expenditure phone service

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY DO NOT WRITE BELOW THIS LINE

Approval signatures:

Hattie Williams
Check Preparer

[Signature]
Executive Director

Don Davis
Finance Director

Date received 11-19-96

Contract # _____

Check # 2590

Check receipt confirmation signature:
(for pick up only)

Date of check 11-20-96

Acct. # _____

Name/Title

Fund _____

Account _____

Applies to contract line _____



731203360199625211290002306100666780570066132898

Please include your 14-digit account number on your check and/or any correspondence.

.....

AMERITECH
P.O. Box 4520
Carol Stream IL 60197-4520

Account Number
312 336-1996 252 8

OCT 16 1996

.....

56-1151A 57449
DEMOCRATIC NATIONAL
CONVENTION
%CORNEILA HEINS
320 N CLARK
CHICAGO IL 60610-4711

66132898

538,153.77

CURRENT CHARGES
PAST DUE AFTER..

NOV 13, 1996

TOTAL
AMOUNT DUE

~~661,328.98~~

2 Detach and mail top section with your check payable to Ameritech. Write account number on check.
PLEASE ALLOW FIVE DAYS WHEN PAYING BY MAIL OR AT AN AUTHORIZED AGENCY
Mail payments to: Ameritech P.O. Box 4520 Carol Stream IL 60197-4520

312 336 1996 252

**CUSTOM BUSINESS SERVICES
BILLING SUMMARY**

OCT 16 1996

Previous Bill	Payments	Adjustments	Past Due Amount	Current Charges	Total Amount Due
666780.57	0.00	0.00	666780.57	5451.59CR	661328.98
DEMOCRATIC NATIONAL		CONVENTION		%CORNEILA HEINS	

SUMMARY OF CURRENT CHARGES

AMERITECH

For Detailed Charges - See Page 3

Monthly Service	9,404.85
Local Calls	980.30
Information Charges	48.31
Other Charges and Credits	15,834.28CF
Long Distance	1.56
Local and State Additional Charges	4.17CF
Taxes (Ill 249.43CR)	249.43CF
AMERITECH CURRENT CHARGES	5,652.86CF

AT&T

For Detailed Charges - See Page 267

Information Charges	1.50
Long Distance	178.31
Taxes (Ill 8.99)	8.99
AT&T CURRENT CHARGES	188



ATTACHMENT E
Page 123 of 139

CHICAGO COMMITTEE FOR 1996
ATTN: DON DAVIS
121 N LA SALLE ROOM 604
CHICAGO IL 60602

2590
2 1710
MARCH 01

PAY TO THE ORDER OF

Cimentech

Five hundred thirty eight thousand one hundred fifty three hundred and 77/100 DOLLARS

1 \$ 538,153.77



FOR DEPOSIT ONLY # 312 336-1996 252 8
⑆002590⑆ ⑆0710000013⑆ 11 65402⑆

Donald K. Davis

November 20, 1996

DATE 8/1/96
FEE

ENTERED AUG 07 1996

**DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM**

Payee Name American

Amount 7,971.50

Date check needed Ask P.

Vendor invoice number July 12, 1996

Purpose of expenditure Call phones

PD 960599582

Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

Check Preparer

Executive Director

Finance Director

Date received

Contract #

Check #

Check receipt confirmation signature
(for pick up only)

Date of check

Acct. #

Name/Title

Fund 85 Hotel/Hotel

Account 621-77-2005-9038-0423

Applies to contract line 65



Honorary Co-Chairs

Richard M. Daley
Mayor

Co-Chairs

William M. Daley
Mayor, Brown & Flatt

Let's Go
Lester Berman

in Formation (as of 6/19/96)

- President: The Baker Company
David Levin
- Vice President: Morris Rosenberg
Alan G. Mahoney
- Executive Director: Metropolitan International, Inc.
William F. Alving
- Secretary: Hyatt Corporation
Joy Prater
- Treasurer: Jerald-Otto
Edward J. McManis
- Chairman: JMS Realty Corporation
Neil G. Blanton
- Vice Chairman: Thomas J. Kaminich Company
Thomas J. Kaminich
- Executive Director: Kraft Foods, Inc.
Robert S. Marston
- Secretary: LaSalle National Corporation
Norman R. Bates
- Treasurer: Lessor American Ten
Lessor American Inc.
Richard A. Mottish
- Executive Director: Lombard Martin
John Brown
- Secretary: Linn Partners, LLC
Robert J. Linn
- Chairman: Marshall Field's
Dennis J. Smith
- Vice Chairman: McDonald's Corporation
Jack M. Grossberg
- Executive Director: Messinger Ward & Co.
Bernard F. Brennan
- Secretary: JP Morgan
C.H. Ransome Lyne, III
- Treasurer: Motorola, Inc.
Gary L. Towner
- Executive Director: Perot Systems Corporation
Fred Eversman
- Vice Chairman: Northern Trust Corporation
William A. O'Brien
- Secretary: PaineWebber
Alan Rabin
- Treasurer: Peoples Energy Corporation
Richard E. Terry
- Executive Director: Sidney L. Port
- Secretary: The Quaker Oats Company
William D. Smithberg
- Treasurer: Real Estate
Associates Corporation
William J. Towner
- Executive Director: Sara Lee Corporation
John H. Bryan
- Secretary: Sears, Roebuck and Co.
Arthur C. Marston
- Treasurer: The ServiceMaster Company
Curtis Cook
- Executive Director: TCI Communications, Inc.
James M. Lamb
- Secretary: Tennen, Inc.
Theodore R. Tennen
- Treasurer: Union
James J. O'Conner
- Executive Director: The Union of the Chicago
Federations of Labor
Don Turner
- Secretary: United Air Lines, Inc.
John A. Schwabach
- Treasurer: United Nations
American Congress
- Executive Director: Western Co.
Charles R. Western, III
- Secretary: WRX Technologies, Inc.
Philip B. Rensley
- Treasurer: Xerox Corporation
Paul Altman

June 28, 1996

Brad Kiley
Director of Administration
1996 Democratic National Convention Committee, Inc.
320 North Clark Street
Chicago, IL 60610

Dear Brad:

We seek concurrence of the 1996 Democratic National Convention Committee, Inc. ("DNCC") for the cash expenditure for cell phones and accessories as follows:

EQUIPMENT	CASH VALUE
Thirty cell phones @ \$73.95/mo for 1 month	\$2,218.50
Thirty cell phones @\$49.95/mo. for 1 month	1,498.50
Sales tax	223.02
150 minutes of additional air time per phone @ \$.70/minute for 30 cell phones for July	3,150.00**
TOTAL	\$7,090.02

**Chicago '96 will increase or decrease this amount based on actual monthly usage of cellular phones in June.

Please approve the cash expenditure of \$7,090.02 that will be charged against line item #65, CELLULAR PHONE SYSTEM, by signing, dating and returning one copy of this letter to my attention.

Very truly yours,

Don Davis
Finance Director
Chicago '96

Accepted and acknowledged:
1996 DEMOCRATIC NATIONAL CONVENTION COMMITTEE, INC.

By: Bradley J. Kiley
Date: 21 July 1996

ATTACHMENT E
Page 126 of 139

SUMMARY OF CURRENT CHARGES FOR ACCOUNT 3123390094004

MONTHLY SERVICE CHARGES	5566.26	
AIRTIME CHARGES	1396.64	
TOLL CHARGES	27.20	
ROAMING CHARGES	104.31	
OTHER CHARGES AND CREDITS	152.86	
TAXES	724.23	
TOTAL CURRENT CHARGES AND CREDITS		7971.50

SUMMARY OF CURRENT CHARGES AND CREDITS

MONTHLY SERVICE CHARGES				
DNC120 PRICE PLAN	(34 LINES)			543.60
DNC120 PRICE PLAN	(64 LINES)			3456.00
FREE BILL DETAIL (\$5.00 VALUE)	(1 LINES)			0.00
DNC PHONE RENTAL CHARGE	(34 LINES)			200.98
DNC PHONE RENTAL TAX	(34 LINES)			12.08
DNC PHONE RENTAL CHARGE	(64 LINES)			1276.80
DNC PHONE RENTAL TAX	(64 LINES)			76.80
TOTAL MONTHLY SERVICE CHARGES				5566.26
AIRTIME CHARGES				
DNC120 PRICE PLAN	MINS USED	MINS BILL	RATE	CHARGE
PEAK	4670.0	2561.0	.43	1101.23
OFFPEAK	1124.0	687.0	.43	295.41
	-----	-----		-----
	5794.0	3248.0		1396.64
TOTAL AIRTIME CHARGES				1396.64
TOLL CHARGES				
SEE INDIVIDUAL ACCOUNT DETAIL				
TOTAL TOLL CHARGES				27.20
ROAMING CHARGES				
SEE INDIVIDUAL ACCOUNT DETAIL				
TOTAL ROAMING CHARGES				104.31
OTHER CHARGES AND CREDITS				
INTERCONNECT CHARGE (.02/MIN)				115.88
LATE PAYMENT CHARGE @ 1.5%				36.98
TOTAL OTHER CHARGES AND CREDITS				152.86
TAXES				
FEDERAL TAX				170.29
STATE EXCISE TAX				277.00
STATE TAX				0.00
LOCAL TAX				276.94
* - ADDITIONAL CHARGES DUE TO STATE AND LOCAL TAXES WHERE APPLICABLE:				
TOTAL TAXES				724.23

TOTAL CURRENT CHARGES				7971.50



DIRECT PAYMENT VOUCHER

PURCHASE NUMBER	PAYMENT VOUCHER NO.	VENDOR NUMBER	PAGE
PD 05 960599582	PV 05 960599582	045829 G	1

REMITTANCE ADDRESS:

AMERITECH
PO BOX #4764
CHICAGO

IL
606804764

DELIVERED TO:

OFFICE OF BUDGET & MANAGEMENT

ACCEPTANCE DATE: 08/01/96

CELLULAR PHONE SERVICE FOR DNCC OFFICES

COMMODITY INFORMATION

COMMODITY	CATALOG #	QUANTITY	UNIT	UNIT COST	TOTAL COST
001 7255100000		1	EA	7,971.500	7,971.50
RADIO TELEPHONES (INCLUDING CELLULAR TYPE FOR VEHICLE, MARINE, ETC. USE)					
CELLULAR PHONE SERVICE FOR DNCC OFFICES					
--- VENDOR INVOICE NUMBER FOR THE ABOVE LINE IS. 7/12/96 ---					
TOTAL					7,971.50

ACCOUNTING INFORMATION

BFYR	FUND	DEPT	ORGN	APPR	ACTV	OBJECT	RPTG	JOB/PROJ	TOTAL COST
01	95	629	99	2005	9038	0423			7,971.50
TOTAL									7,971.50

ATTACHMENT E
Page 130 of 139

ALAINA M. BRIDGES

PREPARED BY	214-4843	DEPARTMENTAL APPROVAL I hereby certify that the invoices have not been previously vouchered and that the goods or services indicated were received and that the above account is approved from appropriations as shown above _____ DATE _____ DATE	
ENTERED BY			
AUDITOR'S APPROVAL			
RECEIVED BY			

CITY OF CHICAGO
DEPARTMENT OF FINANCE
OFFICE OF THE COMPTROLLER
 121 NORTH LA SALLE STREET - ROOM 1901 - CHICAGO, ILLINOIS 60602

CITY OF CHICAGO REMITTANCE ADVICE

FUND: 628 VENDOR 045828 6 WARRANT NO.: **97106292**

DATE	INVOICE NO.	NON-NEGOTIABLE INSTRUMENT DEPT.	VOUCHER NO.	ORDER NO.	AMOUNT
080286	172/86	OTHER	PV05 960588882	PO05 960588882	*****7,971.50

TOTAL *****7,971.50

THIS DOCUMENT HAS BLACK PRINTING OVER A LIGHT GREEN BACKGROUND ON WHITE PAPER

DATE: 08-02-86 TO THE TREASURER OF THE CITY OF CHICAGO SERIAL NUMBER **97106292**

87106282

FUND DEPT. CHEN. 0658
628 88 1005 045828

VENDOR 045828
TO THE ORDER OF

2-439
710

\$7,971.50

AMERITECH
PO BOX 74284
CHICAGO

608804784



REVERSE SIDE HAS CITY SEAL WATERMARK

Barbara A. Keyser
CITY COMPTROLLER

R SERVICES
X 4764
IL 60680-4764

Ameritech

	ACCOUNT NUMBER	PAYMENT DUE	BALANCE DUE	AMOUNT ENCLOSED
08.12.1996	3123390094004	AUG 06, 1996	\$ 7971.50 7971.50	\$ 7971.50

80000000000000000000400000312339009400040000001043660000007

2 --11 F 1 A 91960
DNC C O CHICAGO 96
SHIRLEY ROMADANI
320 N CLARK FL 6
CHICAGO IL 60606

REMIT CHECK PAYABLE TO:

AMERITECH
P.O. BOX 4764
CHICAGO, IL 60680-4764

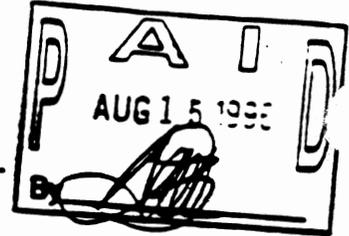
|||||

ATTACHMENT E
Page 132 of 139

ENTERED AUG 15 1996

2760

DNCC OFFICE SUPPLY/REIMBURSEMENT CHECK REQUEST FORM



Payee Name Ameritech Cellular Services

Amount ~~\$61,435.50~~ \$61,826.75

Date check needed ASAP

Vendor invoice number N/A

Purpose of expenditure Immediate purchase of cellular phone & cards and rental of Ameritech equipment for DNCC.

* Please do not release check w/o agreement between Ameritech & DNCC *
* Ameritech will not deliver goods w/o payment in full *

Receipt of goods/service confirmed by SPACEY McNULTY

Person requesting disbursement Spacey McNulty

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:

[Signature]
Check Preparer

[Signature]
Executive Director

[Signature]
Finance Director

Date received 8/14/96

Contract # _____

Check # 2007 1915

Check receipt confirmation signature:
(for pick up only)

Date of check 8/15/96 8/19/96

Acct # 081

Name/Title

Fund _____

Account Cellular Phone System

Applies to contract line



To: Democratic National Convention

Date: August 13, 1996

Re: Cellular & Paging Service Invoice

Rec'd
6-10-96
8/13/96

Per your Technology Request PO 0027, a payment of \$66,453.50 will be required in order to establish the requested services.

The following details the breakdown of these charges.

<u>Description</u>	<u>Quantity</u>	<u>Per Unit</u>	<u>Total</u>
Cellular telephone including 2 batteries and charger	210	49.95	10,489.50
\$30 Pre-paid cellular phone card	100	30.00	3,000.00
\$60 Pre-paid cellular phone card	100	60.00	6,000.00
\$90 Pre-paid cellular phone card	100	90.00	9,000.00
\$120 Pre-paid cellular phone card	100	120.00	12,000.00
Flex Pager - 1 week prior to convention	360	21.95	7,902.00
- Week of convention	360	24.95	8,982.00
Flex Pager - 3 weeks prior to convention	100	21.95 (x3)(x1)	2,145.00 6,585.00
- Week of convention	100	24.95	2,495.00
TOTAL AMOUNT DUE			66,453.50 64,256.50

Payments should be made payable to Ameritech Corporation and forwarded to:

Ameritech Corporation
Attn: Denise Roberts
225 W Randolph HQ-5C
Chicago, Illinois 60606

\$ 61,826.75

per Laura Nutini and Candace Amador

CHICAGO COMMITTEE FOR 1996

ATTN: DON DAVIS
121 N. LA SALLE, ROOM 804
CHICAGO, IL 60602

1915

2 17710
BRANCH 813

PAY TO THE ORDER OF

Deposit
Eighty-one thousand eight hundred twenty-six dollars and 75/100
August 14, 1996

FIRST CHICAGO
The First National Bank of Chicago
Chicago, Illinois 60610

100 DOLLARS

Bill Hones, Only - Initial Equipt. for NW

Donald R. Davis

⑆001915⑆ ⑆071000013⑆ ⑆⑆ 65402⑆

DNCC OFFICE SUPPLY/REIMBURSEMENT
CHECK REQUEST FORM

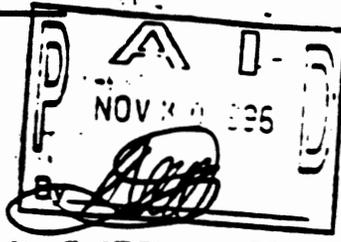
Payee Name AmeriTech

Amount \$6348.04

Date check needed ASAP

Vendor invoice number 11-15-96

Purpose of expenditure Pagers



Receipt of goods/service confirmed by Don Davis

Person requesting disbursement Don Davis

All requests for check disbursement must be accompanied by the original invoice or receipts.

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Approval signatures:
[Signature]
Check Preparer

[Signature]
Executive Director

[Signature]
Finance Director

Date received 11/21/96

Contract # _____

Check # 2610

Check receipt confirmation signature:
(for pick up only)

Date of check 11/30/96

Acct # _____

Name/Title

Fund _____

Account _____

Applies to contract line _____



Paging Statement

PAGE NUMBER	
INVOICE DATE	11/15/96

Direct all correspondence
(other than payments) to
1515 Woodfield Road
Schaumburg, IL 60173

ACCOUNT NUMBER	0002017413	AMOUNT DUE	6,348.04
----------------	------------	------------	----------

9611159612050000000000634804000201741307



9491 AT 1 B 36 A 65014 **3DGT
DNC C/O CHICAGO 96
ATTN STACY MCNULTY
320 NORTH CLARK STREET
4TH FLOOR
CHICAGO IL 60610-4711

MAIL PAYMENT TO:

AMERITECH
PO BOX 740076
CINCINNATI, OH 45274-0076

PAYMENT DUE DATE ON RECEIPT

A FINANCE CHARGE OF 1.50% WILL BE APPLIED TO ALL OVER DUE BALANCES.

PURCHASE ORDER	INVOICE DATE	MESSAGE AREA	ACCOUNT NUMBER
	11/15/96		0002017413
REFERENCE	DESCRIPTION OF CHARGES	AMOUNT DUE	
	PREVIOUS BALANCE AS OF 10/15/96	6,262.36	
	Finance Charge On 11/14/96	85.68	
CURRENT PERIOD ACTIVITY			85.68
TOTAL AMOUNT DUE			6,348.04
FOR BILLING INQUIRIES CALL 1-800-765-7243			

...connecting on December 16, shipping & handling charges will apply to most calls.
...exchanges & returns. To avoid these charges, stop by our full service American Store
or Dealer for your customer service needs.

PAYMENTS AND TRANSACTIONS OCCURRING AFTER 11/14/96 WILL APPEAR ON YOUR NEXT INVOICE.

CURRENT	1 - 30 DAYS	31 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	TOTAL DUE
85.68	292.03	5,970.33	0.00	0.00	6,348.04



109 U754/295

ATTACHMENT E
Page 137 of 139



Paging Statement

PAGE NUMBER	
INVOICE DATE	10/15/96

Direct all correspondence
other than payments to
1515 Woodfield Road
Schaumburg, IL 60173

ACCOUNT NUMBER	0002017413	AMOUNT DUE	6,262.36
----------------	------------	------------	----------

961015961104000000000626236000201741303



9786 AT 1 B 36 A 19672 **3DGT
DNC C/O CHICAGO 96
ATTN STACY MCNULTY
320 NORTH CLARK STREET
4TH FLOOR
CHICAGO IL 60610-4711

MAIL PAYMENT TO:

AMERITECH
PO BOX 740076
CINCINNATI, OH 45274-0076

PAYMENT DUE DATE **ON RECEIPT**

A FINANCE CHARGE OF 1.50% WILL BE APPLIED TO ALL OVER DUE BALANCES.

PURCHASE ORDER	INVOICE DATE	MESSAGE AREA	ACCOUNT NUMBER
	10/15/96		0002017413
REFERENCE	DESCRIPTION OF CHARGES		AMOUNT DUE
	PREVIOUS BALANCE AS OF	09/15/96	13,638.39
	Finance Charge On	10/07/96	200.76
	Statement On	10/08/96	7,291.38CR
	Finance Charge On	10/14/96	91.33
312-400-8449	ALPHA NUMERIC SERVICE	09/30/96 11/07/96	114.14CR
312-400-8479	ALPHA NUMERIC SERVICE	09/30/96 11/07/96	114.14CR
312-400-8570	ALPHA NUMERIC SERVICE	09/30/96 11/07/96	114.14CR
312-400-8570	*** Pager Subtotal -->	09/30/96 11/07/96	342.42CR
	STATE TELECOMM TAX		17.13CR
	ADDL CHRGMUNICIPAL		17.13CR
	CURRENT PERIOD ACTIVITY		84.65CR
	TOTAL AMOUNT DUE		6,262.36
	FOR BILLING INQUIRIES CALL 1-800-765-7243		

If you wish to change your pager number to a new 888 number, you may do so now. If you wish to change your pager number to a new 773 number, you may do so after Feb 15. Ameritech cannot guarantee that your current pager number will be available in the new area code.

PAYMENTS AND TRANSACTIONS OCCURRING AFTER 10/14/96 WILL APPEAR ON YOUR NEXT INVOICE.

CURRENT	1 - 30 DAYS	31 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	TOTAL DUE
292.03	5,970.33	0.00	0.00	0.00	6,262.36



ATTACHMENT E
Page 138 of 139

CHICAGO COMMITTEE FOR 1996

ATTN: DON DAVIS
121 N LA SALLE ROOM 604
CHICAGO, IL 60602

2610

2-1774
BRAND 813

November 27, 1996

PAY TO THE ORDER OF

Questech

Five thousand three hundred forty eight dollars and 00/100

FIRST CHICAGO
The First National Bank of Chicago
Chicago, Illinois 60610

DOLLARS

for
Davis

David Davis

⑆002610⑆ ⑆071000013⑆ 11 65402⑆