FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF MUR # 1281

Date Filmed May 12, 1981 Camera No. --- 2

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FEDERAL ELECTION COMMISSION

Memo from Costa to Steele re Final Audit Report

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

____	(1) Classified Information	____	(6) Personal privacy
____	(2) Internal rules and practices	____	(7) Investigatory files
____	(3) Exempted by other statute	____	(8) Banking Information
____	(4) Trade secrets and commercial or financial information	____	(9) Well Information (geographic or geophysical)
✓	(5) Internal Documents		

Signed [illegible]

date 3-31-81

FEC 9-21-77

MOR 1281

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RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

Section 3811, Postal Manual
Add your address in the "RETURN TO" space on reverse

1. The following service is requested (check one)
   - Show to whom and date delivered ☐
   - Show to whom, date, and address of delivery ☐
   - RESTRICTED DELIVERY
     Show to whom and date delivered ☐
   - RESTRICTED DELIVERY
     Show to whom, date, and address of delivery $
     (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

John Tamassia

3. ARTICLE DESCRIPTION

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	5 54 556	-

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

A. Mangione

4. DATE OF DELIVERY

3-23-81

POSTMARK

UNO MAR 1981

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

GPO 1977 — 0 — 249-595

1281 O Brien

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 18, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Tomasin, Esquire
4800 Kennedy Boulevard West
Union City, New Jersey 07087

Re: MUR 1281

Dear Mr. Tomasin:

On March 17 , 1980, the Federal Election found reason to believe that your client, the Regular Hudson County Dinner Committee violated 2 U.S.C. § 441b for accepting corporate contributions and 11 C.F.R. § 110.4(c)(2) for accepting excessive cash contributions. However, inasmuch as the contributions were refunded and the activity in violation of the Act took place in 1976, the Commission has decided to take no further action and close the file in this matter. This matter will be made a part of the public record within 30 days. Should you want to submit any materials to appear on the public record, please do so within 10 days. A report on the Commission's findings is attached for your information.

If you have any questions, please direct them to Duane A. Brown, the attorney assigned this matter at (202)523-4057.

Sincerely,

John Warren McGarry

JOHN WARREN McGARRY
Chairman

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE: MUR: 1281

RESPONDENT: Regular Hudson County Dinner Committee

STAFF MEMBER & TEL. NO: Duane A. Brown (202)523-4057

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

This report is based on an audit of the Regular Hudson County Dinner Committee (November 1976) (the "Committee") undertaken by the Audit Division to determine whether compliance with the provisions of the Federal Election Campaign Act of 1971, as amended, had occurred. The audit covered the period from registration (October 12, 1976) through termination (December 31, 1976). As a result of this audit, certain violations of the Act were found to exist.

FACTUAL BASIS AND LEGAL ANALYSIS

Corporate Contributions

During the course of the audit, it was determined that the Committee accepted 15 corporate contributions totaling $2,675.00 from 15 business entities. Auditors confirmed the corporate status of these contributors through the Secretary of State's office in New Jersey. Acting upon the recommendation of the Auditors, the Committee refunded 14 of the 15 contributions. The Committee did submit evidence to the Auditors which indicated that one (1) of the 15 contributors was not a corporation.

Excessive Cash Contributions

In addition, Audit staff determined that the Committee accepted 16 cash contributions, each in excess of $100 and totaling $3,550.00. The contributions were reportedly made for the purchase of fundraiser tickets and program advertisements. 11 C.F.R. § 110.4(c)(2) requires that a committee receiving a cash contribution in excess of $100 shall promptly return the amount over $100 to the contributor. Again, acting upon the recommendation of the Auditors, the Committee refunded the amount in excess of $100 per contribution to 15 of the 16 contributors. The auditors were informed that the Committee's efforts to locate the only other contributor (who gave $125.00) were unsuccessful.

Based on the foregoing analysis, the Federal Election Commission has found:

1. Reason to believe the respondent violated 2 U.S.C. § 441b and 11 C.F.R. § 110.4(c)(2).

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1281
Regular Hudson County Dinner	)	
Committee	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 17, 1981, the Commission decided by a vote of 5-0 to take the following actions regarding MUR 1281:

1. Find REASON TO BELIEVE the Regular Hudson County Dinner Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 110.4(c)(2).

2. Take no further action.

3. CLOSE THE FILE.

Commissioners Aikens, Harris, McGarry, Reiche and Tiernan voted affirmatively in this matter.

Attest:

3/17/81
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 3-12-81, 5:02
Circulated on 48 hour vote basis: 3-13-81, 2:00

March 12, 1981

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1281

Please have the attached First GC Report distributed to the Commission on a 48 hour tally basis. Thank you.

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FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION 3-12-81

MUR 1281
STAFF MEMBER: Duane A. Brown

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENT'S NAME: Regular Hudson County Dinner Committee

RELEVANT STATUTE: 2 U.S.C. § 441b(a) and 11 C.F.R. § 110.4(c)(2)

INTERNAL REPORTS CHECKED: Committee Reports

FEDERAL AGENCIES CHECKED: None

81 MAR 12 P5:02

SUMMARY OF ALLEGATIONS

This report is based on an audit of the Regular Hudson County Dinner Committee (November 1976) (the "Committee") undertaken by the Audit Division to determine whether compliance with the provisions of the Federal Election Campaign Act of 1971, as amended, had occurred. The audit covered the period from registration (October 12, 1976) through termination (December 31, 1976). As a result of this audit, certain violations of the Act were found to exist. This matter was referred to the Office of General Counsel on June 18, 1980.

FACTUAL AND LEGAL ANALYSIS

Corporate Contributions

During the course of the audit, it was determined that the Committee accepted 15 corporate contributions totaling $2,675.00 from 15 business entities. Auditors confirmed the corporate status of these contributors through the Secretary of State's office in New Jersey. Acting upon the recommendation of the Auditors, the Committee refunded 14 of the 15 contributions. The Committee did submit evidence to the Auditors which indicated that one (1) of the 15 contributors was not a corporation.

Excessive Cash Contributions

In addition, Audit staff determined that the Committee accepted 16 cash contributions, each in excess of $100 and totaling $3,550.00. The contributions were reportedly made for the purchase of fundraiser tickets and program advertisements. 11 C.F.R. § 110.4(c)(2) requires that a committee receiving a cash contribution in excess of $100 shall promptly return the amount over $100 to the contributor. Again, acting upon the recommendation of the Auditors, the Committee refunded the amount in excess of $100 per contribution to 15 of the 16 contributors. The auditors were informed that the Committee's efforts to locate the only other contributor (who gave $125.00) were unsuccessful.

Conclusion

Although 14 of the 15 corporate contributions have been refunded and evidence was submitted indicating that one entity was not a corporation and although 15 of the 16 excessive cash contributions were refunded and evidence was submitted indicating that an attempt was made to locate the final contributor, violations of the Act occurred. Accordingly, the Office of General Counsel recommends that the Commission find reason to believe that the Regular Hudson County Dinner Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 110.4(c)(2). However, inasmuch as the contributions were refunded and the activity in violation of the Act took place in 1976, the Office of General Counsel recommends that the Commission take no further action and close the file.

Recommendation

1. Find reason to believe the Regular Hudson County Dinner Committee violated 2 U.S.C. § 441b and 11 C.F.R. § 110.4(c)(2).

2. Take no further action.

3. Close the file.

Attachments
1. Referral
2. RTB Notification
3. Letter to Respondent

ATTACHMENT I

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

REPORT OF THE AUDIT DIVISION
ON
REGULAR HUDSON COUNTY
DINNER COMMITTEE (NOV. 1976)

I. Background

A. Overview

This report is based on an audit of the Regular Hudson County Dinner Committee (Nov. 1976) ("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 of the United States Code, which at the time of the audit, directed 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 Federal Election Commission on October 12, 1976. The Committee maintained its headquarters in Union City, New Jersey. The audit covered the period from registration through December 31, 1976, the coverage date of the Committee's termination report. 1/

For the period audited, the Committee reported a beginning cash balance of $-0-, total receipts of $197,158.00, total expenditures of $130,147.78, and an ending cash balance of $67,010.22.

This audit report is based on 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.

1/ The auditors examined financial records from September, 1976, (the Committee began receiving contributions in September), through May, 1977, to determine disposition of residual funds on hand at termination (see Finding E).

B. Key Personnel

The principal officers of the Committee during the period audited were: Bernard M. Hartnett, Jr., Chairman; Joseph J. Simunovich, Treasurer.

C. Scope

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

II. Audit Findings and Recommendations

A. Expenditures Lacking Supporting Documentation

During the period of the audit, Section 432(c)(4) of Title 2 of the United States Code required the treasurer of a political committee to keep a detailed and exact account of the identification of every person to whom any expenditure was made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

During the period of the audit, Section 432(d) of Title 2 of the United States Code required the treasurer of a political committee to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditure to the same person during a calendar year exceeded $100.

During the period of the audit, Section 102.9(e) of Title 11, Code of Federal Regulations, stated if there is a showing that best efforts have been made to obtain the required information, the reporting committee shall be deemed to be in compliance with this section.

Our examination of Committee records revealed that the Committee negotiated its own check, made payable to "cash" in the amount of $50,000. These funds were used to make 35 cash advances, totaling $49,150.00, to 27 precinct chairmen and three (3) expenditures, totaling $185.71, to three (3) vendors on November 1, or November 2, 1976, for get-out-the-vote purposes.

These 38 transactions were reported by the Committee as election day expenses in the amount of $50,000. The advances to the 27 precinct chairmen varied in amounts from $50 to $5,000. The Committee presented to the auditors receipts for each of the 38 transactions which stated the funds were "for use for food, poll watchers, and incidental expenses for election workers, for the General Election of November 2, 1976."

Committee officials explained to the auditors that the precinct chairmen used their cash advances to pay poll watchers in amounts of $5.00 - $15.00 on election day. No documentation supporting these $5.00 - $15.00 expenditures was presented for examination during the audit.

Acting upon the recommendations of the auditors, the Committee, by contacting former Committee officials and precinct chairmen, located and submitted for review documentation for the $5.00 - $15.00 election day expenditures totaling $12,762.74. This amount represents approximately 26% of the total amount expended on election day. The Committee submitted a statement to the auditors which detailed their efforts to obtain documentation for the remaining $36,572.97. The statement also expressed the Committee's belief that they have made their best efforts to obtain the required documentation.

Recommendation

Since the Committee has complied with the recommendations of the auditors by submitting documentation for a portion of the election day expenses, and because the Committee has submitted evidence demonstrating their best efforts to obtain the remaining documentation, the Audit staff recommends no further action in this matter.

B. Disclosure of Contributor Information

During the period of the audit, Section 434(b)(2) of Title 2, United States Code, required the disclosure of the full name and mailing address, occupation and principal place of business of each person who has made one or more contributions to or for a political committee within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions.

During the period of the audit, Section 434(b)(14) of Title 2 of the United States Code stated when Committee treasurers show that best efforts have been used to obtain and submit the information required by this subsection, they shall be deemed to be in compliance with this subsection.

Our examination of Committee disclosure reports indicated that the Committee did not disclose the occupation and principal place of business of the contributors for 198 contributions in excess of $100 (100% of itemized contributions). These 198 contributions totaled $67,000.00. In addition, the aggregate amount of all contributions made within the calendar year for each contributor was not included on the Committee disclosure reports.

Acting upon the recommendations of the auditors, the Committee attempted to obtain the required information by contacting a former Committee official and some of the contributors. The Committee obtained and disclosed in amended reports, the occupation for 100% of the contributors and the principal place of business for 52% of the contributors.

Recommendation

Based upon the Committee's demonstration of best efforts to obtain the required information, the Audit staff recommends no further action in this matter.

C. Disclosure of Disposition of Residual Funds

During the period of the audit, Section 102.4(a) of Title 11 of the Code of Federal Regulations stated, in part, that when a political committee seeks to disband, it shall file a notice of termination which shall contain a statement as to the disposition of residual funds.

Our examination of Committee records and disclosure reports revealed that the Committee did not disclose the disposition of residual funds totaling $67,183.52. During the audit it was determined that $60,762.97 of the residual funds was transferred to the Hudson County Regular Democratic Organization and the remaining $6,420.55 was used for general expenses incurred in terminating the Committee's activities.

Acting upon the recommendations of the auditors, the Committee filed a statement of disposition of residual funds with the Commission which reflected the above facts and further stated that the residual funds were not subsequently used in connection with Federal elections.

Recommendation

Based on the Committee's response, the Audit staff recommends no further action in this matter.

D. Other Matters

Certain other matters noted during the audit were referred to the Office of General Counsel on June 18, 1980.

ATTACHMENT II

FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE:

MUR: 1281

RESPONDENT: Regular Hudson County Dinner Committee

STAFF MEMBER & TEL. NO: Duane A. Brown (202)523-4057

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

This report is based on an audit of the Regular Hudson County Dinner Committee (November 1976) (the "Committee") undertaken by the Audit Division to determine whether compliance with the provisions of the Federal Election Campaign Act of 1971, as amended, had occurred. The audit covered the period from registration (October 12, 1976) through termination (December 31, 1976). As a result of this audit, certain violations of the Act were found to exist.

FACTUAL BASIS AND LEGAL ANALYSIS

Corporate Contributions

During the course of the audit, it was determined that the Committee accepted 15 corporate contributions totaling $2,675.00 from 15 business entities. Auditors confirmed the corporate status of these contributors through the Secretary of State's office in New Jersey. Acting upon the recommendation of the Auditors, the Committee refunded 14 of the 15 contributions. The Committee did submit evidence to the Auditors which indicated that one (1) of the 15 contributors was not a corporation.

Excessive Cash Contributions

In addition, Audit staff determined that the Committee accepted 16 cash contributions, each in excess of $100 and totaling $3,550.00. The contributions were reportedly made for the purchase of fundraiser tickets and program advertisements. 11 C.F.R. § 110.4(c)(2) requires that a committee receiving a cash contribution in excess of $100 shall promptly return the amount over $100 to the contributor. Again, acting upon the recommendation of the Auditors, the Committee refunded the amount in excess of $100 per contribution to 15 of the 16 contributors. The auditors were informed that the Committee's efforts to locate the only other contributor (who gave $125.00) were unsuccessful.

Based on the foregoing analysis, the Federal Election Commission has found:

1. Reason to believe the respondent violated 2 U.S.C. § 441b and 11 C.F.R. § 110.4(c)(2).

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ATTACHMENT 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Tomasin, Esquire
4800 Kennedy Boulevard West
Union City, New Jersey 07087

Re: MUR 1281

Dear Mr. Tomasin:

On , 1980, the Federal Election found reason to believe that your client, the Regular Hudson County Dinner Committee violated 2 U.S.C. § 441b for accepting corporate contributions and 11 C.F.R. § 110.4(c)(2) for accepting excessive cash contributions. However, inasmuch as the contributions were refunded and the activity in violation of the Act took place in 1976, the Commission has decided to take no further action and close the file in this matter. This matter will be made a part of the public record within 30 days. Should you want to submit any materials to appear on the public record, please do so within 10 days. A report on the Commission's findings is attached for your information.

If you have any questions, please direct them to Duane A. Brown, the attorney assigned this matter at (202)523-4057.

Sincerely,

Enclosure

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A-778

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 18, 1980

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: ORLANDO B. POTTER B.L. for O.B.P.
STAFF DIRECTOR

FROM: BOB COSTA

SUBJECT: FINAL AUDIT REPORT - REGULAR HUDSON COUNTY DINNER COMMITTEE (NOV. 1976)

Attached for your legal review and analysis is the final audit report of the Regular Hudson County Dinner Committee (Nov. 1976).

If you have any questions on the matters raised in the report, please contact Craig Russell or Jim Commeree on extension 3-4155.

Attachment as stated

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

REPORT OF THE AUDIT DIVISION
ON
REGULAR HUDSON COUNTY
DINNER COMMITTEE (NOV. 1976)

I. Background

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For the period audited, the Committee reported a beginning cash balance of $-0-, total receipts of $197,158.00, total expenditures of $130,147.78, and an ending cash balance of $67,010.22.

This audit report is based on 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.

1/ The auditors examined financial records from September, 1976, (the Committee began receiving contributions in September), through May, 1977, to determine disposition of residual funds on hand at termination (see Finding E).

B. Key Personnel

The principal officers of the Committee during the period audited were: Bernard M. Hartnett, Jr., Chairman; Joseph J. Simunovich, Treasurer.

C. Scope

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

II. Audit Findings and Recommendations

A. Acceptance of Prohibited Contributions

Section 441b(a) of Title 2 of the United States Code states, in part, it is unlawful for any corporation to make a contribution in connection with any election to Federal office, or for any political committee knowingly to accept or receive any contribution prohibited by Section 441b(a).

During the course of the audit it was determined that the Committee accepted 15 corporate contributions totaling $2,675.00 from 15 business entities. The corporate status of these contributors was confirmed by the Secretary of State of New Jersey.

Acting upon the recommendations of the auditors, the Committee refunded 14 of the 15 corporate contributions. 2/ The Committee submitted evidence to the auditors which indicated that one (1) of the 15 contributors was not a corporation.

Recommendation

Based upon the actions taken by the Committee as described above, the Audit staff recommends no further action in this matter.

2/ In 10 of the 14 cases, the Committee submitted to the Audit staff for review copies of the negotiated instruments.

B. Acceptance of Cash Contributions in Excess of $100

Section 441g of Title 2 of the United States Code states that no person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100 with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

Section 110.4(c)(2) of Tite 11, Code of Federal Regulations, states that a committee receiving a cash contribution in excess of $100 shall promptly return the amount over $100 to the contributor.

During the course of the audit it was determined that the Committee accepted 16 cash contributions, each in excess of $100, totaling $3,550.00. These contributions were for the purchase of fundraiser tickets and program advertisements.

Acting upon the recommendations of the auditors, the Committee refunded the amount in excess of $100 per contribution to 15 of the 16 contributors. 3/ The auditors were informed that the Committee's efforts to locate the other contributor (who gave $125) were unsuccessful.

Recommendation

Based upon the actions taken by the Committee as described above, the Audit staff recommends no further action in this matter.

C. Expenditures Lacking Supporting Documentation

During the period of the audit, Section 432(c)(4) of Title 2 of the United States Code required the treasurer of a political committee to keep a detailed and exact account of the identification of every person to whom any expenditure was made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

3/ In 13 of the 15 cases, the Committee submitted to the Audit staff for review copies of the negotiated instruments.

During the period of the audit, Section 432(d) of Title 2 of the United States Code required the treasurer of a political committee to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditure to the same person during a calendar year exceeded $100.

During the period of the audit, Section 102.9(e) of Title 11, Code of Federal Regulations, stated if there is a showing that best efforts have been made to obtain the required information, the reporting committee shall be deemed to be in compliance with this section.

Our examination of Committee records revealed that the Committee negotiated its own check, made payable to "cash" in the amount of $50,000. These funds were used to make 35 cash advances, totaling $49,150.00, to 27 precinct chairmen and three (3) expenditures, totaling $185.71, to three (3) vendors on November 1, or November 2, 1976, for get-out-the-vote purposes. These 38 transactions were reported by the Committee as election day expenses in the amount of $50,000. The advances to the 27 precinct chairmen varied in amounts from $50 to $5,000. The Committee presented to the auditors receipts for each of the 38 transactions which stated the funds were "for use for food, poll watchers, and incidental expenses for election workers, for the General Election of November 2, 1976."

Committee officials explained to the auditors that the precinct chairmen used their cash advances to pay poll watchers in amounts of $5.00 - $15.00 on election day. No documentation supporting these $5.00 - $15.00 expenditures was presented for examination during the audit.

Acting upon the recommendations of the auditors, the Committee, by contacting former Committee officials and precinct chairmen, located and submitted for review documentation for the $5.00 - $15.00 election day expenditures totaling $12,762.74. This amount represents approximately 26% of the total amount expended on election day. The Committee submitted a statement to the auditors which detailed their efforts to obtain documentation for the remaining $36,572.97. The statement also expressed the Committee's belief that they have made their best efforts to obtain the required documentation.

Recommendation

Since the Committee has complied with the recommendations of the auditors by submitting documentation for a portion of the election day expenses, and because the Committee has submitted evidence demonstrating their best efforts to obtain the remaining documentation, the Audit staff recommends no further action in this matter.

D. Disclosure of Contributor Information

During the period of the audit, Section 434(b)(2) of Title 2, United States Code, required the disclosure of the full name and mailing address, occupation and principal place of business of each person who has made one or more contributions to or for a political committee within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions.

During the period of the audit, Section 434(b)(14) of Title 2 of the United States Code stated when Committee treasurers show that best efforts have been used to obtain and submit the information required by this subsection, they shall be deemed to be in compliance with this subsection.

Our examination of Committee disclosure reports indicated that the Committee did not disclose the occupation and principal place of business of the contributors for 198 contributions in excess of $100 (100% of itemized contributions). These 198 contributions totaled $67,000.00. In addition, the aggregate amount of all contributions made within the calendar year for each contributor was not included on the Committee disclosure reports.

Acting upon the recommendations of the auditors, the Committee attempted to obtain the required information by contacting a former Committee official and some of the contributors. The Committee obtained and disclosed in amended reports, the occupation for 100% of the contributors and the principal place of business for 52% of the contributors.

Recommendation

Based upon the Committee's demonstration of best efforts to obtain the required information, the Audit staff recommends no further action in this matter.

E. Disclosure of Disposition of Residual Funds

During the period of the audit, Section 102.4(a) of Title 11 of the Code of Federal Regulations stated, in part, that when a political committee seeks to disband, it shall file a notice of termination which shall contain a statement as to the disposition of residual funds.

Our examination of Committee records and disclosure reports revealed that the Committee did not disclose the disposition of residual funds totaling $67,183.52. During the audit it was determined that $60,762.97 of the residual funds was transferred to the Hudson County Regular Democratic Organization and the remaining $6,420.55 was used for general expenses incurred in terminating the Committee's activities.

Acting upon the recommendations of the auditors, the Committee filed a statement of disposition of residual funds with the Commission which reflected the above facts and further stated that the residual funds were not subsequently used in connection with Federal elections.

Recommendation

Based on the Committee's response, the Audit staff recommends no further action in this matter.

FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 1281

Date Filmed 5/12/81 Camera No. --- 2

Cameraman BPC