



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 27, 1986

MEMORANDUM

TO: FRED EILAND
CHIEF, PRESS OFFICE

FROM: ROBERT J. COSTA *RJ*
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: PUBLIC ISSUANCE OF FINAL AUDIT REPORT -
AMERICANS WITH HART, INC.

During the Open Session of June 26, 1986, the Commission approved the subject audit report (Agenda Document #86-60).

The attached copy of this report may be released to the public.

Attachment as stated

cc: FEC Library
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✓ Public Record

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The audit covered the period from the Committee's inception, April 26, 1982 ^{2/} through July 31, 1984, the final coverage date of the last report filed at the time of the audit. In addition, certain financial activity was reviewed through October 31, 1984. The Committee reported a beginning cash balance of \$-0-, total receipts for the period of \$22,226,334.53, total disbursements for the period of \$22,074,699.05 and a closing cash balance on July 31, 1984 of \$151,635.48.

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

B. Key Personnel

The principal officer of the Committee during the period audited was Mr. Michael R. Moore, Treasurer.

C. Scope

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

II. Findings Related to Title 2 of the United States Code

A. Allocation of Expenditures to States

Sections 441a(b)(1)(A) and 441a(c) of Title 2, United States Code provide, in part, that no candidate for the office of President of the United States who is eligible under section 9033 of Title 26 to receive payments from the Secretary of the Treasury may make expenditures in any one State aggregating in excess of the greater of 16 cents multiplied by the voting age population of the State, or \$200,000, as adjusted by the Consumer Price Index.

^{2/} The Committee filed its first disclosure report on April 15, 1983. The report covered the period April 26, 1982 through March 31, 1983, and included receipts and disbursements which were subject to the "testing the waters" provisions of 11 C.F.R. § 9034.4(a)(2). These receipts and disbursements became subject to the requirements of the Act upon receipt of Senator Hart's statement of candidacy which was filed on January 10, 1983. (See 11 C.F.R. § 100.8(b)(1)).

The Commission's Regulations at 11 C.F.R. § 106.2(a)(1) apply to Presidential primary candidates receiving or expecting to receive Federal matching funds. Except for expenditures exempted under 11 C.F.R. § 106.2(c), expenditures incurred by a candidate's authorized committee for the purpose of influencing the nomination of that candidate for the office of President with respect to a particular State shall be allocated to that State. An expenditure shall not necessarily be allocated to the State in which the expenditure is incurred or paid.

Section 106.2(b)(1) of Title 11, Code of Federal Regulations states that an expenditure incurred by a candidate's authorized committee for the purpose of influencing the nomination of that candidate in more than one State shall be allocated to each State on a reasonable and uniformly applied basis.

The Committee disclosed on FEC Form 3P, page 3, \$397,932.90 allocable to the \$404,000.00 New Hampshire expenditure limitation through October 31, 1984. These amounts were supported by internal worksheets of the Committee which were reviewed by the Audit staff.

During the review of the Committee's expenditures, additional amounts allocable to the New Hampshire limit were identified by the Audit staff which had a net effect of increasing the amount of expenditures allocable to New Hampshire to \$424,416.76 or \$20,416.76 in excess of the limitation.

The Committee utilized a system in which most expenditures allocable to a particular state were paid from an account maintained in that State's field office. The exceptions to this were media purchases, travel of national staff and certain printing costs. These costs were paid from the national accounts and were examined individually to determine the appropriate allocation.

The Committee maintained an accrual accounting system for expenditures. Each expenditure was recorded as an account payable at the time the obligation was incurred. The allocation to the appropriate state was made at the time the payable was posted to the general ledger. This system permitted the Committee to disclose the total of allocable expenses paid as well as obligated on FEC Form 3P, page 3, "Allocation of Primary Expenditures by State for a Presidential Candidate."

Presented below are categories of costs (amounts paid and payable) which the Audit staff added to the Committee's reported amounts allocable to New Hampshire at October 31, 1984.

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1) Polling Expenditures

Section 106.2(b)(2)(vi) of Title 11, Code of Federal Regulations states, in part, that expenditures incurred for the taking of a public opinion poll covering only one State shall be allocated to that State.

The Audit staff increased the amount allocable to the Committee's New Hampshire expenditure limit by \$6,000 for two expenditures involving the same vendor for polling which appear to be allocable to New Hampshire. The documentation for one of the expenditures (\$4,000) specifically referred to a survey in New Hampshire. The other expenditure (\$2,000) was not supported by documentation which positively identified it as New Hampshire related; however, the payment was made on February 8, 1984, 20 days prior to the date of the New Hampshire primary. In addition, \$17,001.84 in expenditures to a firm for voter contact services and phone tapes applicable to New Hampshire have been added to the New Hampshire limit.

2) Overhead Expenditures of State Office and Miscellaneous Adjustments

Section 106.2(b)(2)(iv)(A) of Title 11, Code of Federal Regulations requires that overhead expenditures of offices located in a particular State shall be allocated to that State.

During the review of expenditures, the Audit staff noted additional overhead and miscellaneous expenditures and adjustments (i.e., printing, Committee input errors, void checks, etc.) which increased the amount allocable to New Hampshire by \$10,191.30. In addition, a \$2,171.10 invoice for printing was allocated twice to the New Hampshire limit resulting in a net adjustment of \$8,020.20.

3) Allocation of Compliance Costs and Fundraising Expenditures

Section 106.2(c)(5) of Title 11, Code of Federal Regulations states, in part, that an amount equal to 10% of campaign workers' salaries and overhead expenditures in a particular State may be excluded from allocation to that State as an exempt compliance cost. An additional amount equal to 10% of such salaries and overhead expenditures in a particular State may be excluded from allocation to that State as exempt fundraising expenditures, but this exemption shall not apply within 28 calendar days of the primary election as specified in 11 CFR 110.8(c)(2).

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In calculating total expenditures subject to the New Hampshire limit, the Committee did not take advantage of the exclusions provided for in 11 C.F.R. § 106.2(c)(5). The Committee did however exclude \$2,574.97 in direct fundraising costs.

4) Media Expenditures

Section 106.2(b)(2)(i)(B) of Title 11, Code of Federal Regulations requires that expenditures for radio, television and similar types of advertisements purchased in a particular media market that covers more than one State shall be allocated to each State in proportion to the estimated audience. This allocation of expenditures, including any commission charged for the purchase of broadcast media, shall be made using industry market data.

Further, 11 C.F.R. § 106.2(c)(2) states that expenditures incurred for production of media whether or not that advertising is used in more than one State, need not be allocated to any State.

The Audit staff determined that two disbursements totaling \$4,538.18 were incorrectly allocated by the Committee to New Hampshire. One of the expenditures (\$3,247.93) represented a duplicate allocation of a media invoice on the Committee's ledger, while the other expenditure (\$1,290.25) represented production cost for print media which were unnecessarily allocated to New Hampshire by the Committee (see 11 C.F.R. § 106.2(c)(2)). As a result, the Audit staff deducted \$4,538.18 from the amount allocated to New Hampshire by the Committee.

The Committee based their expenditure allocations for TV/radio buys on statements prepared by their media buyers. These statements provide the allocable amounts for each state affected by the media buys; however, the Committee did not have documentation during the fieldwork which adequately explained the media buyer's method of allocating the media expenditures to the states.

In addition, the Audit staff reviewed payments made by the Committee to a media consultant (which purchased the Committee's radio and TV spots through a media buyer) as well as the activity between the consultant and the media buyer.

The Audit staff obtained from the consultant worksheets showing receipts from the Committee and the eventual disposition of the funds (i.e., amounts retained by the consultant for commissions, production, travel and/or overhead

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costs, or expended by the consultant to the media buyer for placements and/or commissions). In addition, the Audit staff obtained a worksheet from the media buyer showing receipts from the consultant relating to media buys for the Committee. At the close of the fieldwork the Audit staff was unable to reconcile a difference of \$55,109.69 which existed between the amount shown being forwarded by the consultant to the media buyer for Committee media spots (\$3,861,584.33) and the amount shown being spent by the media buyer (\$3,916,694.02). In order to verify that all funds expended by the Committee with the intent of purchasing media spots, especially in New Hampshire, were in fact, used for such purposes, additional documentation was required from the media buyer.

Requests were made by the Audit staff to the media buyer for detailed information regarding the method used to allocate the portion of these media buys to New Hampshire, however, at the time of the issuance of the interim audit report that information had not been received. Without this information the Audit staff was unable to verify that the total amount of media buys allocated by the Committee to New Hampshire is correct.

Recap of Expenditures
Allocable to New Hampshire

Expenditures reported by the Committee as allocable to N.H.	\$397,932.90
Adjustments:	
1) Polling Expenditures	23,001.84
2) Overhead and Miscellaneous Expenditures	8,020.20
3) Media Expenditures	(<u>4,538.18</u>)
	\$424,416.76
N.H. Expenditure Limitation per 2 U.S.C. § 441a as adjusted	(<u>404,000.00</u>)
Total Expenditures Incurred in Excess of Limitation	<u>\$ 20,416.76</u>

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The interim report recommended that the Committee present to the Audit staff information and/or documentation relating to any adjustment of the expenditures allocated to New Hampshire and adjust its accounting records and, where necessary, file amendments to its disclosure reports to reflect the expenditures allocable to New Hampshire.

In addition, the report recommended that the Committee obtain for Audit staff review, records from the media firm which detail total payments received by the media firm to purchase television and radio buys and the media firm's methodology used to allocate these buys to the states. The records requested included but were not limited to bank statements, canceled checks, journals and ledgers, written procedures, and any other workpapers related to media buy allocations.

Further, if the Committee reduced the amount charged to the expenditure limitation in accordance with 11 C.F.R. § 106.2(c)(5), the Audit staff recommended that the Committee provide for the Audit staff's review any workpapers and documentation used in the calculation(s).

On September 4, 1985, the Committee submitted a response to the interim report which makes adjustments to the expenditures allocated to New Hampshire as follows:

1 and 2) Polling Expenditures and Overhead Expenditures and Miscellaneous Adjustments

The Committee did not take issue with the Audit staff's addition of \$23,001.84 in expenditures for polling or \$8,020.20 in overhead expenditures of state offices and miscellaneous adjustments.

3) Allocation of Compliance Costs and Fundraising Expenditures

In its response the Committee elects to take advantage of the 10% exclusion provided for in 11 C.F.R. § 106.2(c)(5). Based on calculations performed during the initial fieldwork, the Committee may exclude the \$14,928.60 cited in its response from the New Hampshire expenditure limit for exempt compliance and fundraising costs.

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4) Media Expenditures

It its response, the Committee reduced its original allocation of media expenses to New Hampshire from \$53,199.50 to \$34,261.68. This total was arrived at by using the Audit staff's calculation which was based on applying industry data to the summary billings provided by the Committee's media firm. The station invoices and affidavits supporting the summary billings were not maintained in a manner which allowed the Audit staff to verify the accuracy of the billings during the fieldwork.

The Committee also supplied with its response a reconciliation of payments between the Committee's media consultant and its media buyer. The Audit staff's review of the reconciliation disclosed \$71,100.00 in payments made to the media consultant which did not previously appear in the records of the Committee or the media consultant.

In summary, the Committee's response included a reduction of the expenses allocable to New Hampshire from \$424,416.76 to \$390,550.34; however, the Committee had not provided sufficient documentation (i.e., station invoices, reconciliation of media buys) to verify the base total of media expenditures from which the expenses allocable to New Hampshire were determined. Although the Committee's response, as stated, clearly indicated that the New Hampshire limit had not been exceeded, the Audit staff was unable to verify the Committee's statement with respect to the media allocation reduction of \$18,937.82. In addition, the Committee had yet to demonstrate that no difference(s) exist between funds received/expended with respect to both the media consultant and media buyer.

In a letter dated May 6, 1986, the Commission formally requested that the Committee supply to the Audit staff 1) documentation which supported the \$71,100.00 in payments noted above and, 2) the media invoices and affidavits supporting the media firm's summary billings.

In response to that letter the Committee supplied a canceled check and debit memos which adequately support the \$71,100.00 in payments noted on the Committee's reconciliation. In addition, the Committee supplied copies of media invoices and affidavits which materially support the media firm's summary billings. Based on this additional information provided by the Committee, it is the opinion of the Audit staff that the Committee has adequately documented its reduction of expenditures allocable to New Hampshire from \$424,416.76 to \$390,550.34.

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Recommendation

The Audit staff recommends no further action on this matter.

B. Matters Referred to the Office of General Counsel

Certain matters noted during the audit have been referred to the Office of General Counsel.

III. Findings and Recommendations Related to Title 26 of the United States Code

A. Apparent Non-Qualified Campaign Expenses

Section 9038(b)(2)(A) of Title 26, United States Code states that if the Commission determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than to defray the qualified campaign expenses with respect to which such payment was made, it shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary an amount equal to such amount.

The Commission, in a Notice of Proposed Rulemaking, published in the Federal Register on June 28, 1984, set forth a pro rata formula which would base repayments for non-qualified campaign expenses on the proportion of federal funds to total funds received by the Candidate.

The text of the regulation along with the Explanation and Justification were published in the Federal Register on August 22, 1984, and transmitted to Congress. On March 5, 1985, the revised regulations were resubmitted for publication. The proposed regulations were before the Congress for 30 legislative days as of May 20, 1985, and approved by the Commission for publication in final form on June 11, 1985.

The formula and the appropriate calculation with respect to the Committee's receipt activity is as follows:

Total Matching Funds Certified Through Date of Ineligibility 7/18/84 ^{3/}
Numerator plus Private Contributions received through 7/18/84

$$\frac{\$ 4,474,808.38}{12,446,368.88} = .359527$$

Thus, the repayment ratio for non-qualified campaign expenses is 35.9527%.

^{3/} Pursuant to 11 C.F.R. § 9032.6(a), the date of ineligibility for Senator Hart was July 18, 1984, the date on which the Democratic Party nominated its candidate.

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1. Disbursements Not Adequately Documented

Section 9033.11(b) of Title 11, Code of Federal Regulations, in part, requires that for disbursements in excess of \$200, the Committee retain a receipted bill from the payee which shows the purpose of the disbursement or a cancelled check negotiated by the payee and a bill, invoice, voucher, or contemporaneous memorandum which states the purpose of the disbursement, or a cancelled check negotiated by the payee which shows the purpose of the disbursement. For all other disbursements (those of \$200 or less) required documentation at the minimum, must include, a cancelled check negotiated by the payee which shows the identification of the payee, and the amount, date and purpose of the disbursement.

Our review of disbursements indicated that 66 disbursements totaling \$18,851.02, made from four state accounts, were not adequately documented. This amount represents 36.16% of the total dollar value of disbursements made from the four (4) state accounts.

The Committee Treasurer explained that these state offices did not follow the written procedures set forth in a booklet prepared by the Treasurer entitled "Treasurer's Guidelines for State Organizations" which explained in detail the specific procedures to be followed by the state offices to achieve compliance with the Act.

The Treasurer stated that the coordinators in each of the states where documentation was inadequate would be contacted in order to obtain the documentation.

In the interim report the Audit staff recommended that, absent a showing to the contrary, the Commission approve the preliminary calculation that the amount (\$18,851.02) of undocumented disbursements be viewed as non-qualified campaign expenses and the pro rata portion (\$6,777.45) be repaid to the U.S. Treasury pursuant to 26 U.S.C. § 9038(b)(2).

The Committee's response to the interim report included documentation which materially supported the disbursements noted above.

Recommendation

No further action is recommended with respect to this matter.

2. Bank Charges for Committee Overdrafts

A review of the Committee's disbursement activity revealed that the Committee was charged \$4,862.00 in service charges for checks drawn on accounts with insufficient funds. Most of the charges (\$3,727) were in the Committee's state accounts (see 26 U.S.C. § 9038(b)(2)(A)).

The interim audit report recommended that, absent a showing to the contrary, the Commission approve the preliminary calculation that the amount \$4,862.00 be viewed as non-qualified campaign expenses and the pro rata portion (\$1,748.02) be repaid to the U.S. Treasury pursuant to 26 U.S.C. § 9038(b)(2).

On September 4, 1985, the Committee responded that:

"26 U.S.C. § 9038(b)(2)(A) authorizes the Commission to require repayment of matching payments used for purposes other than 'to defray the qualified campaign expenses with respect to which such payment was made.' The term 'qualified campaign expenses' is defined by the statute as including any payment 'incurred by a candidate, or his authorized committee, in connection with his campaign for nomination...neither the incurring nor payment of which constitutes a violation of any law of the United States or of the state in which the expense is incurred or paid.' 26 U.S.C. § 9032(9)."

The Committee contends that under the statutory definition the bank charges are qualified campaign expenses since they were incurred in connection with the campaign and neither the incurrence nor payment violated any law of the United States.

The Committee's response acknowledges the fact that the Commission has required one other Presidential candidate to repay to the Treasury amounts expended for bank overdraft charges, but attempts to differentiate between the circumstances involving the Committee's overdrafts and those of the other candidate. With respect to the other committee's overdrafts, the response states that "the Commission found 'circumstances suggesting either knowledge that the checks were unsupported or at least disregard for whether there would be sufficient funds to cover the checks.'... By contrast, the overdrafts at issue here were primarily from state and local operating accounts ..., suggesting non-systematic, inadvertent overdrafts caused by inattention to the balance of the accounts by various local campaign personnel, or delays in wire transfers from the Committee's principal depository to state and local accounts."

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In the response the Committee continues its attempt to differentiate the two sets of circumstances by adding that "the Hart Committee issued far fewer returned checks over a far greater period of time relative to far larger overall expenditures" than did the other committee.

The response concludes its argument regarding the repayment of the overdraft charges by addressing several consequential questions should the repayment recommendation of the Audit staff be approved by the Commission. For example, the response poses several questions including ... "Could not also other bank charges be deemed non-qualified expenses, such as penalties for late payments on loans?....; such as payments for failure to maintain a minimum balance?....; What of interest charged to a credit card account -- a 'penalty' for failure to promptly pay the balance in full?.... Each is in the nature of a penalty. Each is precisely like the overdraft charges in this case. Yet it seems clear these expenditures have always been treated, and should be treated, as qualified campaign expenses. So too the bank charges at issue here."

In response to the Committee's argument that the overdrafts were non-systematic and inadvertent and primarily occurred in state and local accounts, a review of the overdraft charges reveals that the majority of the charges were in fact from the Committee's headquarters operating account and two state accounts. The operating account accounted for 59 charges totaling \$1,075.00. The Pennsylvania state account and the Maine state accounts accounted for 76 and 66 charges totaling \$1,900.00 and \$792.00 respectively.^{4/} The majority of the overdrafts (66) on the Pennsylvania account occurred during the period March 30, 1984 through April 3, 1984, just prior to the Pennsylvania primary which took place on April 3, 1984. The Maine account was charged for 59 overdrafts during March, 1984. The Maine caucus was held on March 4, 1984. Therefore, it appears that the overdrafts in these two state accounts occurred at a crucial time period in the campaign in those states when an adequate cash flow was most important.

The remaining 80 charges totaling \$1,095.00 were dispersed throughout 19 other state accounts. It is the opinion of the Audit staff that the Committee presents a persuasive argument for not considering these remaining 80 charges as non-qualified campaign expenses based on the fact that they appear to be inadvertent and isolated instances.

^{4/} On April 11, 1984, the Maine bank reversed \$163.61 in charges in order to close the account.

As noted above, the Commission has previously encountered one other instance which involved issuance of insufficient fund checks on a large scale by a publicly funded candidate. In that case the Commission acknowledged that it had accorded wide discretion to candidates on how to conduct their publicly funded campaigns and therefore in what costs are qualified campaign expenses. The Commission has, however, also found in specific cases that certain expenses are not legitimate ones to be paid with public funds. In contrast to legitimate finance charges and other charges mentioned by the Committee, the overdraft charges result from behavior which is not the type of activity Congress intended to finance with public funds in enacting the Matching Payment Account Act.

Based on the Committee's response to the interim audit report it is the opinion of the Audit staff that the amount of bank overdraft charges viewed as non-qualified campaign expenses be reduced to \$3,603.39 (\$4,862.00 - \$163.61 - \$1,095.00).

Conclusion

On June 26, 1986, the Commission made an initial determination that the amount (\$3,603.39) of bank overdraft charges be viewed as non-qualified campaign expenses and the pro rata portion of \$1,295.52 be repaid to the U.S. Treasury within 90 calendar days of receipt of this report in accordance with 11 C.F.R. § 9038.2(d).

Repayment Amount: \$1,295.52

B. Determination of Net Outstanding Campaign Obligations

Section 9034.5(a) of Title 11, Code of Federal Regulations requires that the candidate submit a Statement of Net Outstanding Campaign Obligations which contains, among other items, the total of all outstanding obligations for qualified campaign expenses and an estimate of necessary winding down costs within 15 days of the candidate's date of ineligibility.

In addition, 11 C.F.R. § 9034.1(b) states, in part, that if on the date of ineligibility a candidate has net outstanding campaign obligations as defined under 11 CFR 9034.5, that candidate may continue to receive matching payments provided that on the date of payment there are remaining net outstanding campaign obligations.

Senator Hart's date of ineligibility was July 18, 1984. The Committee filed a Statement of Net Outstanding Campaign Obligations (NOCO) on August 2, 1984, which reflected the Committee's estimated NOCO as of August 2, 1984. For purposes of determining Senator Hart's remaining entitlement, the August 2, 1984 NOCO statement was audited. This audit was limited to the verification of cash on hand, secured bank loans payable, Candidate loan payable, and certain of the larger accounts payable. The bank loans and verified accounts payable represent in excess of 2.9 million dollars of the Committee's total obligations. Should the Committee's financial position change substantially, additional fieldwork may be required to assess the impact of the change on the NOCO deficit and to verify additional components of the NOCO statement. The NOCO as prepared by the Audit staff appears below.

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**Americans with Hart, Inc.
Audit Analysis of NOCO Statement
As of August 2, 1984 a/**

Assets

Cash on Hand	\$	54,018.30	
Accounts Receivable		106,006.50	
Capital Assets		<u>45,000.00</u>	
Total Assets			\$ 205,024.80

Obligations

Bank Loans	\$	1,423,169.82	
Candidate Loan		45,000.00	
Accounts Payable		3,295,833.16	
Estimated Winding Down Costs (8/2/84 to 3/31/85)			
Personal Services	\$361,374.12		
Fundraising Costs	245,593.85		
Interest Expense	152,693.43		
Other Expenses	<u>92,029.79</u>		
 Total Estimated Winding Down Costs		 <u>\$ 851,691.19</u>	
 Total Obligations			 <u>\$5,615,694.17</u>
 Net Outstanding Campaign Obligations, Deficit as of August 2, 1984 <u>b/</u>			 <u>\$5,410,669.37</u>

a/ The Committee Treasurer inadvertently filed the initial NOCO statement as of 8/2/84 rather than the Committee's date of ineligibility which is 7/18/84.

b/ Since certain estimates were used in computing this amount, the Audit staff will review the Committee's reports and records to compare the actual figures with the estimates and prepare adjustments, as necessary.

The Committee Treasurer has agreed with all components of the audited NOCO statement, and has further agreed to use the audited NOCO statement as the basis for all subsequent NOCO statements submitted. In addition, our review of the Committee's reports and contribution records indicated that for the period August 3, 1984 through October 31, 1984, the Committee received \$239,249.14 in individual contributions and matching funds.

Conclusion

In view of the Committee's verified deficit of at least \$2.6 million, (\$2.9 million verified payables - \$205,000 total assets) the Committee has not received matching fund payments in excess of its entitlement.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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OFFICE OF THE FEC
COMMISSION SECRETARY

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August 27, 1986

MEMORANDUM

TO: Kent Cooper
Assistant Staff Director
Public Disclosure Division

THROUGH: John C. Surina *JS*
Staff Director
Charles N. Steele *CN*
General Counsel

FROM: Daniel J. Blessington *DJB*
Attorney-Advisor

SUBJECT: Public Disclosure of Final Commission Action
for Americans With Hart, Inc.

Please find attached copies of documents relating to the final determination made by the Commission relating to the Americans With Hart, Inc. Committee. We suggest that these materials be placed on the public record. We note that the final audit report is already on file.

Attachments

Certification
Notification/Final Determination
letter to Senator Hart

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 27, 1986

MEMORANDUM

TO: Kent Cooper
Assistant Staff Director
Public Disclosure Division

THROUGH: John C. Surina
Staff Director

Charles N. Steels *CNS*
General Counsel

FROM: Daniel J. Blessington *DJB*
Attorney-Advisor

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Notification/Final Determination
letter to Senator Hart

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 22, 1986

Donald J. Simon, Esquire
Sonosky, Chambers & Sachse
1050 31st Street, N.W.
Washington, D.C. 20007

Dear Mr. Simon,

The Commission acknowledges receipt of Americans With Hart's repayment of \$1,295.52 to the Secretary of the Treasury as the portion of non-qualified campaign expenses paid with public funds. Inasmuch as the Committee has made repayment without dispute within the prescribed response period, pursuant to 11 C.F.R. §9038.2(c)(1), the Commission's initial determination has become final.

Additional audit fieldwork may be conducted and additional repayment determinations may be issued as necessary, pursuant to 11 C.F.R. §§9038.1(e)(4) and 9038.2(f).

Sincerely,

A handwritten signature in cursive script that reads "Joan D. Aikens".

Joan D. Aikens
Chairman

cc: Senator Gary Hart
Americans With Hart, Inc.
Michael R. Moore, Treasurer

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

August 22, 1986

Michael R. Moore, Treasurer
Americans With Hart, Inc.
c/o Arthur Young Co.
707 16th Street
Suite 3800
Denver, Colorado 80202

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Joan D. Aikens
Chairman

cc: Senator Gary Hart
Donald J. Simon, Esq.
Sonosky, Chambers & Sachse

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1986

The Honorable Gary Hart
Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Hart,

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Joan D. Aikens
Chairman

cc: Donald J. Simon, Esq.
Sonosky, Chambers & Sachse
Americans With Hart, Inc.
Michael R. Moore, Treasurer

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Final Repayment Determination)
for Americans With Hart)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 21, 1986, the Commission decided by a vote of 6-0 to approve the Final Repayment Determination for American With Hart Committee and to send to the Committee and Senator Hart the letters recommended under staff memorandum dated August 18, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald, and McGarry voted affirmatively for this decision.

Attest:

8-21-86

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 22, 1986

Donald J. Simon, Esquire
Sonosky, Chambers & Sachse
1050 31st Street, N.W.
Washington, D.C. 20007

Dear Mr. Simon,

The Commission acknowledges receipt of Americans With Hart's repayment of \$1,295.52 to the Secretary of the Treasury as the portion of non-qualified campaign expenses paid with public funds. Inasmuch as the Committee has made repayment without dispute within the prescribed response period, pursuant to 11 C.F.R. §9038.2(c)(1), the Commission's initial determination has become final.

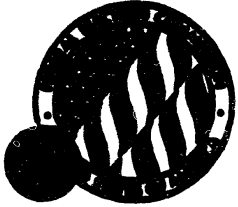
Additional audit fieldwork may be conducted and additional repayment determinations may be issued as necessary, pursuant to 11 C.F.R. §§9038.1(e)(4) and 9038.2(f).

Sincerely,

Joan D. Aikens
Chairman

cc: Senator Gary Hart
Americans With Hart, Inc.
Michael R. Moore, Treasurer

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 22, 1986

Michael R. Moore, Treasurer
Americans With Hart, Inc.
c/o Arthur Young Co.
707 16th Street
Suite 3800
Denver, Colorado 80202

Dear Mr. Moore,

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The Commission acknowledges receipt of Americans With Hart's repayment of \$1,295.52 to the Secretary of the Treasury as the portion of non-qualified campaign expenses paid with public funds. Inasmuch as the Committee has made repayment without dispute within the prescribed response period, pursuant to 11 C.F.R. §9038.2(c)(1), the Commission's initial determination has become final.

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Additional audit fieldwork may be conducted and additional repayment determinations may be issued as necessary, pursuant to 11 C.F.R. §§9038.1(e)(4) and 9038.2(f).

Sincerely,

Joan D. Aikens
Chairman

cc: Senator Gary Hart
Donald J. Simon, Esq.
Sonosky, Chambers & Sachse

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 22, 1986

The Honorable Gary Hart
Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Hart,

The Commission acknowledges receipt of Americans With Hart's repayment of \$1,295.52 to the Secretary of the Treasury as the portion of non-qualified campaign expenses paid with public funds. Inasmuch as the Committee has made repayment without dispute within the prescribed response period, pursuant to 11 C.F.R. §9038.2(c)(1), the Commission's initial determination has become final.

Additional audit fieldwork may be conducted and additional repayment determinations may be issued as necessary, pursuant to 11 C.F.R. §§9038.1(e)(4) and 9038.2(f).

Sincerely,

A handwritten signature in cursive script that reads "Joan D. Aikens".

Joan D. Aikens
Chairman

cc: Donald J. Simon, Esq.
Sonosky, Chambers & Sachse
Americans With Hart, Inc.
Michael R. Moore, Treasurer

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Final Repayment Determination)
for Americans With Hart)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 21, 1986, the Commission decided by a vote of 6-0 to approve the Final Repayment Determination for American With Hart Committee and to send to the Committee and Senator Hart the letters recommended under staff memorandum dated August 18, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald, and McGarry voted affirmatively for this decision.

Attest:

8-21-86

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEC
DOCUMENT
SEPARATOR