

1/24/77

CONGRESSIONAL AUDIT REPORT

BERKLEY BEDELL

Candidate/Committee: The People to Re-Elect Bedell Committee

State: Iowa

District: 6

Location: Western Iowa - Sioux City

Political Party Affiliation: Democrat

Major Opponent(s): JoAnne Soper - Republican

Other Candidates Audited: Soper

Votes Cast: General Election - Bedell. . .133,507; Soper. . .62,292

Primary Election - None

Total Receipts for Period: \$99,220.19

Total Expenditures for Period: \$94,538.87

First Elected (if applicable): 1974

1970160110



FEDERAL ELECTION COMMISSION

125 K STREET, N.W.
WASHINGTON, D.C. 20543

January 24, 1978

Honorable Berkley W. Bedell
406 Federal Building
Ft. Dodge, Iowa 50501

Dear Congressman Bedell:

Enclosed for your information is a copy of the final audit report of the People to Re-elect Bedell Committee which was approved by the Commission on December 1, 1977.

As of this date, all audit reports pertaining to the random audits conducted within your District have not yet been approved by the Commission. However, while Commission policy regarding the public release of Congressional random audit reports is to issue the reports of all audits conducted within the District as a full District release, the policy further provides for the public issuance of an audit report which has been approved by the Commission for more than thirty days. Therefore, upon notice by return receipt that your informational copy of the report has been received (within approximately five days), it will be issued publicly by the Commission as a partial District release.

Should you have questions regarding the public release of these audit reports, please contact Mr. David Fiske of the Commission's Press Office at (202) 523-4065 or toll free at (800) 424-9530. Any questions you may yet have related to matters covered during the audit or in the audit report should be directed to Mr. Thomas Haselhorst or Mr. Craig Russell of the Audit Division at (202) 523-4155 or at the above toll free number.

Sincerely,

Robert J. Costa
Assistant Staff Director
for the Audit Division

Enclosure as stated

COPIED TO: _____
REPLY RECEIPT REQUESTED





FEDERAL ELECTION COMMISSION

1125 K STREET, N.W.
WASHINGTON, D.C. 20543

January 24, 1978

Mr. MacDonald Smith, Treasurer
People to Re-elect Bedell Committee
632 Badgerow Building
Sioux City, Iowa 51101

Dear Mr. Smith:

Enclosed for your information is a copy of the final audit report of the People to Re-elect Bedell Committee which was approved by the Commission on December 1, 1977.

As of this date, all audit reports pertaining to the random audits conducted within your District have not yet been approved by the Commission. However, while Commission policy regarding the public release of Congressional random audit reports is to issue the reports of all audits conducted within the District as a full District release, the policy further provides for the public issuance of an audit report which has been approved by the Commission for more than thirty days. Therefore, upon notice by return receipt that your informational copy of the report has been received (within approximately five days), it will be issued publicly by the Commission as a partial District release.

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Sincerely,

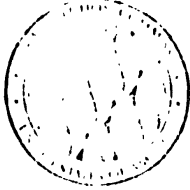
Robert J. Costa
Assistant Staff Director
for the Audit Division

Inclosure as stated

CERTIFIED MAIL:
RETURN RECEIPT REQUESTED



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FEDERAL ELECTION COMMISSION

1325 K STREET, N.W.
WASHINGTON, D.C. 20463

REPORT OF THE AUDIT DIVISION ON THE PEOPLE TO RE-ELECT BEDELL COMMITTEE

I. Background

A. Overview

This report is based upon an audit of The People to Re-Elect Bedell Committee ("the Committee") undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy 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 438(a)(8) of Title 2 of the United States Code which directs the Commission to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of the Act.

The Bedell Rally Committee originally registered with the Federal Election Commission on January 5, 1976, as an affiliated committee of the terminating People for Bedell Committee (active during the 1974 campaign). When the Rally Committee's fundraising activity ended, it terminated on March 31, 1976, and transferred its cash-on-hand into The People to Re-Elect Bedell Committee, which registered with the Federal Election Commission on January 28, 1976. The People to Re-Elect Bedell Committee is the principal campaign committee for the Honorable Berkley Bedell, candidate for re-election to the U.S. House of Representatives from the 6th District of Iowa. The Committee maintained its headquarters in Sioux City, Iowa.

The audit covered the period December 9, 1975, through June 30, 1977. During that period the Committee reported beginning cash of \$-0-, total receipts of \$99,220.19, total expenditures of \$94,538.87, and ending cash of \$4,681.32.

This audit report is based on documents and working papers supporting each of the factual statements. They form part of the record upon which the Commission based its decisions on the matters in this report and were available to Commissioners and appropriate staff for review.

B. Key Personnel

The principal officers of the Committee during the period of the audit were Mr. MacDonald Smith, Chairman, and Co-Treasurer; Mr. Dean Loss and Mr. H. F. Schroeder, Co-Vice Chairpersons and Ms. Maxine Yager, Co-Treasurer.

C. Scope

The audit included such tests as verification of reported receipts and expenditures and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and, such other audit procedures as deemed necessary under the circumstances.

II. Auditor's Statement and Description of Findings

It is the opinion of the Audit staff, based upon examination of the reports and statements filed and the records presented, that, except for the deficiencies noted below, the reports and statements of the People to Re-Elect Bedell Committee fairly present the financial activities of the Committee for the period covered by the audit. Further, except as noted below, no material problems in complying with the Federal Election Campaign Act were discovered during the course of the audit.

A. Itemization of Individual Contributors

Section 434(b)(2) of Title 2 of the United States Code requires a committee to disclose the full name, mailing address, occupation and principal place of business of each person whose contributions to or for the committee aggregate in excess of \$100 during a calendar year, together with the amount and date of each contribution.

During the audit the following findings were identified:

a. Fourteen contributions (16.0% of the itemizable contributions) aggregating in excess of \$100 from 12 individuals were reported as unitemized receipts. The contributors' names and cities of residence were disclosed on supplementary attachments submitted in partial support of unitemized totals for voluntary disclosure of all contributors. These contributions, ranging in amounts from \$10 to \$100, totaled \$1,080 (12.3% of the itemizable amount).

b. Five (5) contributions (4.6% of the itemizable contributions) aggregating in excess of \$100 had been received, but were neither itemized as required nor disclosed on a supplementary attachment. The amounts were included as unitemized receipts. These contributions, ranging in amounts from \$10 to \$100, totaled \$292.50 (4.5% of the itemizable amount).

c. The reported amounts for four (4) contributions differed from the amounts entered on the Committee's records. The net result of this amounted to an underreporting of \$63 (.7% of the total itemizable amount).

d. The Committee's reports omitted adequate information regarding the occupation and principal place of business for 40 contributions requiring itemization, representing 45.5% of the total itemizable contributions.

e. The Committee failed to itemize an in-kind contribution of \$110.00 (1.3% of the total itemizable amount).

We recommended to the Committee that reasonable attempts be made to obtain the necessary contributor information and to include this additional information or documentation of best efforts to obtain such information with other corrections and additions in a comprehensive amendment for 1976. The treasurer acknowledged their need to correct the public record regarding these matters. The Committee agreed to obtain the information and to file an amended report as recommended.

Recommendation

It is the recommendation of the Audit staff that the Commission take no additional action since the appropriate amendment was received on September 12, 1977.

B. Itemization of Transfers Received

Section 434(b)(4) of Title 2 of the United States Code requires that all funds transferred between political committees be itemized, regardless of amount.

During the audit, it was determined that three (3) transfers (7.7% of the transfers received) from political committees had not been itemized as required. These transfers, ranging in amounts from \$25 to \$250, totaled \$375 (1.6% of the total itemizable amount).

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We recommended that the Committee itemize these transfers and adjust the appropriate summary sheet totals in its comprehensive amendment for 1976. The Committee agreed to amend these items accordingly.

Recommendation

As the information was correctly disclosed in the amendment received September 12, 1977, no further action is recommended.

C. Disclosure of Debts and Obligations

Section 434(b)(12) of Title 2 of the United States Code requires disclosure of the amount and nature of debts owed by the Committee and the continuous reporting of those debts until extinguished.

The review of debts and obligations determined that, as of June 30, 1977, the Committee had outstanding debts of \$602.69 owed to the Candidate for campaign-related expenses, and a \$2,500 outstanding bank loan which were not disclosed as debts and obligations owed by the Committee. We recommended that the Committee submit an amended FEC Schedule C to reflect the debts yet outstanding. The treasurer agreed to amend the report as requested.

Recommendation

As the appropriate information was disclosed on the comprehensive amendment for 1977 received on September 12, 1977, we recommend no further action.

D. Other Matters

Presented below are matters noted during the audit for which the staff feels no Commission action is warranted:

a. During the review of receipts, it was noted that in 12 of 19 instances the Committee failed to deposit receipts from 17 fundraising events within the required ten (10) day period. One (1) deposit was 73 days and another 46 days from receipt. The remaining ten (10) did not exceed 23 days.

The Committee was advised of the provisions of Part 103.3(a) of the Code of Federal Regulations regarding deposit time requirements. The Treasurer assured that future deposits will be timely.

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b. During the course of the audit, it was found that 11 of 245 total expenditures aggregating in excess of \$100 lacked adequate supporting documentation. However, all cancelled checks were available and the expenditures were reported properly to the Commission.

We recommended that the Committee increase its future efforts to obtain sufficient documentation of expenditures as required in Part 102.9(c) of the Code of Federal Regulations. The Treasurer replied affirmatively to the notification.

c. During review of Committee solicitation material, it was found that the required solicitation notice was either omitted or in altered form on two (2) of four (4) pieces of literature.

The Committee was advised of its responsibility regarding this requirement. The Treasurer assured us that all future Committee solicitation material would contain the necessary notice prescribed in Section 435(b) of Title 2 of the United States Code.

All of the findings listed above appear to have been caused by clerical oversight.

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