



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20543

February 16, 1979

MEMORANDUM

TO: FRED S. EILAND
PRESS OFFICE

THROUGH: *mf* BOB COSTA

FROM: JUDY HAWKINS *J*

SUBJECT: PUBLIC ISSUANCE OF AUDIT REPORT -
PENNSYLVANIA GOP CONGRESSIONAL COMMITTEE

Attached please find a copy of the final audit report of the Pennsylvania GOP Congressional Committee which was approved by the Commission on January 25, 1979.

As of this date, February 16, 1979, all informational copies of the report have been received by all parties involved and this report may be released to the public.

Attachment as stated

cc: FEC Library
RAD
*/*Public Record





FEDERAL ELECTION COMMISSION

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

REPORT OF THE AUDIT DIVISION ON THE PENNSYLVANIA GOP CONGRESSIONAL COMMITTEE

I. Background

A. Overview

This report is based upon an audit of the Pennsylvania GOP Congressional 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, 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 originally registered with the Federal Election Commission on September 17, 1975 under the name of "A Salute to Pennsylvania Committee." The Committee changed its name to the Pennsylvania GOP Congressional Committee on September 7, 1976 in an amendment to its statement of organization which further identified the Committee as a state committee of the Republican Party. The Committee maintains its headquarters in Harrisburg, Pennsylvania.

The audit covered the period from January 1, 1976 to March 31, 1978. During this period the Committee reported an opening cash balance of \$6,335.19, total receipts of \$228,080.89, total expenditures of \$234,316.08 and a closing cash balance of \$100.00.

This audit report is based on documents and working papers supporting each of its 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 for the period covered by the audit were Mr. Richard C. Frame, Chairman January 1, 1976-March 29, 1977, Mr. Richard C. Filling, Chairman March 29, 1977 to the present, Mr. George C. Werner, Treasurer January 1, 1976-August 19, 1977 and Mr. Jacob D. Yaros, Treasurer October 11, 1977 to the present. 1/

C. Scope

The audit included such tests as verification of total 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 Pennsylvania GOP Congressional 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. Disclosure of Transfers-In

Section 434(b)(4) of Title 2, United States Code requires a committee to disclose the name and address of each political committee from which the reporting committee has received any transfer of funds, together with the amounts and dates of all transfers.

During the course of the audit, it was determined that the Committee did not itemize 32 transfers-in of \$100 each. This represents 50% of the total number of and 9.17% of the total dollar value (\$34,900) of all transfers. The Committee included these transfers-in of \$100 or less with unitemized contributions. The treasurer explained that he was unaware of the requirement to itemize all transfers regardless of amount.

1/ Mr. Werner resigned as Treasurer of the Committee on August 19, 1977 and Mr. Yaros was disclosed as the Treasurer on an amended statement of organization received October 11, 1977. An Assistant Treasurer was in office during the vacancy in the office of Treasurer.

The Committee was advised of this matter at the conclusion of the audit and filed an amended report correctly itemizing these transfers-in on October 23, 1978.

Recommendation

Since the Committee has filed an amendment correctly itemizing these transfers-in, no further action in this matter is recommended.

B. Disclosure of Contributor Information

Section 434(b)(2) of Title 2, United States Code requires a committee to disclose the occupation and principal place of business, if any, along with the full name and mailing address of each person who has made one or more contributions to the committee which, in the aggregate, exceed \$100, in a calendar year together with the amount and date of such contributions.

A review of the Committee's contribution records revealed that the Committee did not adequately disclose the occupation and principal place of business of 136 (36.96%) and 94 (25.54%) contributors, respectively. At the request of the Audit staff, the Committee conducted a mailing in order to obtain this information. The results of the mailing received in an amended report on October 6, 1978, indicate that the Committee received 79 responses for the contributor's occupation and 46 responses for the contributor's principal place of business. This reduced the percentage (and total number) of the inadequate disclosure of occupation and principal place of business to 15.49% (57) and 13.04% (48) respectively.

Recommendation

It is the opinion of the Audit staff that the Committee has used its best efforts in attempting to secure this information. Therefore, no additional action in this matter is recommended.

