FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

M12-28-87

THE FOLLOWING MATERIAL IS BEING ADDED TO THE

PUBLIC FILE OF CLOSED MUR 2284

89040570091

GCC =

TO: [illegible]IA LIEBER

FROM: [illegible] A. TRIMIEW

(A [illegible] OF WHICH IS ATTACHED) RELATING [illegible] Women PAC [illegible] as treasurer

. PLEASE INDICATE THE ACCOUNT

[illegible] ACCOUNT (95F3875.16)

[illegible] ACCOUNT (95-1099.160)

DATE 9 27

GCC # 4273

THOMAS HART & ASSOCIATES

Attorneys at Law
1625 Massachusetts Avenue, NW, Suite 402
Washington, DC 20036
(202) 797-8700

Lena S. Zezulin

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
87 AUG 32 AM 11:22

August 28, 1987

Charles Snyder, Esq.
Office of General Counsel
Federal Elections Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 2284 NOW PAC

Dear Mr. Snyder:

Enclosed please find the Conciliation Agreement proposed by the Commision in MUR 2284. It has been signed by the acting treasurer of the NOW PAC. Also enclosed is a check for $1500.00 made payable to the Commission pursuant to the terms of the Conciliation Agreement. Please send us a countersigned copy of the Conciliation Agreement.

Pleae feel free to call upon me or Tom Hart if you need to discuss this matter further.

Sincerely,

Lena S. Zezulin

Lena S. Zezulin

LSZ:reo

cc: Molly Yard
Sheri O'Dell
Patricia Ireland

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
87 AUG 31 AM 11:05

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 18, 1987

Thomas Hart, Esquire
1625 Massachusetts Avenue, N.W.
Suite 402
Washington, D.C. 20036

RE: MUR 2284
NOWPAC

Dear Mr. Hart:

This letter is to confirm the Commission's receipt of your letter proposing a modification of the conciliation agreement on July 8, 1987. The Commission has reviewed your counterproposal and has authorized this Office to reduce the proposed civil penalty to $1,500, and to change the conciliation agreement to reflect the fact that an amendment to the Statement of Organization was filed, although not in a timely manner.

Enclosed herewith is a conciliation agreement incorporating these changes which we submit for your signature.

I am still hopeful that this matter can be settled through a conciliation agreement. Should you have any further questions, please call Charles Snyder at (202) 376-8200. In light of the fact that pre-probable cause conciliation is limited to thirty days, you should respond to the Commission within 10 days of receipt of this notification.

Sincerely,

Lawrence M. Noble
Acting General Counsel

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women	)	MUR 2284
Political Action Committee and	)	
Sheri A. O'Dell, as treasurer	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the National Organization for Women and Sheri A. O'Dell, as treasurer ("Respondents") violated 2 U.S.C. §§ 432(c) and (d) and 433(c).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, National Organization for Women Political Action Committee, is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Respondent, Sheri A. O'Dell, is the treasurer of the National Organization for Women Political Action Committee.

3. Respondents failed to retain for review documentation for receipts totalling $8,299.20 in 1983 and $146,363.06 in 1984.

4. Respondents failed to amend their Statement of Organization to indicate the appointment of a new treasurer until over 10 days had elapsed after the date of that appointment.

V. Respondents' failure to retain for review documentation concerning certain receipts was in violation of 2 U.S.C. § 432(c) and (d). Respondents' failure to amend their Statement of Organization to indicate the appointment of a new treasurer in a timely manner was in violation of 2 U.S.C. § 433(c).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Five Hundred dollars ($1,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

_____ _____
Lawrence M. Noble Date
Acting General Counsel

FOR THE RESPONDENTS:

_____ _____
(Name) Date
(Position)

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 2284

DATE FILMED 1/13/88 CAMERA NO. 3

CAMERAMAN AS

8804067055

PUBLIC RECORD INDEX - MUR 2284

1. Memo, 27 Oct 86, Robert J. Costa (Audit Division) to Charles N. Steele (General Counsel, subj: Audit Referral of the National Organization for Women Political Action Committee (NOW PAC), w/atch (Referral package).

2. First General Counsel's Report, 5 Feb 87.

3. Memo, 9 Feb 87, M.W. Emmon to C.N. Steele, subj: Comments on First G.C. Report, w/atch (comment sheet).

4. Memo, 9 Feb 87, M.W. Emmons to C.N. Steele, subj: objections to First G.C. Report.

5. Certification of Commission action, 20 Feb 87.

6. Ltr, dtd 2 Mar 87, Scott E. Thomas (Chairman, FEC) to Sheri A. O'Dell (Treas, NOW PAC).

7. Ltr, dtd 12 Mar 87, Thomas J. Hart (Counsel for NOW PAC) to FEC.

8. Ltr, dtd 18 Mar 87, Lawrence M. Noble (Acting General Counsel) to T. Hart.

9. Ltr, dtd 20 Mar 87, T.J. Hart to FEC.

10. Ltr, dtd 8 Apr 88, T.J. Hart to FEC.

11. General Counsel's Report, 20 May 87.

12. Memo, 22 May 87, M.W. Emmons to L.M. Noble, subj: Objections to G.C. Report.

13. Certification of Commission action, 3 June 87.

14. Ltr, dtd 10 June 87, L.M. Noble to T. Hart.

15. General Counsel's Report, 17 Sept 87, w/atch (civil penalty check).

16. Certification of Commission action, 23 Sept 87.

17. Clsg. ltr, dtd 25 Sept 87, L.M. Noble to T. Hart, w/atch (conciliation agreement).

-END-

NOTE: In preparing its file for the public record, O.G.C. routinely removes those documents in which it perceives little or no public interest, and those documents, or portions thereof, which are exempt from disclosure under the Freedom of Information Act.

89040570556

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A85-6

October 27, 1986

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: NATIONAL ORGANIZATION FOR WOMEN POLITICAL ACTION COMMITTEE - MATTERS REFERRED TO OFFICE OF GENERAL COUNSEL

On October 23, 1986, the Commission approved the final audit report of the Audit Division on the National Organization for Women Political Action Committee. Attached as Exhibits A and B are matters noted in the final audit report which the Commission voted to refer to your office for review and consideration.

All workpapers in support of these matters are available for review in the Audit Division.

Should you have any questions, please contact Alex Boniewicz or Joseph Stoltz at 376-5320.

Attachments as stated

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Apparent Prohibited In-Kind Contributions to Political Committees

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

Section 431(8)(A)(i) of Title 2, United States Code, provides that a contribution includes a loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing a federal election (emphasis added).

During a pre-audit review of the Committee's (NOW-PAC) disclosure reports, the auditors noted that NOW-PAC reported several in-kind contributions to various candidates and other political committees. Thirty-six transactions, totalling $18,370.95, were identified. The transactions included purposes such as: "staff time", "volunteer travel expenses for GOTV", "mailing labels", "telephone calls", "mailing list", etc. The reporting of the transactions included the payee or provider of the goods or services, the candidate/committee on whose behalf the expenditure was made, the date, and the amount (which was annotated "in-kind").

During the audit fieldwork, the auditors were advised that the National Organization for Women, Inc. (NOW, Inc.), the Committee's connected organization, would make its mailing list and/or the services of its employees available to select political candidates/committees, as directed by NOW-PAC, free of charge. It appears that NOW, Inc. either provided employee services directly to the recipients or paid third party vendors to furnish the committees with NOW, Inc.'s mailing list and mailing labels. NOW-PAC either financed the estimated cost of this activity in advance or reimbursed NOW, Inc. at a later date. Of the 36 transactions, 31, totalling $17,553.08, were funded initially by NOW, Inc. with reimbursement by NOW-PAC occurring at a later date.

It appeared to the Audit staff that the 31 transactions which were not funded in advance by NOW-PAC resulted in impermissible in-kind contributions by NOW, Inc. In effect, they represented an advance of money or something of value to influence a federal election. (See Advisory Opinions 1984-24 and 1984-37.)

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In the interim audit report, the Audit staff requested that the Committee explain why these transactions should not be viewed as in violation of 2 U.S.C. § 441b(a). In their response of May 1, 1986, the Committee notes that these in-kind items were "paid by NOW, Inc. and promptly reimbursed by NOW-PAC." They add that, in cases where the services of employees were made available to candidate/committees, the personnel involved were on NOW, Inc's payroll. It was not known in advance how many hours would be donated to each recipient. Rather, at the end of a month, the hours worked for each recipient were reported to the NOW-PAC treasurer. She calculated the portion of employees' time spent for each candidate and NOW-PAC reimbursed NOW, Inc. the corresponding amount. The reimbursement was always made within 30 days.

Regarding mailing lists, the vendor who provided the lists to the recipient committees also did business with NOW, Inc. One bill, containing both NOW, Inc. and NOW-PAC charges, was sent to NOW, Inc., but the NOW-PAC charges were not separately identified. NOW, Inc. paid the entire bill. NOW-PAC charges were subsequently identified and NOW, Inc. was reimbursed. The Committee's response notes that, in the future, vendors will be required to bill NOW-PAC directly.

The circumstances of these transactions notwithstanding, given Advisory Opinions 1984-24 and 1984-37, as well as OGC's legal analysis with respect to this finding in the interim audit report, the Audit staff refers this matter as a violation of 2 U.S.C. § 441b(a).

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Missing Records and Documentation

Sections 432(c) and (d) of Title 2, United States Code, state, in relevant part, that the treasurer of a political committee shall keep an account of all contributions and the name and address of any person who makes any contribution in excess of $50 together with the date and amount of such contribution. The treasurer shall preserve all records required to be kept by the section and copies of all reports required to be filed by this subchapter for 3 years after the report is filed.

During the course of the audit, the auditors determined that for 1983, documentation for receipts totaling $8,299.20 (16.47% of the reported dollar value) was not available for review. Further, for 1984, documentation for receipts totaling approximately $146,363.06 (44.69% of the reported dollar value) was not available for review. Overall, documentation for approximately 40% of the reported dollar value of receipts was missing. Therefore, the auditors were unable to conclusively review this area of Committee activity.

In the interim report, the Audit staff requested that the Committee assemble and provide the necessary documentation for review by the Audit staff.

The Committee's response of May 1, 1986, indicated the documentation has been available since March, 1985. It should be noted that the facts presented above were derived not only from the initial fieldwork engagement which took place during the period March 25-29, 1985, but also from a follow-up visit made at the Committee's request on April 4, 1985 to review additional documentation. In view of this response, on May 6, 1986, the auditors again returned to Committee headquarters to review all available records. The Committee indicated the original records and the new material were present. No new documentation was provided for 1983, in fact the original documentation could not be located. For 1984, although some new information was available, overall, less documentation was available, as it appears some of the original documents are now unavailable.

Recommendation

The Audit staff recommends referral of this matter to the Office of General Counsel.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: ROBERT J. COSTA
AUDIT DIVISION

FROM: MARJORIE W. EMMONS/CHERYL A. FLEMING

DATE: OCTOBER 16, 1986

SUBJECT: FINAL AUDIT REPORT - NATIONAL ORGANIZATION FOR WOMEN POLITICAL ACTION COMMITTEE (NOW-PAC) DATED OCTOBER 14, 1986

The above-captioned document was circulated to the Commission on Wednesday, October 15, 1986 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens _____
Commissioner Elliott _____
Commissioner Josefiak _____
Commissioner McDonald _____
Commissioner McGarry ✓
Commissioner Thomas _____

This matter will be placed on the Executive Session agenda for Tuesday, October 21, 1986.

Please advise the Office of Commission Secretary in writing no later than 10:00 A.M. on Friday October 17, 1986 who will represent your Division before the Commission on this matter.

(Pursuant to Directive #17)

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: ROBERT J. COSTA
AUDIT DIVISION

FROM: MARJORIE E. EMMONS/ CHERYL A. FLEMING

DATE: OCTOBER 17, 1986

SUBJECT: FINAL AUDIT REPORT - NATIONAL ORGANIZATION FOR WOMEN POLITICAL ACTION COMMITTEE (NOW-PAC)

The above-captioned document was circulated to the Commission on Wednesday, October 15, 1986 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	
Commissioner Elliott	
Commissioner Josefiak	X
Commissioner McDonald	X
Commissioner McGarry	X
Commissioner Thomas	X

This matter will be placed on the Executive session agenda for Tuesday, October 21, 1986.

Please advise the Office of Commission Secretary in writing no lager than 10:00 A.M. on Friday, October 17, 1986 who will represent your Division before the Commission on this matter. (Pursuant to Directive #17)

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 16, 1986

MEMORANDUM

TO: Robert J. Costa
Assistant Staff Director
Audit Division

THROUGH: John C. Surina
Staff Director

FROM: Charles N. Steele
General Counsel

SUBJECT: Proposed Final Audit Report on the National Organization for Women Political Action Committee (NOWPAC) LRA-177

The Office of General Counsel has reviewed the final audit report on the National Organization for Women Political Action Committee (hereinafter "NOWPAC") forwarded with an accompanying memorandum dated July 17, 1986. We will now summarize the audit findings and recommendations, with comments thereon.

1. You state that NOWPAC under-reported its receipts and disbursements by $20,000 in each category. You recommend taking no further action on the grounds that, in response to the interim audit report, NOWPAC filed corrected reports. While this Office regards this subsequent correction as in mitigation only, in this case we concur with your recommendation.

2. As the audit report points out, a political committee is required to report the name and address of each person who has received a loan from the reporting committee during the reporting period, together with the date and amount of such loan. 2 U.S.C. § 434(b)(6)(B)(ii).

You state that NOWPAC made loans of $5,000 and $15,000 to NOW Equality PAC ("NEP"), NOW's non-federal committee. NOWPAC reported the total amount of the loans ($20,000) but failed to itemize them, as required.

You further state that NEP repaid the $20,000 to NOWPAC. This repayment was reported, but, again, without itemization.

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Under 11 C.F.R. § 102.5(a), where an organization maintains both a federal political committee and a non-federal account, "No transfer may be be made to such federal account from any other account(s) maintained by such organization for the purpose of financing activity in connection with non-federal elections." Repayments of loans are transfers, and thus are prohibited under 11 C.F.R. § 102.5 when made by a non-federal account to a political committee maintained by the same organization. Repayments to a political committee of loans are not contributions under 11 C.F.R. § 100.7(a)(1)(i)(E), but the prohibition on transfers in 11 C.F.R. § 102.5(a) is not limited to contributions. The term "transfer," although not defined in the Act or the regulations, would apply to any conveyance of money, whether a contribution or not. It is therefore irrelevant whether NEP had sufficient permissible funds in its account to make a contribution of $20,000.

Also, it was pointed out that there are other reporting errors by NOWPAC. Specifically, you state that NOWPAC failed to itemize 25 operating expenditures totalling $59,755.52, in apparent violation of 2 U.S.C. § 434(b)(5) and (6); and that NOWPAC failed to file disclosure information concerning a $20,000 refund received by the committee and a $52,797.99 expenditure made by the committee. On May 1, 1986, NOWPAC filed amended reports correcting the foregoing errors and omissions.

You recommended taking no further action on these matters, in view of the corrected reports filed by the committee. While this Office regards such subsequent corrections as in mitigation only, in this instance we are in accord with your recommendation, except, as indicated above, that in our view the committee's acceptance of a transfer from an affiliated non-federal account in violation of 11 C.F.R. § 102.5 should be referred for an enforcement action.

3. You point out that 2 U.S.C. § 441b(a) prohibits the making or acceptance of a corporate contribution to a political committee. A corporation may, however, establish a separate segregated fund. The report cites the regulation stating that, "if the separate segregated fund pays any solicitation or other administrative expense from its own account, which expense could have been paid ... by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 days after the expense was paid by the separate segregated fund." 11 C.F.R. § 114.5(b)(3). The connected organization, such as a corporation, may be the collecting agent. 11 C.F.R. § 102.6(b)(1)(ii).

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The facts in the present matter, as found by audit, are as follows. NOWPAC transferred $52,797.99 to NOW for "administrative services" paid for by NOW. This transaction is the reverse of that envisioned in 11 C.F.R. § 114.5(b)(3), as the separate segregated fund reimbursed the connected organization, instead of the reverse. Thus the thirty day requirement of the cited regulation does not apply. You state, however, that NOW then reimbursed NOWPAC $20,000. The reason given for this payment was that NOWPAC had inadvertently made an overpayment and, within a week, this mistake was corrected through the reimbursement. NOW could have paid the entire cost in the first place, and in this instance, was merely returning NOWPAC's own money to it. Under these circumstances, this Office agrees with the recommendation that no further action be taken on this matter.

4. Two exhibits are attached to the audit report concerning matters, not discussed in the audit report, which are being referred to the Office of General Counsel for treatment as MUR's. The first concerns the advance by NOW, a corporation, of in-kind contributions in the form of employee services and mailing lists to candidate committees and other political committees on thirty-one occasions. The total value of the contributions advanced was $17,553.08. As these services were rendered by NOW and not paid for in advance by NOWPAC, it appears that NOW violated 2 U.S.C. § 441b. Accordingly, we concur with your recommendation that this matter be referred to this Office for an enforcement action.

Finally, you point out that NOWPAC has not maintained for review, as required under 2 U.S.C. § 432(c) and (d), records of the names and addresses of contributors who gave contributions in excess of $50, together with the names and addresses of such contributors. This Office agrees with your recommendation that this matter be referred for an enforcement action.

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SENSITIVE

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D. C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION:

MUR 2284
STAFF: Snyder

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES: National Organization for Women Political Action Committee and Sheri A. O'Dell, as treasurer; National Organization for Women

RELEVANT STATUTES: 2 U.S.C. §§ 432(a),(c),(d), and (g); 433(c), 441b(a); AO 1984-24; AO 1984-37

INTERNAL REPORTS CHECKED: NOWPAC Reports

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter was generated through an audit, conducted by the Audit Division ("Audit") of the Federal Election Commission, of the National Organization for Women Political Action Committee ("NOWPAC").

SUMMARY OF ALLEGATIONS

NOWPAC, a separate segregated fund established by the National Organization for Women ("NOW"), a non-profit corporation, has reported to the Commission, inter alia, the making of thirty-six in-kind contributions, worth a total of $18,370.95, to various political committees and candidates. Audit found, after doing fieldwork, that these contributions consisted of NOW's donating its employees' services directly to

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the recipients for telephoning or other purposes, or NOW's using its corporate funds to pay third-party vendors to furnish the recipients with NOW's mailing lists and mailing labels. In five cases, NOWPAC furnished the estimated cost in advance. In 31 cases, involving contributions totalling $17,553.08, NOW made the initial funding, with subsequent reimbursement by NOWPAC within 30 days thereafter.

It is alleged, therefore, that NOW made corporate in-kind contributions in connection with federal elections in violation of 2 U.S.C. § 441b.

In addition, Audit found that NOWPAC had not retained for review documentation for receipts totalling $8,299.20 for 1983. Also, documentation concerning $144,363.06 in receipts for 1984 was not available for review. While some additional 1984 materials were later made available to audit, some of the documents that were available at the original audit review had become unavailable. Thus, it appears that NOWPAC had violated 2 U.S.C. § 432(c) and (d).

Finally, it appears from a review of NOWPAC's reports that that committee had failed to notify the Commission of the identity of its present treasurer in violation of 2 U.S.C. §§ 432 and 433.

FACTUAL AND LEGAL ANALYSIS

With respect to NOW's alleged in-kind contributions to various candidates, the pertinent statute states that: "It is

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unlawful for ... any corporation whatever ... to make a contribution or expenditure in connection with any [Federal] election ...." 2 U.S.C. § 441b(a). A corporation may, however, establish a separate segregated fund for use for political purposes. 2 U.S.C. § 441b(b)(2)(C). But a corporation may not use its own treasury funds to make contributions, or to fund in-kind contributions, in connection with any federal election.

The Commission has previously considered the question whether a corporation can provide goods or services to political candidates or committees, where the cost of these in-kind contributions is ultimately borne by the corporation's separate segregated fund. The Commission stated that:

> the Act and regulations prohibit a corporation from using its general treasury funds to provide goods and services at no charge to candidates in any Federal election. A corporation's donation of the services of its employees and the use of its facilities incident to its employees' services qualifies as a gift of something of value to the candidate. Thus, the expenditure of corporate treasury funds to provide such services and facilities falls squarely within the prohibition of 2 U.S.C. § 441b. Nothing in the Act or regulations exclude such corporate disbursements from the Act's prohibition. On the contrary, Commission regulations specifically define a contribution as the payment of compensation to a person who renders services to a candidate or political committee or the provision of goods or services at less than the usual and normal charge for them. See 11 C.F.R. § 100.7(a)(1)(iii) and (a)(3). See also

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> Advisory Opinions 1978-45 [¶5337], 1978-34 [¶5238] 1976-70 [¶5217], 1975-94 [¶5188], and 1975-14 [¶5107].

AO-1984-24. It follows that where NOW provided, or paid for, services to political committees or candidates, an illegal in-kind contribution resulted. NOW would also have made a contribution to its own separate, segregated fund. The fact that NOWPAC later reimbursed NOW does not change that result. To quote the same advisory opinion again:

> In the Commission's view, the initial disbursement of corporate treasury monies is a loan, advance, or something of value to both the candidate <u>and the corporation's separate segregated fund</u>. It, thus, falls within the prohibition of corporation contributions or expenditures of 2 U.S.C. § 441b. None of the exceptions in the Act or regulations remove such a disbursement from the general prohibition of § 441b. Therefore, once the [corporation] disburses its treasury funds to pay an employee for political services rendered to a Federal candidate and for the use of any [corporate] facilities in rendering those services, the [corporation] makes a prohibited corporate contribution or expenditure and a violation of the Act occurs. The subsequent transfer of voluntary contributions from the [corporation's] separate segregated fund under either a reimbursement payment method or an advance payment method using an escrow account <u>does not cause a violation to abate</u>.

<u>Id</u>. (Emphasis added).

With respect to those five instances where NOWPAC funded the estimated cost in advance, it appears that the transactions may

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have been permissible. In an advisory opinion issued to the American Medical Association ("AMA"), the Commission stated:

> Under the advance payment method proposed by AMA and AMPAC in this request, AMA will receive payments from AMPAC for the services AMA employees will render to Federal candidates prior to the rendering of those services and prior to compensating the employees for such services. Thus, there is no initial disbursement of corporate treasury funds that constitutes either a loan, advance, or anything of value to either the candidate or AMPAC. Because AMPAC will pay the usual and normal charge for the consulting services of AMA employees based on the charges of independent political consultants of similar experience and ability, AMPAC will not receive anything of value from its dealings with AMA. Therefore, this advanced payment method is not prohibited by 2 U.S.C. § 441b(a). AMPAC's payment of an employee's travel expenses either directly to the independent vendor or to the employee as a reimbursement also does not involve any corporate contributions or expenditures and is, thus, not prohibited by 2 U.S.C. § 441b(a). Similarly, the dual employment method proposed by AMA and AMPAC does not include the disbursement or use of corporate funds and, is thus, also not prohibited by 2 U.S.C. § 441b(a). AMPAC's proposed plan to pay AMA for employer's share of an employee's fringe benefits comports with the requirements of 11 C.F.R. § 114.12(c).

AO-1984-37. If the five cases where NOWPAC advanced the costs of in-kind contributions prove in accord with the foregoing advisory opinion, no violation of 2 U.S.C. § 441b(a) would result from those transactions. But, where NOW made an initial payment of

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its treasury funds to pay for goods or services rendered to political committees or candidates, it would have violated 2 U.S.C. § 441b(a). See MUR 1586.*/ Likewise, NOWPAC would have violated 2 U.S.C. § 441b(a) by accepting a contribution from its connected organization. (See AO 1984-24).

Turning to the issue of record-keeping, the Act states:

> (c) Recordkeeping. The treasurer of a political committee shall keep an account of -
>
> (1) all contributions received by or on behalf of such political committee;
>
> (2) the name and address of any person who makes any contribution in excess of $50, together with the date and amount of such contribution by any person.
>
> (3) the identification of any person who makes a contribution or contributions aggregating more than $200 during a calendar year, together with the date and amount of any such contribution;
>
> (4) the identification of any political committee which makes a contribution, together with the date and amount of any such contribution; and
>
> (5) the name and address of every person to whom any disbursement is made, the date, amount, and purpose of the disbursement, and the name of the

*/ The recent U.S. Supreme Court decision in Federal Election Commission v. Massachusetts Citizens for Life, Inc., No. 85-701, slip op. (U.S., December 15, 1986), does not require a different result. That decision declared 2 U.S.C. § 441b unconstitutional as applied to independent expenditures by certain non-business corporations, but stated that less constitutional protection exists for contributions. Id. at 19-20.

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> candidate and the office sought by the candidate, if any, for whom the disbursement was made, including a receipt, invoice, or cancelled check for each disbursement in excess of $200.
>
> (d) Preservation of records and copies of reports. The treasurer shall preserve all records required to be kept by this section and copies of all reports required to filed by this subchapter for 3 years after the report is filed.

2 U.S.C. § 432. In the course of fieldwork (conducted in 1985), Audit found that documentation for contributions worth $8,299.20,received in 1983, was not available for review. Also, documentation for 1984 receipts totalling $146,363.06 was likewise not available. After Audit issued an interim report, NOWPAC stated that the documentation was in fact available. But a follow-up audit, conducted May 6, 1986, found no new documentation for 1983, and some of the materials previously available for that year could not be found. Some new documentation for 1984 was located, but, as other original materials for that year could not be located, there was relatively less documentation available for review than before. Consequently, this Office recommends that the Commission find reason to believe that NOWPAC violated 2 U.S.C. § 432(c) and (d).

Finally, we turn to the question of the identification of the treasurer of NOWPAC. Every political committee is required to have a treasurer. 2 U.S.C. § 432(a). The name and address of

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the treasurer shall appear in the political committee's Statement of Organization. 2 U.S.C. § 433(b)(3). The Act further provides that "Any change in information previously submitted in a statement of organization shall be reported in accordance with section 432(g) no later than 10 days after the date of the change." 2 U.S.C. § 433(c).

On May 1, 1986, Audit received a letter from Alice Chapman, stating that she was Treasurer of NOWPAC in 1983 and 1984, but that she had ceased to be an officer of NOW or NOWPAC. (See Attachment 2). NOWPAC's October Quarterly report was signed by Sheri A. O'Dell as acting treasurer. (See Attachment 2). A review of NOWPAC's reports shows that it has not amended its Statement of Organization to identify its current treasurer. Thus, it is not clear who is currently NOWPAC's treasurer, or even if NOWPAC has a treasurer. Therefore, this Office recommends that the Commission find reason to believe that NOWPAC violated 2 U.S.C. §§ 432(a) and 433(c).

RECOMMENDATIONS

1. Find reason to believe the National Organization for Women, Inc. violated 2 U.S.C. § 441b(a).

2. Find reason to believe the National Organization for Women Political Action Committee (NOWPAC) violated 2 U.S.C. §§ 432(a),(c) and (d), 433(c) and 441b(a).

3. Approve and send the attached General Counsel's Legal and Factual Analyses.

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4. Approve and send the attached letters.

Charles N. Steele
General Counsel

2/5/87
Date

BY: Lawrence M. Noble
Lawrence M. Noble
Deputy General Counsel

Attachments

1. Referral
2. Letter from Alice Chapman
3. NOWPAC's October Quarterly Report summary
4. General Counsel's Legal and Factual Analysis
5. Proposed letters to respondents

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Attachments to First General Counsel's Report have been removed from this position in the Public Record File either because they duplicate documents located elsewhere in this file, or because they reflect exempt information.

For Attachment 1 see 1

2

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: FEBRUARY 9, 1987

SUBJECT: COMMENTS ON MUR 2284 - FIRST GENERAL COUNSEL'S REPORT SIGNED FEBRUARY 5, 1987

Attached is a copy of Commissioner Aiken's vote sheet with comments regarding the above-captioned matter.

Attachment:
copy of vote sheet

3

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BALLOT

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DATE & TIME TRANSMITTED: THURSDAY, FEBRUARY 5, 1987 4:00

COMMISSIONER: AIKENS, ELLIOTT, JOSEFIAK, McDONALD, McGARRY, THOMAS

RETURN TO COMMISSION SECRETARY BY MONDAY, FEBRUARY 9, 1987 4:00

SUBJECT: MUR 2284 - FIRST GENERAL COUNSEL'S REPORT
SIGNED FEBRUARY 5, 1987

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( ) I approve the recommendation

(✓) I object to the recommendation

COMMENTS: for record only.

DATE: 2-9-87 SIGNATURE Joan D Aikens

A DEFINITE VOTE IS REQUIRED. ALL BALLOTS MUST BE SIGNED AND DATED.

PLEASE RETURN ONLY THE BALLOT TO THE COMMISSION SECRETARY.

PLEASE RETURN BALLOT NO LATER THAN DATE AND TIME SHOWN ABOVE.

3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ JOSHUA MCFADDEN

DATE: FEBRUARY 9, 1987

SUBJECT: OBJECTION MUR 2284 - 1'ST GENERAL COUNSEL'S RTP.
SIGNED FEBRUARY 5, 1987

The above-captioned document was circulated to the Commission on Thursday, February 5, 1987 at 4:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	
Commissioner Elliott	X
Commissioner Josefiak	X
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	

This matter will be placed on the Executive Session agenda for February 18, 1987.

4

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women	)	
Political Action Committee	)	
and Sheri A. O'Dell, as	)	MUR 2284
treasurer	)	
National Organization for Women	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of February 18, 1987, do hereby certify that the Commission took the following actions in MUR 2284:

1. Failed in a vote of 3-2 to pass a motion to find reason to believe the National Organization for Women, Inc. violated 2 U.S.C. § 441b(a).

   Commissioners McDonald, McGarry, and Thomas voted affirmatively for the motion; Commissioners Aikens and Josefiak dissented. Commissioner Elliott was not present.

2. Failed in a vote of 3-2 to pass a motion to find reason to believe the National Organization for Women Political Action Committee (NOWPAC) violated 2 U.S.C. § 441b(a)

   Commissioners McDonald, McGarry, and Thomas voted affirmatively for the motion; Commissioners Aikens and Josefiak dissented. Commissioner Elliott was not present.

(continued)

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3. Decided by a vote of 5-0 to find reason to believe the National Organization for Women Political Action Committee (NOWPAC) violated 2 U.S.C. §§ 432(c) and (d), and 433(c).

   Commissioners Aikens, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision. Commissioner Elliott was not present.

4. Decided by a vote of 5-0 to direct the Office of General Counsel to send an appropriate legal and factual analysis and appropriate letters.

   Commissioners Aikens, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Elliott was not present.

Attest:

2-20-87
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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plan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 2, 1987

Sheri A. O'Dell
Acting Treasurer
National Organization for Women
Political Action Committee
1401 New York Avenue, N.W.
Suite 800
Washington, D.C. 20005-2102

RE: MUR 2284
NOWPAC

Dear Ms. O'Dell:

On February 18, 1987, the Federal Election Commission determined that there is reason to believe the National Organization for Women Political Action Committee and you, as treasurer, violated 2 U.S.C. §§ 432 (c) and (d) and 433(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within fifteen days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-

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probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of General Counsel is not authorized to give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Scott E. Thomas
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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GCC#2875

THOMAS HART & ASSOCIATES

Attorneys at Law
1625 Massachusetts Avenue, NW, Suite 402
Washington, DC 20036
(202) 797-8700

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
87 MAR 12 P4:14

HAND DELIVERED

March 12, 1987

Charles Snyder, Esq.
Office of General Counsel
Federal Election Commission
999 E. St. N.W., Room 657
Washington, DC 20463

Re: MUR 2284 NOWPAC

Dear Mr. Snyder:

This office is counsel to the National Organization for Women Political Action Committee (NOWPAC). NOWPAC is in receipt of the letter dated March 2, 1987 from Commission Chairman Thomas and has referred that letter to us for response.

As counsel for NOWPAC, we have already begun investigating the matters which are the subject of MUR 2284. However, because there has been an almost total change in administration at the National Organization for Women and NOWPAC since the occurrence of most of the events described in the Commission's letter, additional time is necessary in order to enable us to fully investigate the matters raised and to prepare an appropriate response. Former officers who no longer reside in the Washington, DC area must be contacted and records which, we believe, have been sent to storage must be retrieved. Accordingly, we respectfully request an extension of twenty (20) days within which to respond to the Commission's March 2nd letter. By our calculation, the requested extension would, if granted, make NOWPAC's response due on or before April 13, 1987.

Thank you for your courtesy and cooperation.

Sincerely,

Thomas J. Hart

Thomas J. Hart

tjh:lf

cc: Sheri O'Dell, Acting Treasurer
NOWPAC

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 18, 1987

Thomas Hart, Esquire
1625 Massachusetts Avenue, N.W.
Suite 402
Washington, D.C. 20036

RE: MUR 2284
NOWPAC, et al.

Dear Mr. Hart:

This is in response to your letter dated March 12, 1987, in which you request a twenty-day extension of time to respond to the allegations against your clients, the National Organization for Women Political Action Committee, and its treasurer.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than April 8, 1987. If you have any questions, please contact Charles Snyder at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Acting General Counsel

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GCC# 2972

THOMAS HART & ASSOCIATES

Attorneys at Law
1625 Massachusetts Avenue, NW, Suite 402
Washington, DC 20036
(202) 797-8700

87 MAR 26 A11:26

March 20, 1987

Charles Snyder, Esq.
Federal Election Commission
Washington, DC 20463

Re: MUR 2284

Dear Mr. Snyder:

As indicated in my letter to Mr. Noble dated March 12, 1987, this office has begun its review of the matters raised in the Commission's charge in this matter. Unfortunately, our review is hampered by a lack of detail concerning the Commission's complaint. Specifically, it is unclear to us as to the nature of the information which the Commission's auditors maintained was not made available to them. On page 2 of the General Counsel's factual and legal analysis, it is stated that "In the course of fieldwork (conducted in 1985), Audit found that documentation for contributions worth $8,299.20, received in 1983, was not available for review. Also, documentation for 1984 receipts totalling $146,363.06 was likewise not available." In order to properly respond to the Commission's complaint, a statement from you indicating the nature of the documentation that the Commission maintains should have been provided is essential.

Your cooperation will be greatly appreciated.

Sincerely,

Thomas J. Hart

Thomas J. Hart

TJH:lf

cc: Eleanor Smeal, President NOW
Sheri O'Dell, Acting Treasurer NOW PAC

87 MAR 26 A8:29

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GCC#3075

THOMAS HART & ASSOCIATES

Attorneys at Law
1625 Massachusetts Avenue, NW, Suite 402
Washington, DC 20036
(202) 797-8700

HAND DELIVERED

April 8, 1987

87 APR 8 P4:31

RECEIVED
OFFICE OF THE
GENERAL COUNSEL

Larry Noble, Acting General Counsel
Federal Election Commission
999 E. St. N.W., Room 657
Washington, DC 20463

Re: MUR 2284 / NOW PAC

Dear Mr. Noble:

This office is counsel to the National Organization for Women Political Action Committee (NOW PAC). We have been attempting to obtain information concerning the above referenced charge. Unfortunately, we have been severely hampered by virtue of the fact that the treasurer of the NOW PAC during the period relevant to the Commission's charges has been out of the country and, therefore, unavailable to talk with us. In addition, we have not received a response from your office to our letter dated March 20, 1987 requesting specification as to the material which the Commission's audit branch asserts should have been produced. Without this information, and without the ability to question the former NOW PAC treasurer, we simply cannot prepare an adequate response.

In light of the foregoing, the NOW PAC respectfully requests an additional 30 days within which to respond to the Commission's allegations and further requests that our letter of March 20 be responded to as soon as possible.

If this request for additional time is denied, the NOW PAC requests that the pre-probable cause conciliation process be implemented.

Thank you for your courtesy.

Sincerely,

Thomas J. Hart (Doc)

Thomas J. Hart

tjh:lf

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cc: Sheri O'Dell, Acting Treasurer
Eleanor Smeal, Chair

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SENSITIVE

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87 MAY 20 P5:03

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women Political Action Committee and Sheri A. O'Dell as treasurer	)	MUR 2284

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 18, 1987, the Commission found reason to believe that the National Organization for Women Political Action Committee ("NOWPAC") and its treasurer violated 2 U.S.C. §§ 432(c) and (d) and 433(c). The basis for these findings was NOWPAC's failure to maintain for review documentation concerning its receipts in 1983 and 1984 and its failure to amend its Statement of Organization to inform the Commission of the identity of its present treasurer.

With respect to respondents' failure to maintain records for review, the Commission's Audit Division ("Audit") has determined that documentation for receipts of $8,299.20 for 1983 and of $146,363.06 for 1984 were not available for review. These findings were based on fieldwork conducted by Audit on March 25-29, 1985, and on a follow-up visit made at respondents' request on April 4, 1985. When Audit issued its interim report, respondents responded that the documents were now available for review. Consequently, Audit on May 6, 1986, again visited NOWPAC headquarters. They found some new documentation for 1984, but not for 1983, and other documentation for 1983 and 1984 that had been seen previously was no longer available for review.

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Overall, less material was found on this occasion than during the previous fieldwork. Audit conferred with representatives of NOWPAC concerning the problems. Ultimately, the matter was referred to this Office for a legal enforcement action. Along with a notification of the Commission's reason to believe finding, respondents received a Legal and Factual Analysis approved by the Commission setting forth the basis for the violation and the statutory requirements concerning record-keeping.

Upon receipt of the notification of the Commission's findings, NOWPAC's counsel requested on March 12, 1987 an extension of 20 days in which to respond citing a change in administration as a reason. (Attachment 1). This Office granted that extension, giving respondent until April 8, 1987 to respond. (Attachment 2). On March 20, 1987, respondent's counsel wrote again, stating that it was unclear to his clients what documentation should have been kept available for review and requesting a statement "indicating the nature of the documentation that the Commission maintains should have been provided ...." (Attachment 3).

A member of our staff responded to this request on April 3, 1987, by telephone. It was stated that Audit had visited respondents' Office on several occasions, had conferred with representatives of NOWPAC to explain the nature of the record-keeping requirement, and had issued a preliminary report to NOWPAC concerning this subject. Counsel was also reminded of

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the statutory basis for the record-keeping requirement, which was set forth in detail in the Legal and Factual Analysis previously sent to respondents. It was explained that it appeared that the nature of the violation had been clearly set forth and that the matter had been referred to our office for an enforcement action. In the interest of handling this matter as expeditiously as possible, the staff member advised Counsel to indicate whether he would be requesting pre-probable cause conciliation. If he did not wish to make such a request, it was stated that we would proceed to the next stage in the enforcement process.

Counsel responded by letter on April 8, 1987 (Attachment 4), again stating that his clients needed "specifications as to the material which the Commission's audit branch asserts should have been produced." Also, he requested a second extension, this time of thirty days, of the time in which to respond to the Commission's findings. In the alternative, he requested pre-probable cause conciliation.

II. ANALYSIS

This Office recommends that the Commission deny respondent's request of an additional thirty days in which to respond. Respondents were already accorded an extension of 20 days in which to respond. They have, therefore, had an opportunity to state their position. As to their claim of ignorance of the nature of the record-keeping requirement, this Office does not regard that claim as justifying further delay. Respondents have

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had the opportunity to confer with representatives of Audit, who visited respondents' offices on at least three separate occasions. Prior to the last of these visits, respondents had stated that the records were available for review. That claim proved unfounded. It would be pointless to delay this enforcement action for any further searches for records that respondents should have produced in the past.

Accordingly, this Office recommends that the Commission agree to respondent's request to enter into pre-probable cause conciliation, in order that this matter may be brought to a conclusion as expeditiously as possible.

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IV. RECOMMENDATIONS

1. Reject the request by the National Organization for Women Political Action Committee and Sheri A. O'Dell as treasurer for an additional 30 day extension of time in which to respond.

2. Enter into conciliation with the National Organization for Women Political Action Committee prior to a finding of probable cause to believe.

3. Approve and send the attached conciliation agreement.

4. Approve and send the attached letter.

5/20/87
Date

Lawrence M. Noble
Acting General Counsel

Attachments
1. Letter from Thomas Hart, March 12, 1987
2. Letter to Thomas Hart, March 18, 1987
3. Letter from Thomas Hart, March 20, 1987
4. Letter from Thomas Hart, April 8, 1987
5. Proposed conciliation agreement
6. Proposed letter to respondents

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Attachments to General Counsel's Report have been removed from this position in the Public Record File either because they duplicate documents located elsewhere in this file, or because they reflect exempt information.

For Attachment	see
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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JERYL L. WARREN

DATE: MAY 22, 1987

SUBJECT: OBJECTION TO MUR 2284 - GENERAL COUNSEL'S REPORT SIGNED MAY 20, 1987

The above-captioned document was circulated to the Commission on Thursday, May 21, 1987 at 11:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens _____

Commissioner Elliott _____

Commissioner Josefiak X

Commissioner McDonald _____

Commissioner McGarry _____

Commissioner Thomas _____

This matter will be placed on the Executive Session agenda for Tuesday, June 2, 1987.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women	)	MUR 2284
Political Action Committee and	)	
Sheri A. O'Dell, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of June 2, 1987, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2284:

1. Take no action on the request by the National Organization for Women Political Action Committee and Sheri A. O'Dell, as treasurer, for an additional 30 day extension of time in which to respond to the Commission, due to the passage of time.

2. Enter into conciliation with the National Organization for Women Political Action Committee prior to a finding of probable cause to believe.

3. Approve and send the conciliation agreement attached to the General Counsel's report dated May 20, 1987.

4. Direct the Office of General Counsel to send an appropriate letter.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

June 3, 1987
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 10, 1987

Thomas Hart, Esquire
1625 Massachusetts Avenue, N.W.
Suite 402
Washington, D.C. 20036

RE: MUR 2284
NOWPAC, et al.

Dear Mr. Hart:

On February 18, 1987, the Federal Election Commission found reason to believe that the National Organization for Women Political Action Committee and Sheri A. O'Dell, as treasurer, violated 2 U.S.C. §§ 432(c) and (d) and 433(c). At your request, on June 2, 1987, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Lawrence M. Noble
Acting General Counsel

Enclosure
Conciliation Agreement

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SENSITIVE

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
87 SEP 17 PM 4:41

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women	)	MUR 2284
Political Action Committee and	)	
Sheri A. O'Dell, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Sheri A. O'Dell, the treasurer of the National Organization for Women Political Action Committee.

The attached agreement contains no changes from the agreement approved by the Commission on August 14, 1987. A check for the civil penalty has been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with the National Organization for Women Political Action Committee and Sheri A. O'Dell, as treasurer.

2. Close the file.

3. Approve the attached letter.

Date 9/17/87

Lawrence M. Noble
Acting General Counsel

Attachments
1. Conciliation Agreement
2. Photocopy of civil penalty check
3. Letter to Respondents

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attachment 2

NATIONAL ORGANIZATION FOR WOMEN
1401 NEW YORK AVE., N.W., SUITE 800
WASHINGTON, D.C. 20005-2102

H- 2101

August 26 1987

15-120/540 D 04

PAY One thousand five hundred and----------00/100 DOLLARS $1,500.00

TO THE ORDER OF Federal Election Commission

SOVRAN BANK/DC NATIONAL
WASHINGTON, D.C. 20006

NON-NEGOTIABLE AFTER 90 DAYS

Sheila A. O'Dell
[illegible]

⑈00002101⑈ ⑆054001204⑆ ⑈710353 0⑈

NATIONAL ORGANIZATION FOR WOMEN

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

H- 2101

DELUXE - FORM WVO-4 V-680

ACCT. NO.	DEPT. NO.	AMOUNT	DESCRIPTION
E	F	G 1500.00	H Penalty

3-2-ADAD

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women	)	MUR 2284
Political Action Committee and	)	
Sheri A. O'Dell, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 22, 1987, the Commission decided by a vote of 6-0 to take the following actions in MUR 2284:

1. Accept the conciliation agreement with the National Organization for Women Political Action Committee and Sheri A. O'Dell, as treasurer, as recommended in the General Counsel's report signed September 17, 1987.

2. Close the file.

3. Approve the letter, as recommended in the General Counsel's report signed September 17, 1987.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

9-23-87
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs.,	9-17-87,	4:41
Circulated on 48 hour tally basis:	Fri.,	9-18-87,	12:00
Deadline for vote:	Tues.,	9-22-87,	4:00

16

93040670508

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

25 September 1987

Thomas Hart, Esquire
1625 Massachusetts Avenue, N.W.
Suite 402
Washington, D.C. 20036

RE: MUR 2284
NOWPAC

Dear Mr. Hart:

On September 22 , 1987, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. §§ 432(c), 432(d) and 433(c), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Acting General Counsel

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women Political Action Committee and Sheri A. O'Dell, as treasurer	)	MUR 2284
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the National Organization for Women and Sheri A. O'Dell, as treasurer ("Respondents") viclated 2 U.S.C. §§ 432(c) and (d) and 433(c).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, National Organization for Women Political Action Committee, is a political committee within the meaning of 2 U.S.C. § 431(4).

89049570600

2. Respondent, Sheri A. O'Dell, is the treasurer of the National Organization for Women Political Action Committee.

3. Respondents failed to retain for review documentation for receipts totalling $8,299.20 in 1983 and $146,363.06 in 1984.

4. Respondents failed to amend their Statement of Organization to indicate the appointment of a new treasurer until over 10 days had elapsed after the date of that appointment.

V. Respondents' failure to retain for review documentation concerning certain receipts was in violation of 2 U.S.C. § 432(c) and (d). Respondents' failure to amend their Statement of Organization to indicate the appointment of a new treasurer in a timely manner was in violation of 2 U.S.C. § 433(c).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Five Hundred dollars ($1,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

8 3 0 4 0 5 7 0 5 0 1

IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
Acting General Counsel

Date 9/24/87

FOR THE RESPONDENTS:

Sheri A. O'Dell
(Name)
(Position) Acting Treasurer

Date 8/27/87

8 9 0 4 0 5 7 0 6 0 2

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE END OF MUR # 2284

DATE FILMED 1/13/88 CAMERA NO. 3

CAMERAMAN AS

8804057060 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE PUBLIC FILE OF CLOSED MUR 2284 .

33040571744

GCC #4273

MEMORANDUM

TO: DEBRA A. TRIMIEW

FROM: CECILIA LIEBER

TO: CECILIA LIEBER

FROM: DEBRA A. TRIMIEW

CHECK NO. 2101 { A COPY OF WHICH IS ATTACHED } RELATING TO

2284 (Snyder) AND NAME National Organization for Women PAC and Sheri A. O'Dell, as treasurer

RECIEVED ON 8/31/87. PLEASE INDICATE THE ACCOUNT INTO

CH IT SHOULD BE DEPOSITED:

/ ✓ / BUDGET CLEARING ACCOUNT { 95F3875.16 }

/ / CIVIL PENALTIES ACCOUNT { 95-1099.160 }

/ / OTHER _____

NATURE Debra A. Trimiew DATE 9/1/87

89040071745

NATIONAL ORGANIZATION FOR WOMEN
1401 NEW YORK AVE., N.W., SUITE 800
WASHINGTON, D.C. 20005-2102

H- 2101

August 26 1987

15-120/540 D 04

PAY One thousand five hundred and----------00/100 DOLLARS $1,500.00

TO THE ORDER OF Federal Election Commission

SOVRAN BANK/DC NATIONAL
WASHINGTON, D.C. 20006

NON-NEGOTIABLE AFTER 90 DAYS

⑈00002101⑈ ⑆054001204⑆ ⑈710353 0⑈

CELUPA CHECK PRINTERS

NATIONAL ORGANIZATION FOR WOMEN

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED

H- 2101

DELUXE - FORM WVO-4 V-680

ACCT. NO.	DEPT. NO.	AMOUNT	DESCRIPTION
E	F	G 1500.00	H Penalty

3-2-ADAD

GCC # 4273

THOMAS HART & ASSOCIATES

Attorneys at Law
1625 Massachusetts Avenue, NW, Suite 402
Washington, DC 20036
(202) 797-8700

Lena S. Zezulin

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
87 AUG 32 AM 11:22
Sept 01

August 28, 1987

Charles Snyder, Esq.
Office of General Counsel
Federal Elections Commission
999 E Street, NW
Washington, D.C. 20463

Re: MUR 2284 NOW PAC

Dear Mr. Snyder:

Enclosed please find the Conciliation Agreement proposed by the Commision in MUR 2284. It has been signed by the acting treasurer of the NOW PAC. Also enclosed is a check for $1500.00 made payable to the Commission pursuant to the terms of the Conciliation Agreement. Please send us a countersigned copy of the Conciliation Agreement.

Pleae feel free to call upon me or Tom Hart if you need to discuss this matter further.

Sincerely,

Lena S. Zezulin

Lena S. Zezulin

LSZ:reo

cc: Molly Yard
Sheri O'Dell
Patricia Ireland

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
87 AUG 31 AM 11:05

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 18, 1987

Thomas Hart, Esquire
1625 Massachusetts Avenue, N.W.
Suite 402
Washington, D.C. 20036

RE: MUR 2284
NOWPAC

Dear Mr. Hart:

This letter is to confirm the Commission's receipt of your letter proposing a modification of the conciliation agreement on July 8, 1987. The Commission has reviewed your counterproposal and has authorized this Office to reduce the proposed civil penalty to $1,500, and to change the conciliation agreement to reflect the fact that an amendment to the Statement of Organization was filed, although not in a timely manner.

Enclosed herewith is a conciliation agreement incorporating these changes which we submit for your signature.

I am still hopeful that this matter can be settled through a conciliation agreement. Should you have any further questions, please call Charles Snyder at (202) 376-8200. In light of the fact that pre-probable cause conciliation is limited to thirty days, you should respond to the Commission within 10 days of receipt of this notification.

Sincerely,

Lawrence M. Noble
Acting General Counsel

Enclosure
Conciliation Agreement

9 8 0 4 0 0 7 1 7 4 8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
National Organization for Women	)	MUR 2284
Political Action Committee and	)	
Sheri A. O'Dell, as treasurer	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the National Organization for Women and Sheri A. O'Dell, as treasurer ("Respondents") violated 2 U.S.C. §§ 432(c) and (d) and 433(c).

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VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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83040671750

IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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FOR THE COMMISSION:

_____ _____
Lawrence M. Noble Date
Acting General Counsel

FOR THE RESPONDENTS:

_____ _____
(Name) Date
(Position)

2 8 0 4 0 5 7 1 1 7 5 1