



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 28, 1980

MEMORANDUM

TO: FRED EILAND
PRESS OFFICE

THROUGH: BOB COSTA *for R.J.C.*

FROM: JUDY HAWKINS *JH*

SUBJECT: PUBLIC ISSUANCE OF FINAL AUDIT
REPORT - DEMOCRATIC FINANCE COMMITTEE

Attached please find a copy of the final audit report of the Democratic Finance Committee which was approved by the Commission on March 14, 1980.

Informational copies of the report have been received by all parties involved and this report may be released to the public as of today, March 28, 1980.

Attachment as stated

cc: FEC Library
RAD
 Public Record

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

REPORT OF THE AUDIT DIVISION
ON THE
DEMOCRATIC FINANCE COMMITTEE

I. Background

A. Overview

This report is based upon an audit of the Democratic Finance Committee ("the Committee"), undertaken by the Audit Division 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 Committee registered with the Comptroller General of the United States, General Accounting Office on February 8, 1974, and maintained its headquarters in Washington, D.C. The primary function of the Committee was to support, in affiliation with the Democratic National Committee (DNC), Democratic nominees for Federal office. As an affiliate of the DNC, all administrative expenses of the Committee were paid by the DNC Services Corporation which served as the source for disbursements of administrative costs for all DNC affiliates.

The audit covered the period from January 1, 1976 through September 30, 1978, the final coverage date of the most recent report filed by the Committee at the time of its termination. ^{1/} The Committee reported an opening cash balance on January 1, 1976 of \$36,418.66, total receipts for the period of \$6,048,210.13, total expenditures for the period of \$6,084,628.79, and a closing cash balance on September 30, 1978 of \$ -0-.

^{1/} The Committee terminated its activities on September 30, 1978, through merger into the Democratic National Committee-Services Corporation.

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This report is based upon documents and working 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 officers of the Committee during the period audited were as follows:

<u>DATE</u>	<u>CHAIRMAN</u>	<u>TREASURER</u>
1/1/76-4/9/77	Mr. Lee Kling	Mr. Eric M. Jaffe
4/9/77-8/21/78	Mr. Jess Hay	Mr. John D. Nelson
8/21/78-9/30/78	Mr. Charles T. Manatt	Mr. Evan S. Dobelle

C. Scope

The audit included such tests as verification of total reported receipts, 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. Finding and Recommendation

Based upon examination of the reports and statements filed and the records presented by the Democratic Finance Committee, no material problems in complying with the Federal Election Campaign Act were discovered during the course of the audit.

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