



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

A83-3

November 30, 1983

MEMORANDUM

TO: FRED EILAND  
PRESS OFFICER

FROM: BOB COSTA *RC*

SUBJECT: PUBLIC ISSUANCE OF FINAL AUDIT REPORT -  
OKLAHOMA REPUBLICAN STATE COMMITTEE

Attached is a copy of the final audit report of the Oklahoma Republican State Committee which was approved by the Commission on November 17, 1983.

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

Attachment as stated

cc: FEC Library  
RAD  
Public Record  
Office of General Counsel



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

A83-3

REPORT OF THE AUDIT DIVISION  
ON THE  
OKLAHOMA REPUBLICAN STATE COMMITTEE

I. Background

A. Overview

This report is based on an audit of the Oklahoma Republican State 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(b) of Title 2 of the United States Code which states, in part, that the Commission may conduct audits and field investigations of any political committee required to file a report under Section 434 of this title. Prior to conducting any audit under this section, the Commission shall perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act.

The Committee registered with the United States House of Representatives on April 17, 1972 and maintains its headquarters in Oklahoma City, Oklahoma.

The audit covered the period January 1, 1981, through December 31, 1982. The Committee reported an opening cash on hand balance January 1, 1981 of \$21,858.66; total receipts for the period of \$847,569.85; total disbursements for the period of \$836,679.71; and a closing cash balance December 31, 1982 of \$32,748.20. <sup>1/</sup>

This 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.

---

<sup>1/</sup> The Committee made minor math errors with regard to reported activity.

**B. Key Personnel**

The Treasurers of the Committee during the period of audit were Mr. Carl Anderson, Jr. from January 1, 1981 through February 1981; Mr. Lesley Ming from February 1981 through December 1981; Mr. Michael Freeman was acting Treasurer December 1981 through February 14, 1982; and Mr. Herbert G. Davis from February 15, 1982 through December 31, 1982. 2/

**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; and such other audit procedures as deemed necessary under the circumstances.

**II. Audit Findings and Recommendations**

**A. Disclosure of Contributions**

Section 434(b)(2)(F), (3)(D) and (5)(C), Title 2, United States Code, requires a political party committee to disclose in its Reports of Receipts and Disbursements the total amount of all receipts of transfers from other political party committees, and the name and address of each political party committee from which it receives a transfer, or to which it makes a transfer, together with the date and amount of such transfers. Further, subsection (3)(B) of this section requires disclosure of the identification of each political committee which makes a contribution to the reporting committee, together with the date and amount of any such contribution.

The Audit staff reviewed the Committee's daily cash receipts journal, contribution files and bank records for the period of audit and determined that the Committee received 10 contributions totaling \$3,192.62 from seven (7) political committees. The Committee did not disclose the identification of these political committees, and the dates and amounts of the contributions. These receipts were apparently disclosed as unitemized contributions.

In response to the interim audit report, the Committee filed an amendment disclosing the contributions noted above.

---

2/ The Committee was not specific with regard to dates of changes in the Office of Treasurer.

Recommendation

The Audit staff recommends no further action on this matter.

**B. Disclosure of Interest Income**

Section 434(b)(3)(F) and (G), Title 2, United States Code requires a political committee to disclose in its Reports of Receipts and Disbursements the identification of each person who provides a rebate, refund, or other offset to operating expenditures, or interest income, in an aggregate amount or value in excess of \$200 within the calendar year, together with the date and amount of such receipt.

The Audit staff reviewed the Committee's daily receipts journal and bank records during the period of audit and determined that the Committee received interest income totaling \$8,732.82. The Committee did not disclose the identification of two (2) banks from which it received interest income aggregating in excess of \$200 during the calendar years and totaling \$8,494.25. The Detailed Summary Pages of Receipts and Disbursements (Page 2, FEC Form 3X) filed during the period of audit contained the disclosure of other receipts (dividends, interest, etc.) totaling \$7,306.88. Since no Schedules A were filed in support of this disclosed amount, the Audit staff could not associate this reported amount with the recorded amount.

The accountant for the Committee stated that he did not realize that these receipts required itemization on Schedule A.

The discrepancies noted above did not materially affect the total receipts reported for the period.

In response to the interim audit report, the Committee filed amendments to the disclosure reports disclosing the above receipts.

Recommendation

The Audit staff recommends no further action on this matter.

**C. Matters Referred to the Office of General Counsel**

Certain matters noted during the audit were referred to the Commission's Office of General Counsel on November 17, 1983.

FBI  
DOCUMENT  
100-44-1000