




FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 23, 2002

**MEMORANDUM**

TO: RON M. HARRIS  
PRESS OFFICER  
PRESS OFFICE

FROM: JOSEPH F. STOLTZ   
ASSISTANT STAFF DIRECTOR  
AUDIT DIVISION

SUBJECT: PUBLIC ISSUANCE OF THE FINAL AUDIT REPORT ON  
NATIONAL COMMUNITY PHARMACISTS ASSOCIATION  
POLITICAL ACTION COMMITTEE

Attached please find a copy of the final audit report and related documents on the National Community Pharmacists Association Political Action Committee that was approved by the Commission on July 11, 2002.

All parties involved have received informational copies of the report and the report may be released to the public on July 23, 2002.

Attachment as stated

cc: Office of General Counsel  
Office of Public Disclosure  
Reports Analysis Division  
FEC Library



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**REPORT OF THE AUDIT DIVISION**  
**ON THE**  
**NATIONAL COMMUNITY**  
**PHARMACISTS ASSOCIATION**  
**POLITICAL ACTION COMMITTEE**

**Approved July 11, 2002**



**FEDERAL ELECTION COMMISSION**  
**999 E STREET, N.W.**  
**WASHINGTON, D.C.**

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

***REPORT OF THE AUDIT DIVISION***  
***ON THE***  
***NATIONAL COMMUNITY PHARMACISTS ASSOCIATION***  
***POLITICAL ACTION COMMITTEE***  
***EXECUTIVE SUMMARY***

The National Community Pharmacists Association Political Action Committee registered with the Federal Election Commission on July 23, 1975 as the National Association of Pharmacists Political Action Committee. The Committee maintains its headquarters in Alexandria, Virginia.

The audit was conducted pursuant to 2 U.S.C. §438(b) of Title 2 of the United States Code that 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.

The audit was for the period January 1, 1999 through December 31, 2000. The Audit staff found that the Committee met the threshold requirements for substantial compliance with the Federal Election Campaign Act, as amended. The Commission approved the Final Audit Report on July 11, 2002.







***REPORT OF THE AUDIT DIVISION***

***ON***

***NATIONAL COMMUNITY PHARMACISTS ASSOCIATION  
POLITICAL ACTION COMMITTEE***

**I. BACKGROUND**

**A. AUDIT AUTHORITY**

This report is based on an audit of the National Community Pharmacists Association, Political Action Committee (Pharmacists), undertaken by the Audit Division of the Federal Election Commission (the Commission) in accordance 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 that 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 subsection, 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.

**B. AUDIT COVERAGE**

The audit covered the period from January 1, 1999 through December 31, 2000. The Pharmacists reported a beginning cash balance of \$18,612; total receipts for the audit period of \$137,187; total disbursements for the audit period of \$139,725; and ending cash balance of \$16,073.

**C. CAMPAIGN ORGANIZATION**

The Pharmacists registered with the Commission on July 23, 1975 as the National Association of Pharmacists Political Action Committee and changed its name to the National Community Pharmacists Association Political Action Committee on April

14, 1997. The Pharmacists maintains its headquarters in Alexandria Virginia and its treasurer is Mr. John Rector who also served as treasurer during the period covered by the audit.

To manage its financial activity, the Pharmacists maintained one bank account. The committee receipts were comprised of approximately 1,555 contributions from individuals, totaling \$133,449. The accounting and record keeping functions were performed by the committee using commercially available management software. The Pharmacists did not file its disclosure reports electronically during the period covered by the audit. Paid staff who had not attended any FEC seminars performed the record keeping and reporting functions.

#### **D. AUDIT SCOPE AND PROCEDURES**

Following Commission-approved procedures, the Audit staff evaluated various risk factors to determine the scope of this audit. The audit included testing of the following general categories:

1. The receipt of contributions or loans in excess of the statutory limitations;
2. The receipt of contributions from prohibited sources, such as those from corporations or labor organizations;
3. Proper disclosure of receipts from individuals, political committees and other entities, to include the itemization of contributions or other receipts when required, as well as, the completeness and accuracy of the information disclosed;
4. Proper disclosure of disbursements, including the itemization of disbursements when required, as well as, the completeness and accuracy of the information disclosed;
5. Proper disclosure of debts and obligations;
6. The accuracy of total reported receipts, disbursements and cash balances as compared to bank records.
7. Adequate record-keeping for transactions; and,
8. Other audit procedures that were deemed necessary in the situation.

As part of the Commission's standard audit procedures, an inventory of Pharmacists records was conducted prior to the audit to determine if the records were materially complete and in an auditable state. Based on our review of the records

presented, it was concluded that they were materially complete and the audits commenced immediately.

**II. AUDIT FINDING AND RECOMMENDATION**

Based on our examination of the reports and statements filed, and the records presented by the Pharmacists, no material non-compliance was detected.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

A01-22

July 12, 2002

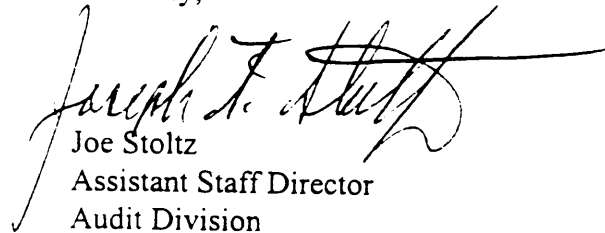
Mr. John Rector, Treasurer  
National Community Pharmacists Association PAC  
205 Daingerfield Road  
Alexandria, VA 22314

Dear Mr. Rector:

Attached please find the Final Audit Report on National Community Pharmacists Association PAC. The Commission approved the report on July 11, 2002.

The Commission approved Final Audit Report will be placed on the public record on July 22, 2002. Should you have any questions regarding the public release of the report, please contact the Commission's Press Office at (202) 694-1220. Any questions you have related to matters covered during the audit or in the report should be directed to Horace Inniss or Wanda Thomas of the Audit Division at (202) 694-1200 or toll free at (800) 424-9530.

Sincerely,



Joe Stoltz  
Assistant Staff Director  
Audit Division

cc: Robert Bobowski, Assistant Treasurer

Attachment as stated



## CHRONOLOGY

### NATIONAL COMMUNITY PHARMACISTS ASSOCIATION POLITICAL ACTION COMMITTEE

	Date
Initiation of Audit	April 08, 2002
Audit Fieldwork	May 13, 2002- June 10, 2002
Final Audit Report Approved	July 11, 2002

