



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3095

DATE FILMED 12/12/91 CAMERA NO. 2

CAMERAMAN AS

91040881819

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: \_\_\_\_\_

ANALYST: Margo Tucker

I. COMMITTEE: Missouri Democratic State Committee  
(C00135558)  
Douglas Brooks, Treasurer  
419 East High Street  
P.O. Box 719  
Jefferson City, MO 65102

II. RELEVANT STATUTE: 11 CFR §102.5(a)(1)(i)  
2 U.S.C. §441b(a)

III. BACKGROUND:

A. Reimbursements to Non-Federal Account for Federal Activity and Receipt of a Corporate Contribution

1. Reimbursements to Non-Federal Account for Federal Activity - 11 CFR §102.5(a)

The 1988 October Quarterly Report filed by the Missouri Democratic State Committee ("the Committee") disclosed a \$1,744 disbursement to Haws Embroidery and Specialty Co. for "Dukakis/Bentsen bumper stickers, pins, etc." on September 19, 1988. The report also disclosed \$9,062 in coordinated expenditures made between September 19 and 26, 1988 for voter registration, phone banks, and get-out-the-vote activities (Attachment 2, pages 3 and 4).

On October 27, 1988 the Committee filed an Amended October Quarterly Report that deleted the \$1,744 expenditure and the coordinated expenditures totalling \$9,062. A cover letter stated that these items were "paid for by [the] coordinated account [and] were mistakenly included in the Federal report" (Attachment 3).

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MISSOURI DEMOCRATIC STATE COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
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On December 28, 1988, a Request for Additional Information ("RFAI") was sent requesting further clarifying information regarding the nature of the coordinated account and the activity conducted by it (Attachment 4, page 1). On January 11, 1989 the Committee submitted a response that stated that the \$1,744 check to Haws Embroidery and Specialty Co. was a federal expenditure that had been made by the coordinated account and that the Committee subsequently reimbursed the coordinated account. The Committee also stated that "the \$9,060 originally reported on Schedule F...represented coordinated expenditures for voter registration and voter identification." The Committee stated that these were legitimate coordinated expenditures since they "were used to identify Democrats and get them registered." The Committee attached a memorandum which explained that the Missouri Democratic Party maintains a coordinated account for expenditures relating to 'general voter contact', and added that when such expenditures involve federal candidates, "...the proportionate amount of federal dollars were transferred from our federal account into the coordinated account..." (Attachment 5, pages 1 and 3).

On January 26, 1989, a Second Notice was sent because the Committee failed to adequately address all the requested information (Attachment 6). The Notice asked the Committee to provide the dates that the reimbursements to the coordinated account had occurred, and requested further clarification regarding the nature of the \$9,062 reimbursement. The Notice also informed the Committee that a non-federal account could not make expenditures for coordinated or exempt activities, and warned of the possibility of legal or audit action by the Commission.

On February 3, 1989, a cover letter attached to the 1988 Year End Report stated that the Committee had "transferred \$100,000.00 in unmatched funds [on October 31, 1988] to [our] coordinated account as reimbursement for expenditures that were in question as to their legality as coordinated expenditures". The Committee further explained that these expenditures were originally reported as operating expenses. The Committee therefore deducted the expenditures from Line 19, Column B and included them on Line 21, Column B of its Year End Report (Attachment 7). The Committee also provided a listing and dates of additional expenditures made on behalf of the Democratic Presidential candidate in the General Election which were initially paid for by the coordinated account.

On February 16, 1989, the Committee submitted a response to the Second Notice. The Committee reiterated its letters of January 11 and February 3, 1989, and stated that the coordinated expenditures had not been made on behalf of a

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specific federal candidate. The response did not address the question of the permissibility of those expenditures. The Committee did provide the dates on which the coordinated account made the initial payments to Haws Embroidery and Specialty Co. and the vendors for phone banks (Attachment 8).

On April 7, 1989, an Informational Notice was sent to the Committee regarding the Year End Report. The Notice referenced the cover letter and attachments regarding disbursements to the unregistered coordinated account for "coordinated campaign expenditures". The Notice advised the Committee that 11 CFR §102.5 prohibits a non-federal account from financing activity in connection with federal elections (Attachment 9).

No further responses have been received from the Committee regarding the reimbursements.

2. Receipts of a Corporate Contribution -  
2 U.S.C. §441b(a)

The 12 Day Pre-General Report filed by the Committee disclosed a \$1,250 contribution from Taxpayers Unlimited Inc., an incorporated entity, on October 12, 1988 (Attachment 10, page 1).

On January 11, 1989, an RFAI was sent advising the Committee that the contribution was prohibited by the Act unless it was made from a separate segregated fund established by the corporation. The RFAI advised the Committee to refund the full amount to the donor or transfer the full amount, with the donor's consent, to a non-federal account (Attachment 11, page 2).

On January 30, 1989, the Committee submitted a response to the RFAI stating that the contribution was deposited in error and was transferred-out on January 9, 1989. A copy of the check was included with the response (Attachment 12, pages 1 through 3).

B. Receipt of Apparent Impermissible Funds from  
Unregistered Organizations - 11 CFR §102.5(a)(1)(i)

The 1988 Original and Amended October Quarterly Reports filed by the Committee disclosed a total of \$5,100 received in apparent impermissible funds from two (2) unregistered organizations. The amounts received were \$100 and \$5,000 and the dates received were September 3, 1988 and September 29, 1988, respectively (Attachment 2, pages 1 and 2).

On December 28, 1988, an RFAI was sent that asked the Committee to clarify whether the funds from the two unregistered organizations were permissible according to 11

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MISSOURI DEMOCRATIC STATE COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
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CFR §102.5(a). The RFAI advised the Committee to refund the contributions or transfer them, with the donors' consent, to a non-federal account (Attachment 4, page 3).

On January 12, 1989, the Committee submitted a response that stated that the funds from the two unregistered organizations were deposited in the federal account in error. The funds were transferred to the non-federal account, and copies of the checks were also provided (Attachment 5, pages 1, 2, and 4 through 7).

The 1988 12 Day Pre-General Report filed by the Committee disclosed a total of \$320 received in apparent impermissible funds from four (4) unregistered non-federal organizations. The funds ranged in amounts from \$20 to \$100 and ranged in date from October 1, 1988 to October 7, 1988 (Attachment 10).

On January 11, 1989, an RFAI was sent which advised the Committee to clarify whether or not the contributions received were permissible under 11 CFR §102.5(a). The RFAI further advised the Committee to either refund any impermissible funds to the donors or transfer the funds, with the donors' consent, to an account not used to influence federal elections (Attachment 11, page 3).

On January 30, 1989, the Committee submitted a response that indicated that the contributions were deposited in the federal account in error. The Committee also stated that the contributions from the four (4) unregistered organizations were transferred-out on January 9, 1989, and copies of the checks were provided (Attachment 12, pages 1, and 4 through 11).

The 1988 30 Day Post-General Report filed by the Committee disclosed a total of \$2,907.50 received in apparent impermissible funds from ten (10) unregistered non-federal organizations. The funds ranged in amounts of \$25 to \$1,000 and ranged in date of receipt from October 22, 1988 to November 7, 1988 (Attachment 13).

An RFAI was sent on January 18, 1989 which advised the Committee to clarify if the contributions received were

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1/ The Committee has not been notified of the contribution for \$52.50 received from the Central Democratic Committee of Maysville, MO on October 24, 1988. As of the date of this referral, the contribution has not been refunded nor transferred-out to a non-federal account.

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REPORTS ANALYSIS OGC REFERRAL  
PAGE 5

permissible under 11 CFR §102.5(a). The RFAI further advised the Committee to either refund any impermissible funds to the donors or transfer the funds, with the donors' consent, to an account not used to influence federal elections (Attachment 14).

On February 9, 1989 a Second Notice was sent for failure to respond to the RFAI (Attachment 15).

On February 15, 1989 the Committee submitted a response that indicated that the contributions were deposited into the federal account in error. The Committee also stated that contributions from eight (8) of the unregistered organizations were transferred to the state account on January 9, 1989. A ninth contribution was transferred to the state account on February 3, 1989. Copies of the checks were attached to the cover letter (Attachment 16).

On January 31, 1990 the Committee submitted a 1988 Amended 30 Day Post-General Report that disclosed a total of \$558.75 received in apparent impermissible funds from seven (7) unregistered organizations. The funds ranged in amounts from \$30 to \$100 and ranged in date of receipt from October 26, 1988 to November 7, 1988. The Committee indicated that the funds had been transferred out but this has not been documented in subsequent reports (Attachment 17).

On March 16, 1990 an Informational Notice was sent that advised the Committee to clarify if the contributions received were permissible under 11 CFR §102.5(a). The Committee was further advised to either refund any impermissible funds to the donors or transfer the funds, with the donors' consent, to an account not used to influence federal elections (Attachment 18).

On March 29, 1990, the analyst telephoned the Committee. The analyst spoke to Corinne Brown, a member of the Committee's staff. She stated that they had received the letter and had not prepared a response because the letter did not specify a time limit. The analyst pointed out the receipt of five (5) contributions from apparent corporations that were discovered in the preparation of the referral but that the Committee had not been notified of. Ms. Brown stated that the Committee would transfer these receipts out, as well as the funds from the unregistered organizations, and would notify the Commission as soon as possible (Attachment 19).

On March 30, 1990, Corinne Brown telephoned the analyst and stated that the funds from the unregistered organizations would be transferred out that same day. She said she would

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send a copy of the check and that the Committee would disclose the transaction on its 1990 April Quarterly report (Attachment 24).

C. Receipt from Non-Federal Account - 11 CFR §102.5(a)

The 1989 Mid-Year Report filed by the Committee disclosed a \$12,250 receipt from the Missouri Democratic State Committee State Account on January 6, 1989. The Committee also itemized this amount on Schedule D supporting Line 10. A cover letter attached to the report explained that the \$12,250 was incorrectly transferred into the Federal account and that they were showing it as a debt to be repaid as soon as possible (Attachment 20).

On February 21, 1990, an RFAI was sent that asked the Committee to clarify whether the transfer was made from an account maintained by the Committee for non-federal activity. The RFAI advised the Committee to return the full amount of the transfer to the non-federal account (Attachment 21).

On March 12, 1990, the Committee submitted a response that stated that the receipt of \$12,250 was from the Committee's state account maintained for non-federal activity. The full amount was refunded to the State Account on February 15, 1990 and a copy of the check was provided (Attachment 22).

D. Additional Possible Violations Discovered During the Preparation of the Referral - 2 U.S.C. §441b(a)

Review of the Committee's 1988 Amended 30 Day Post-General Report dated January 31, 1990 disclosed the receipt of an additional \$800 in apparent impermissible funds from five (5) apparent corporate entities. The funds ranged in amount from \$100 to \$300 and the date of receipt was November 7, 1988. (Attachment 23). On March 29, 1990, the analyst telephoned the Committee. The analyst spoke to Corinne Brown, a member of the Committee's staff. The analyst pointed out the receipt of five (5) contributions from apparent corporations that were discovered in the preparation of the referral but that the Committee had not been notified of. Ms. Brown stated that the Committee would transfer these receipts out, as well as the funds from the unregistered organizations, and would notify the Commission as soon as possible (Attachment 19).

On March 30, 1990, Corinne Brown telephoned the analyst and stated that the funds from the apparent corporate entities would be transferred out that same day. She said

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MISSOURI DEMOCRATIC STATE COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
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she would send a copy of the check and that the Committee would disclose the transaction on its 1990 April Quarterly report (Attachment 24).

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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FEDERAL ELECTION COMMISSION  
1987-1988  
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 17OCT89

PAGE 2

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
MISSOURI DEMOCRATIC STATE COMMITTEE				ID #C00135558 PARTY QUALIFIED		
CONNECTED ORGANIZATION:						
1987	MID-YEAR REPORT	0	0	1JAN87 -30JUN87	2	87FEC/482/1317
	YEAR-END	17,496	14,388	1JUL87 -31DEC87	5	88FEC/503/3505
	YEAR-END - AMENDMENT	-	-	1JUL87 -31DEC87	10	88FEC/512/3449
	YEAR-END - AMENDMENT	-	-	1JUL87 -31DEC87	4	88FEC/524/1158
	REQUEST FOR ADDITIONAL INFORMATION			1JUL87 -31DEC87	3	88FEC/509/3647
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL87 -31DEC87	2	88FEC/512/3758
	REQUEST FOR ADDITIONAL INFORMATION			1JUL87 -31DEC87	1	88FEC/521/5502
1988	MISCELLANEOUS REPORT TO FEC			7MAR88	2	88FEC/512/1835
	MISCELLANEOUS REPORT TO FEC			15JUN88	2	88FEC/530/1601
	APRIL QUARTERLY	13,202	14,118	1JAN88 -31MAR88	9	88FEC/519/3777
	APRIL QUARTERLY - AMENDMENT	13,202	14,118	1JAN88 -31MAR88	5	88FEC/524/1153
	APRIL QUARTERLY - AMENDMENT	-	-	31JAN88 -31MAR88	2	88FEC/537/1064
	APRIL QUARTERLY - AMENDMENT	-	-	31JAN88 -31MAR88	2	88FEC/533/4161
	REQUEST FOR ADDITIONAL INFORMATION			31JAN88 -31MAR88	2	88FEC/528/2523
	REQUEST FOR ADDITIONAL INFORMATION 2ND			31JAN88 -31MAR88	3	88FEC/530/4566
	JULY QUARTERLY	0	0	1APR88 -30JUN88	5	88FEC/537/4970
	OCTOBER QUARTERLY	95,505	94,903	1JUL88 -30SEP88	15	88FEC/552/5458
	OCTOBER QUARTERLY - AMENDMENT	95,505	94,902	1JUL88 -30SEP88	14	88FEC/562/1476
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL88 -30SEP88	10	89FEC/577/1622
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL88 -30SEP88	10	89FEC/585/1040
	REQUEST FOR ADDITIONAL INFORMATION			1JUL88 -30SEP88	7	88FEC/575/4329
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL88 -30SEP88	2	89FEC/579/4848
	PRE-GENERAL	79,918	41,594	1OCT88 -19OCT88	18	88FEC/562/1491
	PRE-GENERAL - AMENDMENT	79,918	41,594	1OCT88 -19OCT88	27	89FEC/580/5217
	REQUEST FOR ADDITIONAL INFORMATION			1OCT88 -19OCT88	6	89FEC/577/0287
	POST-GENERAL	184,387	212,982	20OCT88 - 3DEC88	14	88FEC/574/5144
	POST-GENERAL - AMENDMENT	184,387	212,982	20OCT88 - 3DEC88	14	88FEC/575/2875
	POST-GENERAL - AMENDMENT	-	-	20OCT88 - 3DEC88	22	89FEC/585/1051
	POST-GENERAL - AMENDMENT	-	-	20OCT88 - 3DEC88	7	89FEC/585/1074
	REQUEST FOR ADDITIONAL INFORMATION			20OCT88 - 3DEC88	8	89FEC/578/2289
	REQUEST FOR ADDITIONAL INFORMATION 2ND			20OCT88 - 3DEC88	9	89FEC/584/4641
	YEAR-END	0	1,850	4DEC88 -31DEC88	6	89FEC/583/3291
	YEAR-END - AMENDMENT	0	1,850	4DEC88 -31DEC88	2	89FEC/588/5298
	YEAR-END - AMENDMENT	0	1,850	4DEC88 -31DEC88	2	89FEC/592/3593
	REQUEST FOR ADDITIONAL INFORMATION			4DEC88 -31DEC88	1	89FEC/586/3329
	REQUEST FOR ADDITIONAL INFORMATION 2ND			4DEC88 -31DEC88	1	89FEC/589/4271
	1ST LETTER INFORMATIONAL NOTICE			4DEC88 -31DEC88	1	89FEC/590/3179
TOTAL		390,508	0 379,834	0	255 TOTAL PAGES	

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All reports have been reviewed.  
Cash-on-hand as of 12/31/88: \$744  
Debts owed to/by Committee: \$0

FEDERAL ELECTION COMMISSION  
1989-1990  
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 20MAR90

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
MISSOURI DEMOCRATIC STATE COMMITTEE						
CONNECTED ORGANIZATION: MISSOURI DEMOCRATIC PARTY				ID #C00135558		PARTY QUALIFIED
	1989 MID-YEAR REPORT	17,753	14,525	1JAN89 -30JUN89	8	89FEC/606/2106
	MID-YEAR REPORT - AMENDMENT	-	-	1JAN89 -30JUN89	3	90FEC/630/2758
	REQUEST FOR ADDITIONAL INFORMATION			1JAN89 -30JUN89	3	90FEC/629/2142
	YEAR-END	0	25	1JUL89 -31DEC89	4	90FEC/627/1542
	TOTAL	17,753	0 14,550			18 TOTAL PAGES

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All reports have been reviewed.  
Cash-on-hand as of 12/31/89: \$3977.60  
Debts owed to Committee: \$0  
Debts owed by Committee: \$12,250

MODULE A

FINANCED RECEIPTS

No  
 Yes  
 Is this receipt for the purpose of the  
 Federal Election Campaign Act?  
 PAGE 09  
 11/1/88

(Contributions from other Political Committees)

Information entered from such Receipts and Statements may not be used by any person for the purpose of collecting contributions or for other purposes other than using the name and address of any person authorized to collect contributions from such committee.

NAME OF COMMITTEES on Page

1988 October Quarterly Report

MISSOURI Democratic State Committee

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
Local 024 Vo. Political Fund - IBEW 301 East 103rd Terrace Kansas City, MO 64114		8-2-88	\$200.00
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 200.00	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
Wheat For Congress General Election Fund 8620 East 63rd ST Kansas City, MO 64133		8-2-88	200.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation U.S. Rep - 5th CD/MO	Aggregate Year-to-Date > \$ 200.00	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
Wheat For Congress General Election Fund 8620 East 63rd St Kansas City, MO 64133		8-3-88	\$1,000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 1,200.00	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
Gardene Twnshp Democratic Club c/o Janet Aubuchon 810 Read Oak O'Fallon, MO 63366		9-3-88	100.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$100.00	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
Electrical Workers Vol. Political Fund 5850 Elizabeth AVE St. Louis, MO 63110		9-13-88	5,000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Deposited in error in federal account. Money transferred to rebate acct.	Aggregate Year-to-Date > \$ 5,000.00	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
IBEW-COPE 1125 15th ST NW Washington, DC 20005		9-9-88	5,000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 5,000.00	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
American Federation of Teachers 555 New Jersey AVE NW Washington, DC 20001		9-19-88	5,000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 5,000.00	
TOTAL of Receipts This Page (optional) .....			\$16,500.00
A. The Period Has gone (the line number only) .....			

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MODULE A

FINANCED RECEIPTS

This page continues on the reverse of the Standard Summary Page PAGE 2 11 (6)
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Contributions From other Political Committees

Information obtained from such reports and statements may not be used by any person for the purpose of obtaining contributions or for any other purpose other than using the name and address of any political committee to obtain contributions from such committee.

NAME OF COMMITTEE OR FUND

Missouri Democratic State Committee

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Received this Period
Volkmar for Congress Committee PO BOX 991 Hannibal, MO 63401 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	U.S. Rep. 9th CD/MO Aggregate Year-to-Date > \$ 840.00	9/30/88	840.00
Drive Political Fund 25 Louisiana NW Washington, DC 20001 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Aggregate Year-to-Date > \$ 5,000.00	9/29/88	5,000.00
Missouri AFL/CIO- Special Registration 808 Madison ST Jefferson City, MO 65101 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Aggregate Year-to-Date > \$ 5,000.00	9/29/88	5,000.00
Hughes for Congress P.O. BOX 166 Dawn, MO 64638 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Aggregate Year-to-Date > \$ 1,020.46	9/30/88	1,020.46
(Empty)	Occupation Aggregate Year-to-Date > \$		
(Empty)	Occupation Aggregate Year-to-Date > \$		
(Empty)	Occupation Aggregate Year-to-Date > \$		
(Empty)	Occupation Aggregate Year-to-Date > \$		

TOTAL of Receipts This Page (optional) .....	11,860.46
ALL This Period (last page this line number only) .....	28,360.46

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SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s) for each category of the Disbursements Summary Page

PAGE	76
FOR LINE NUMBER	21

(Contribution to Federal Candidates)

Any information received from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (in Full)

Missouri Democratic State Committee

3 3 7 3 3 2 3 1 5 7

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Jay Nixon for U.S. Senate P.O. Box 6920 Columbia, MO 65201	Contribution to U.S. Senate candidate Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	8-1-88	\$ 2,500.00
Haws Embroidery & Specialty Co. 6202 Raytown Road Raytown, MO 64133	Dukakis/Bentsen <del>James Shickel, plus other</del> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	9-19-88	\$ 1,744.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional) ..... \$ 4,244.00

TOTAL This Period (list page this line number only) ..... \$ 4,244.00

SCHEDULE F

ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE (2 U.S.C. §4074(d))

(To be used only by Political Committees in the General Election)

Name of Political Committee (in Full) <b>Missouri Democratic State Committee</b>				
Has your Committee been designated to make coordinated expenditures by a political party committee? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If YES, name the designating committee <b>Democratic National Committee</b>				
Full Name, Mailing Address and ZIP Code of Subordinate Committee <b>Missouri Democratic State Committee 105 West High PO BOX 719 Jefferson City, MO 65101</b>				
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Freedom Inc. 2608 East 27th Kansas city, MO 64108	Fed/State/local Candidates	Phone Banks for GOTV		\$1,540.00
	Aggregate General Election Expenditure for this Candidate—\$ 1540.00			
St. Louis City Demo Cent. Comm. PO BOX 1233 St. Louis, MO 63101	Fed/State/Local Candidates	Voter Regis- tration	9-26-88	1,848.00
	Aggregate General Election Expenditure for this Candidate—\$ 3388.00			
St. Louis City Demo Cent. Comm. PO BOX 1233 St. Louis, MO 63101	Fed/State/Local Candidates	Voter Regis- tration	9-23-88	1,054.90
	Aggregate General Election Expenditure for this Candidate—\$4442.90			
Telephone Contact 3800 Hampton St. Louis, MO 63109	Federal/State/Local Candidates	Phone Banks GOTV Efforts	9-19-88	4,620.00
	Aggregate General Election Expenditure for this Candidate—\$			
SUBTOTAL of Expenditures This Page (optional):				9,062.90
TOTAL This Period (add page this line number on):				9,062.90

33025525471

\*Figures represent 30.8% Federal Allocation



**NOT DELIVERED**  
FEDERAL ELECTION COMMISSION  
P.O. BOX 19

00 OCT 27 AM 11:36

Attachment 3  
BARBARA SCHAFER  
SHEILA GATES  
DOUGLAS BROOKS  
BYRON WILLIAMS  
TODD PATTERSON

P.O. Box 19 • Jefferson City, MO 65102 • 314 636-5241

October 26, 1988

Ms. Elizabeth Jones  
Reports Analyst  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

Dear Ms. Jones:

Enclosed is an Amendment to our October 15 Quarterly Report. Items paid for by our coordinated account were mistakenly included in the Federal report.

1. Line 21 - Expenditure to Haws Embroidery
2. Line 23 - Expenditures listed on Schedule F were not "coordinated" expenditures under Section 441a(d).

The error was discovered when compiling our 12-day report.

Very truly yours,

*Douglas Brooks*  
Douglas Brooks  
Treasurer

BR:CF:DA  
10/27/88



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20541

BQ-2

DEC 28 1988

Douglas Brooks, Treasurer  
Missouri Democratic State  
Committee  
105 West High Street, P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: Amended October Quarterly Report (7/1/88-9/30/88 -  
dated 10/26/88)

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your amended report deletes a \$1,744 disbursement for "Dukakis/Bentsen bumper stickers, pins, etc." and coordinated expenditures totalling \$9,062 for voter registration, phone banks, and get-out-the-vote activities. A cover letter attached to your amended report explains that the items were paid for by your "coordinated account" and were "mistakenly included in the federal report."

You are advised that 11 CFR 102.5 prohibits a non-federal account from financing activity in connection with federal elections. Please provide further clarifying information regarding the nature of your coordinated account and the activity conducted by it. If this account is engaged in federal activity then it must either register and report as a political committee or your federal account must reimburse it for the full amount of federal activity.

Although the Commission may initiate legal action regarding the activities conducted by your non-federal account, prompt action by your committee will be taken into consideration.

-Schedule A of your report discloses a receipt of \$11,500 from the Alabama State Democratic Executive Committee/Federal Account. This committee reports no transfer to your committee. Please clarify whether this

MM

9-104088134

transfer is from a non-federal account maintained by the Alabama State Democratic Executive Committee/Federal Account for non-federal activity. If so, be advised that such a transfer is prohibited by 11 CFR 102.5(a)(1)(i) and the full amount of the transfer should be returned to the Alabama State Democratic Executive Committee. Please inform the Commission immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on a supporting Schedule B for Line 20 of your next report.

Although the Commission may take further legal action regarding the acceptance of funds from a non-federal account, your prompt transfer-out of the funds in question, or clarification of the transaction, will be taken into consideration.

-Your report discloses an apparent contribution(s) from a labor organization (pertinent portion(s) attached). You are advised that contributions from labor organizations are prohibited by the Act, unless made from a separate segregated fund established by the labor organization. (2 U.S.C. §441b(a)) If you have received a labor organization contribution(s), the Commission recommends that you refund the full amount to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee, all refunds and transfers-out should be made within thirty days of the treasurer's receipt of the contributions. See 11 CFR 103.3(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of a prohibited contribution, prompt action by your committee to refund or transfer-out the amount will be taken into consideration.

231-07430589348375

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR 102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

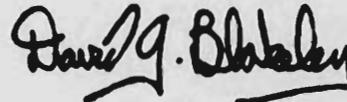
Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

*ml*

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A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2400.

Sincerely,



David J. Blakeley  
Reports Analyst  
Reports Analysis Division

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**DEMOCRATIC**

SEARCHED  
SERIALIZED  
INDEXED  
FILED

January 11, 1960

David J. Blakeley  
Reports Analyst  
Reports Analysis Division  
Federal Election Commission  
999 E Street NW  
Washington, D.C. 20463

ID# C00125558

Re: Letter dated 12/20/59

Dear David:

1) In reviewing the amendments made to our quarterly report I believe error on our part was made.

- a) The \$1,744 check to News Embroidery was a Federal expenditure. The federal account subsequently reimbursed the coordinated account.
  - b) The \$9,060 reported originally on Schedule F and then amended out of our Federal report on 10/26 represented coordinated expenditures for voter registration and voter identification. These were legitimate coordinated expenditures - as they were used to identify Democrats and get them registered.
- 2) A memorandum regarding our coordinated account is enclosed.

3) The Alabama State Executive Committee/Federal Account check for \$11,500 came from their committee to our committee. The path it took in getting to us is unknown. However, it appears that the problem may not be in our acceptance but rather in their reporting. A copy of the check is enclosed.

- a) The \$5,000 contribution from the Missouri AFL-CIO Special Registration Fund was deposited in our Federal account in error. The money has been transferred to our State account. A copy of the transfer transaction and a copy of our letter to the Missouri State Labor Council is enclosed.

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5) The \$100 contributed from the Dardenne Township Democratic Club was deposited in our Federal account in error. The money has been transferred to our State account. A copy of the transfer transaction and a copy of our letter to the Dardenne Township Democratic Club is enclosed.

*ncd*

6) The \$5,000 from the American Federation of Teachers was incompletely reported. The check was from the American Federation of Teachers COPE #2 account. A copy of the check and a copy of their letter transmitted with the check are enclosed.

I apologize for our errors in both handling and reporting. The staff person responsible for keeping us on the straight and narrow obviously did not and has since left our employ. Since that time we have reviewed our 12 day preceding and 30 day after reports and found similar errors. We have transferred all non-federal funds deposited in error out of our federal account and have notified all contributors. All corrections will appear on our year-end report with the appropriate supporting documentation.

Sincerely,



Douglas Brooks  
 Treasurer  
 Missouri Democratic State Committee

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**MISSOURI  
DEMOCRATIC**

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**Date: January 10, 1989**  
**To: David J. Blakely, Reports Analyst**  
**From: Todd Patterson, Director**  
**Re: Missouri Democratic Party Coordinated Account Expenditures**

The Missouri Democratic Party maintains a coordinated account for expenditures relating to GOTV and other general voter contact activities which involve both federal and non-federal races. Whenever party expenditures on general Democratic activities involved federal candidates, the proportionate amount of federal dollars were transferred from our federal account into the coordinated account for expenditures.

In 1988, the Democratic National Committee rated our electoral activity to be 69.2 percent non-federal and 30.8 percent federal for matching funds program purposes. Therefore, all general efforts promoting the party rather than individual candidates reflected this percentage breakdown.

As an example, if the party sponsored a single fundraiser for both its Senate and gubernatorial candidates, then the federal account reimbursed the coordinated account for 30 percent of the costs. If the party purchased air time for a commercial which did not name specific candidates but conveyed party issues, then the federal account reimbursed the coordinated account for 30.8 percent of the costs.

Should you have any questions or concerns, please contact me at (314) 636-5241.

93103366108640



MISSOURI  
DEMOCRATIC  
PARTY  
1000  
N. GARDEN  
ST.  
ST. LOUIS,  
MO. 63102

January 9, 1988

Janet Aubuchon  
Dardenne Township Democratic Club  
810 Red Oak  
O'Fallon, MO 63366

Dear Janet:

Your contribution of \$100, received on 9/3/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all fault is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,

Todd Patterson  
Executive Director

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DEMO: BATH: STATE COMMITTEE  
2204 WADSWORTH STREET  
SEVENHILLS CITY, MISSOURI 65101

Jan 9 1989

PAY TO THE ORDER OF: Transfer to DSC Account # 1-888-7 100.00  
One hundred dollars and no/100 DOLLARS

THE CENTRAL TRUST BANK  
MEMPHIS OFFICE, MEMPHIS, TENNESSEE

Finl. *Barbara L. ...*

FD03241P • 6086 5006 346 P 1-1074-99

(5 of 7)

Deposited in Federal Account in Error:

Contributor: Paducah Journal Demos. Club

Amount: 100.00

Date Deposited: 7/3/89

Transferred to State Account: 1/9/89

# MISSOURI DEMOCRATIC PARTY

January 9, 1988

Duke McVey, President  
Missouri State Labor Council  
200 Madison  
Jefferson City, MO 65101

Dear Duke:

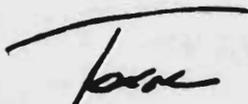
Your contribution of \$5,000, received on 9/29/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all funds is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,



Todd Patterson  
Executive Director

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

RQ-3

January 26, 1989

Douglas Brooks, Treasurer  
Missouri Democratic State  
Committee  
105 West High Street  
P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: Amended October Quarterly Report (7/1/88-9/30/88)  
dated 10/26/88

Dear Mr. Brooks:

On December 28, 1988 you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your response dated January 11, 1989 is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Your response indicates that the \$1,744 disbursement for the "Dukakis/Bentsen bumper stickers, pins, etc." and the expenditures totalling \$9,062 for voter registration, phone banks and get-out-the-vote activities were "legitimate coordinated expenditures." You further state that these expenditures were made from a "coordinated account" which finances activities involving "federal and non-federal races."

With respect to the \$1,744 disbursement, you note that the federal account subsequently reimbursed the coordinated account for this disbursement. Please provide the dates on which the coordinated account made the initial disbursement and the federal account reimbursed the coordinated account.

It is not clear from your response whether the federal account has reimbursed the coordinated account for the expenditures totalling \$9,062. If the federal account has reimbursed the coordinated account, please provide the date(s) on which the reimbursement(s) occurred. You should also provide the date(s) on which the

initial expenditures were made by the coordinated account. If a reimbursement has not been made by the federal account, the Commission recommends that a reimbursement be made immediately.

Please be advised that under the Act, a state party committee may make special expenditures, subject to limits, on behalf of the party's nominees for the U.S. House and Senate in the general election. These "coordinated party expenditures" are not considered contributions. Though they may be coordinated with a candidate, the state party committee must actually make the expenditure (see 2 U.S.C. §441a(d) and 11 CFR 110.7)). In addition, a party committee may engage in certain activities that benefit federal candidates but are exempt from the definition of contribution and expenditure. This means that the payments do not count against contribution limits or coordinated party expenditure limits (see 2 U.S.C. §431(8)(B)(v), (x) and (xii) and 11 CFR 100.7(b)(9), (15) and (17)). It appears that the \$1,744 disbursement and the "coordinated expenditures" totalling \$9,062 may be "exempt activity" rather than "coordinated expenditures." Please amend your report to clarify the nature of these transactions.

In either situation, you are advised that 11 CFR 102.5 prohibits a non-federal account from financing activity in connection with federal elections. If your coordinated account is engaging in federal activity, then it must either (a) register and report as a political committee or (b) your federal account must reimburse the coordinated account for the full amount of the federal activity.

Although the Commission may initiate legal action regarding any activities conducted by your non-federal or coordinated account, prompt action by your committee will be taken into consideration.

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact David Blakeley on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

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**HAND DELIVERED**

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

09 FEB -3 AM 10:26

Attachment 7 (1 of 3)

BARBARA SCHAPKA

STYVE GATE

DOUGLAS BROOKS

BUTHER WILLIAMS

WOOD PATTERSON

**MISSOURI  
DEMOCRATIC**

P.O. Box 719 • Jefferson City, MO 65102 • 314636-5241

Date: January 30, 1989  
To: Federal Election Commission  
From: Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
Re: Accounting of Expenditures not Previously Reported  
ID: COO 135558

On October 31, 1988, the Missouri Democratic State Committee/Federal Account transferred \$100,000.00 in unmatched funds to our coordinated account as reimbursement for expenditures that were in question as to their legality as coordinated expenditures. Our intention was to do an immediate and thorough assessment of all coordinated campaign expenditures. Due to an unexpected staff change, the assessment of and accounting for those expenditures was temporarily overlooked. That accounting has now been made and we have attached a listing of all expenditures made on behalf of Michael Dukakis for President and Lloyd Bentsen for Vice President.

These expenditures were originally reported as operating expenses. Therefore, these expenditures have been deducted from Line 19 Column B and included on Line 21 Column B on the enclosed Year End Report.

37005933291

Paid to Consumers Printing  
3009 Charlotte  
Kansas City, MO 64108

9/12 Letterhead/Envelopes	100.33
9/29 Letterhead/Envelopes	743.01
10/13 Letterhead/Envelopes	723.33
10/23 Envelopes	115.33
	<u>1,782.00</u>

Paid to United Printing  
412 Oak  
Kansas City, MO 64108

9/29 Posters	6,901.75
10/23 Posters	2,254.75
10/23 Flyers	70.35
	<u>9,226.85</u>

Paid to Martline  
P.O. Box 1041  
Manchester, MO 63131

9/28 Buttons, bumper strips	420.00
10/7 " " "	454.18
10/23 " " "	713.64
11/10 " " "	1,052.03
11/10 " " "	1,000.00
	<u>3,640.05</u>

Paid to Arts & Letters  
113 Boylston  
Boston, MA 02146

1/10 Artwork 1,220.00

Paid to Martha Voutas Productions  
1101 Broadway  
New York, NY

9/1 Artwork 120.00

Paid to Semo Printing  
1225 Old Cape Road  
Jackson, MO 63755

11/10 Lapel Stickers 155.82

8 9 9 10 3 5 0 9 3 2 9 8 2 4 8

Paid to Calvin Signs  
8923 Lawn  
Kansas City, MO

2/8 Sign  
9/23

172  
172  
172

Paid to Wycang Signs  
Kansas City, MO

9/16 Sign

175.00

Paid to United Printing  
Bismarck, ND

11/18 Posters/Yard Signs  
11/20

1,296.61  
1,296.61  
~~1,296.61~~  
1,296.61

TOTAL

420,000.00

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**EAREN SCHAPLE**  
Chairman

**STEVE GATES**  
Vice Chairman

**DOUGLAS BROOKS**  
Treasurer

**BYRNE WILLIAMS**  
Secretary

**TODD PATTERSON**  
Member

**MISSOURI  
DEMOCRATIC**

P.O. Box 719 • Jefferson City, MO 65102 • 314/636-5241

Date: February 10, 1989

To: Mr. John D. Gibson  
Assistant Staff Director  
Reports Analysis Division  
Federal Election Commission

From: Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
PEC ID: C00135558

Re: Letter dated January 26, 1989

In response to your letter of the above date I would like to call your attention to our original response. We did not state that both expenditures were "legitimate coordinated expenditures". If that was your understanding of our explanation, I apologize for the confusion and will attempt to further clarify each expenditure and an enclosing the information you requested.

1) Haws Embroidery was paid \$800.00 on September 1, 1988 and \$944.00 on September 19, 1989 for a total of \$1,744.00 from our coordinated account. These expenditures were for Dukakis/Bentsen buttons, lapel stickers and bumper strips.

In late October we became concerned that this, and other expenditures, paid from our coordinated account may have been made in violation of federal election laws. Consequently, on October 31, 1988, we transferred \$100,000.00 in unmatched funds from our federal account to our coordinated account to cover any questionable expenditures. (See enclosed copies of the debit and credit for this wire transfer.) It was this transaction that we were referring to when we stated in our letter of January 11, 1989, that the federal account reimbursed the coordinated account.

Our intention was to do an immediate and thorough assessment of all expenditures made by our coordinated account. However, we had an unexpected staff change and that process was temporarily overlooked. We did later make that assessment and did file, with our Year End Report, an accounting of coordinated campaign expenditures that we believed were made exclusively on behalf of Michael Dukakis and/or Lloyd Bentsen. Those expenditures totaled \$20,805.86. We did not include the \$1,744.00 paid to Haws Embroidery since it had previously been reported.

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John D. Gibson  
Federal Election Commission  
February 10, 1989  
Page 2

2) The \$9,062.00 in expenditures in question were not made in cooperation with or on behalf of any specific candidate or campaign committee. The services were performed at the direction of our chairman by private corporations and local Democratic committees on behalf of the Democratic ticket. The projects financed were phone bank operations designed by the Missouri Democratic State Committee to identify people who were: a) not registered to vote; and/or, b) registered to vote and willing to declare whether they were Democrats, Republicans or Independents. The object was to register voters in highly Democratic areas and get Democrats out to vote on election day.

If there is a question regarding the legality of the Missouri Democratic State Committee financing this kind of voter identification activity with coordinated funds, these expenditures, in total, could be deducted from the \$100,000.00 transfer from our federal account made on October 31, 1988.

I hope that I have been able to clarify these questions. If not, I would be happy to provide any further information required. I am enclosing an itemized listing of the expenditures in question as well as copies of the checks.

9130403280518511

## MISSOURI DEMOCRATIC STATE COMMITTEE

FED ID: C00135558

The following expenditures were made from our coordinated account and reflect the total paid to each vendor on that date for services to be rendered in connection with phone bank operations on behalf of the Missouri Democratic State Committee. The amount reported in our amendment on Schedule F reflects 30.8% of each of these expenditures.

<u>Date</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
9/14/88	Freedom, Inc. 2608 East 27th Kansas City, MO 64108	Phone Bank	\$5,000.00
9/20/88	St. Louis Democratic Central Committee P.O. Box 1233 St. Louis, MO 63101	Phone Bank	\$6,000.00
9/26/88	St. Louis Democratic Central Committee P.O. Box 1233 St. Louis, MO 63101	Phone Bank	\$3,425.00
9/26/88	Telephone Contacts, Inc. 3800 Hampton St. Louis, MO 63109	Phone Bank	\$15,000.00

939033856022



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

BQ-5

APR 7 1989

Douglas Brooks, Treasurer  
Missouri Democratic State  
Committee  
105 W. High Street, P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: Year End Report (12/4/88-12/31/88, dated 2/2/89)

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The Commission notes, from the cover letter and attachment to the above referenced report, disbursements to your unregistered coordinated account for "coordinated campaign expenditures." You are advised that 11 CFR 102.5 prohibits a non-federal account from financing activity in connection with federal elections.

Although the Commission may initiate legal action regarding the activities conducted by your non-federal account, the prompt action by your committee will be taken into consideration.

Any amendment or clarification should be filed with the Federal Election Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

David J. Blakeley  
Reports Analyst  
Reports Analysis Division

91040881853  
3  
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**SCHEDULE A**

**FINANCED RECEIPTS**

Attachment  
10 (1 of 2)

**Contributions - Other Political Committee**

Any information reported from both Reports and Regulations may be used to verify the accuracy of the reporting of political contributions or for enforcement purposes. Other than using the name and address of the person, information of which contributions from such committee.

NAME OF COMMITTEE to Full  
**Missouri Democratic State Committee**

1988 12 Day Pre-General Report

<p>A. Full Name, Mailing Address and ZIP Code <b>Taxpayers Unlimited, Inc.</b> P.O. Box Kansas City, MO 64129</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year) <b>10-12-88</b></p>	<p>Amount of Cash Received this Period <b>\$ 1,250.00</b></p>
<p>Report for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>B. Full Name, Mailing Address and ZIP Code <b>Committee on Letter Carriers PolAct</b> 100 Indiana Avenue N.W. Washington, DC 20001</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year) <b>10-5-88</b></p>	<p>Amount of Cash Received this Period <b>\$ 5,000.00</b></p>
<p>Report for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>C. Full Name, Mailing Address and ZIP Code <b>National Education Assn. PolActCon</b> 1201 16th Street N.W. Washington, DC 20036</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year) <b>10-5-88</b></p>	<p>Amount of Cash Received this Period <b>\$ 5,000.00</b></p>
<p>Report for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>D. Full Name, Mailing Address and ZIP Code <b>United Food &amp; Commercial Workers International Union ActiveBallotClub</b> 1775 K Street N Washington, DC</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year) <b>10-11-88</b></p>	<p>Amount of Cash Received this Period <b>\$ 5,000.00</b></p>
<p>Report for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>E. Full Name, Mailing Address and ZIP Code <b>Carpenter for Recorder</b> 6423 Marquette St. Louis, MO 63139</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year) <b>10-1-88</b></p>	<p>Amount of Cash Received this Period <b>\$ 20.00</b></p>
<p>Report for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>F. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year)</p>	<p>Amount of Cash Received this Period</p>
<p>Report for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>G. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer  Occupation</p>	<p>Date Received, (m, year)</p>	<p>Amount of Cash Received this Period</p>
<p>Report for <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):</p>			

<p>SUBTOTAL of Receipts to Full</p>	<p><b>\$11,270.00</b></p>
<p>TOTAL to 12 Day Pre-General Report</p>	<p><b>\$32,504.00</b></p>

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**GENERAL A**

**FINISHED RECEIPTS (2 of 2)**

U.S. DEPARTMENT OF THE TREASURY  
Internal Revenue Service  
Form 1042-ES (1-78)

**Contributions - Other Political Committees**

Information reported from both Reporters and Recipients may be used by the Service in the process of identifying contributions or for compliance purposes other than using the name and address of the political committee to which contributions were made.

**NAME OF COMMITTEE OR FUND**  
Missouri Democratic State Committee

Full Name, Mailing Address and ZIP Code	Name of Employer	Date Recd., (Mo., year)	Amount of Cash Received (Mo., year)
Feigenbaum for Congress 220 Woloch Industrial Court St. Louis, MO 63146		10-13-88	\$ 934.00
(will furnish by letter) United Steel Workers of America Inc.		10-19-88	\$5,000.00
(will furnish by letter) CAM V CAP 8000 E. Jefferson Detroit, MI 48214		10-18-88	\$5,000.00
Coal Miners PAC		10-18-88	\$5,000.00
Communication Center No. 1 14 South Meramec St. Louis, MO 63105		10-1-88	\$ 100.00
Democratic Central Committee of Lincoln County, Missouri c/o Robert C. Edgar, Route 1, Box 325 Troy, MO 63379		10-1-88	\$ 100.00
Brown Democratic Association c/o Joe's Barnes, Secretary 1322 East 7th Street St. Louis, MO 63133		10-7-88	\$ 100.00

**TOTAL RECEIPTS FOR THIS PERIOD** \$16,234.00



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20461

BQ-2

1111

Douglas Brooks, Treasurer  
Missouri Democratic State  
Committee  
105 W. High Street  
P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: 12 Day Pre-General Report (10/1/88-10/19/88)

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-All reports filed with the Commission must be legible in order that they may be microfilmed and placed on the public record. Please resubmit legible Schedule A's supporting the joint fundraising proceeds, as the originals are unacceptable. Your filing will not be considered complete until a legible report is submitted. 11 CFR 104.5.

-Your report discloses an apparent contribution(s) from a labor organization (pertinent portion(s) attached). You are advised that contributions from labor organizations are prohibited by the Act, unless made from a separate segregated fund established by the labor organization. (2 U.S.C. §441b(a)) If you have received a labor organization contribution(s), the Commission recommends that you refund the full amount to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee,

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all refunds and transfers-out should be made within thirty days of the treasurer's receipt of the contributions. See 11 CFR 103.3(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of a prohibited contribution, prompt action by your committee to refund or transfer-out the amount will be taken into consideration.

-Your report discloses an apparent contribution(s) from a corporation(s) (pertinent portion attached). You are advised that a contribution from a corporation is prohibited by the Act, unless made from a separate segregated fund established by the corporation. (2 U.S.C. §441b(a)) If you have received a corporate contribution(s), the Commission recommends that you refund the full amount to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee, all refunds and transfers-out should be made within thirty days of the treasurer's receipt of the contribution. See 11 CFR 103.3(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of a prohibited contribution, prompt action by your committee to refund or transfer-out the amount will be taken into consideration.

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-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR 102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

MM

91040881858  
9:3570297

-Line 11(a)(i) of the Detailed Summary Page of your report discloses a total of \$26,770.48 in itemized joint fundraising proceeds. The sum of the entries itemized on Schedule A, however, indicates the total to be \$15,299.42. Please amend your report to clarify the discrepancy.

-Please amend Schedule A supporting Line 11(c) by providing the aggregate year-to-date totals for each contribution received from a political committee. 11 CFR 104.3(a)(4)(ii) and (iii)(B).

-Line 11(a)(i), Column A of the Detailed Summary Page of your report discloses two figures for itemized contributions from individuals. Transfers from your joint fundraising account should be reported on Line 12. Please amend your report to provide the correct Line 11(a)(i) and Line 12 totals.

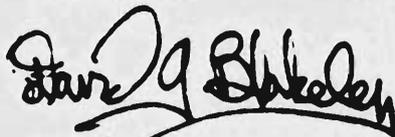
-The total listed on Line 11(a)(iii), Column B of the Detailed Summary Page appears to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Line 11(a)(iii), Column B total.

-Your report disclosed certain line number totals that have been reflected on the wrong line of the Detailed Summary Page. The Total Disbursements figure should be reported only on Line 28. Your report has this total on both Lines 27 and 28. Please amend your report to provide the correct Line 27 totals.

-Your report discloses that your committee is involved in a joint fundraiser with the DNC and various other state party committees. Each participating political committee must amend its Statement of Organization (FEC FORM 1) to show the account as an additional depository. 102.17(c)(3)(i).

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



David G. Blakeley  
Reports Analyst  
Reports Analysis Division

91040881859

**HAND DELIVERED**

Attachment 12 (1 of 11)

RECEIVED  
FEDERAL ELECTION COMMISSION  
JAN 20 1989

MARIN SCHAFER  
STEVE GATES  
DOUGLAS BROOKS  
BYTHIE WILLIAMS  
TODD PATTERSON

**MISSOURI  
DEMOCRATIC**

89 JAN 20 PM 1:50

P.O. Box 19 • Jefferson City, MO 65102 • 314-636-5241

Date: January 27, 1989  
To: David J. Blakeley  
Reports Analysis Division  
From: Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
Re: Your Letter of January 11, 1989  
ID: COO 135558

- 1) We are resubmitting legible Schedule A's supporting the joint fundraising proceeds.
- 2) The labor contribution was reported incorrectly and incompletely. The contribution was from:

United Steel Workers of America , Political Action Fund  
5 Gateway Center  
Pittsburg, PA 15222

(See attached copy of check.)

- 3) The contribution from Taxpayers Unlimited, Inc. was deposited in error and was transferred out on January 9, 1989. (See attached transfer transaction and letter.)
- 4) The remaining contributions you have brought to our attention were transferred out on January 9, 1989. (See attached transfer transactions and letters.)
- 5) We have made all of the corrections on the Detailed Summary Page and provided the aggregate year-to-date totals per your instructions.
- 6) I have asked our Executive Director to obtain FEC Form 1 so that we may amend our Statement of Organization.

Thank you for your assistance in helping us correct the errors made in our report.

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# MISSOURI DEMOCRATIC PARTY

**DAVID SCHLES**  
Chairman  
**JOHN BARR**  
Vice Chairman  
**DOUGLAS BRIDGES**  
Secretary  
**STEVE WILLIAMS**  
Treasurer  
**TODD PATTERSON**  
Director

P.O. Box 719 • Kansas City, MO 65102 • 314616-3241

January 9, 1988

Taxpayers Unlimited, Inc.  
P.O. Box 8063  
Kansas City, MO 64129

Dear Friends:

Your contribution of \$1,250, received on 10/12/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all fault is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,



Todd Patterson  
Executive Director

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DEMOCRATIC STATE COMMITTEE  
2004 MARION STREET  
ARTEMUS CITY, MISSOURI 65101

APR 9 1988

PAY TO THE ORDER OF Transfer to DSC Account # 1-224-7 \$1,250.00

One thousand two hundred fifty dollars and no/100 DOLLARS

THE CENTRAL TRUST BANK  
ARTEMUS CITY, MISSOURI 65101

Firstpage Unlimited, Inc. Cash

PO BOX 3245 ARTEMUS CITY MISSOURI 65101

Deposited in Federal Account in Error:

Contributor: Firstpage Unlimited, Inc.

Amount: \$1,250.00

Date Deposited: 10/12/88

Transferred to State Account: 1/9/89

# MISSOURI DEMOCRATIC PARTY

(4 of 11)

**KAREN SCHAFFER**  
Chairman  
**STEVE GATES**  
Vice-Chairman  
**DOUGLAS BROOKS**  
Treasurer  
**BYTHER WILLIAMS**  
Secretary  
**TODD PATTERSON**  
Director

P.O. Box 719 • Jefferson City, MO 65102 • 314/636-5241

January 9, 1989

Communication Center No. 1  
214 South Meramec  
St. Louis, MO 63105

Dear Friends:

Your contribution of \$100, received on 10/1/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all fault is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,



Todd Patterson  
Executive Director



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DEMOCRATIC STATE COMMITTEE  
225A MADISON STREET  
JEFFERSON CITY, MISSOURI 65101

80-00  
00

Jan 9 1989

\$ 100<sup>00</sup>

PAY TO THE ORDER OF: *Transfer to DSC Account # 1-2814-7*

*One hundred dollars and 20/100* DOLLARS

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65101



FOR *Communications Center #1 Cont.*

*[Signature]*

⑆003242⑆⑆086500634⑆ ⑆1-1891-5⑆

Deposited in Federal Account in Error:

Contributor: *Communications Center #1*

Amount: *\$100<sup>00</sup>*

Date Deposited: *10/1/88*

Transferred to State Account: *1/9/89*

# MISSOURI DEMOCRATIC PARTY

**KAREN SCHAFER**  
Chairman  
**STEVE GATES**  
Vice-Chairman  
**DOUGLAS BROOKS**  
Treasurer  
**BYTHER WILLIAMS**  
Secretary  
**TODD PATTERSON**  
Director

P.O. Box 719 • Jefferson City, MO 65102 • 314/636-5241

January 9, 1989

Robert Edgar, Treasurer  
Democratic Central Committee of Lincoln County  
Route 1, Box 325  
Troy, MO 63379

Dear Robert:

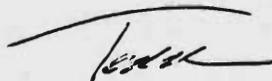
Your contribution of \$100, received on 10/1/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all fault is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,



Todd Patterson  
Executive Director

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DEMOCRATIC STATE COMMITTEE  
225A MADISON STREET  
JEFFERSON CITY, MISSOURI 65101

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Jan 9 10 87

PAY TO THE ORDER OF

Transfer to DSX Account # 1-2814-7

\$ 100.00

One hundred dollars and no/100

DOLLARS



THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65101

FOR MEM. Central Comm. of Lincoln County, Missouri

⑆003243⑆⑆086500634⑆ ⑆1891⑆5⑆

Deposited in Federal Account in Error:

Contributor: Dem Central Comm. of Lincoln County

Amount: 100.00

Date Deposited: 10/1/88

Transferred to State Account:

1/9/89

# MISSOURI DEMOCRATIC PARTY

(8 of 11)

**KAREN SCHAFER**  
Chairman  
**STEVE GATES**  
Vice-Chairman  
**DOUGLAS BROOKS**  
Treasurer  
**BYTHER WILLIAMS**  
Secretary  
**TODD PATTERSON**  
Director

P.O. Box 719 • Jefferson City, MO 65102 • 314/636-5241

January 9, 1989

Doris Barnes, Treasurer  
Raytown Democratic Association  
11301 East 67th  
Raytown, MO 64133

Dear Doris:

Your contribution of \$100, received on 10/7/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all fault is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,



Todd Patterson  
Executive Director

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DEMOCRATIC STATE COMMITTEE  
225A MADISON STREET  
JEFFERSON CITY, MISSOURI 65101

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Jan 7 1989

PAY TO THE ORDER OF *Transfer to DSC Account # 1-2814-7* \$ *100.00*

*One hundred dollars and 00/100* DOLLARS

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65101

FOR *Raytown Democratic Assoc. Contib.* *to DSC*

⑆003244⑆⑆086500634⑆ ⑆1⑆189⑆⑆5⑆

Deposited in Federal Account in Error:

Contributor: *Raytown Demo. Assoc*

Amount: *100.00*

Date Deposited: *10/7/88*

Transferred to State Account:

*1/9/89*

# MISSOURI DEMOCRATIC PARTY

(10 of 11)

**KAREN SCHAFER**  
Chairman  
**STEVE GATES**  
Vice-Chairman  
**DOUGLAS BROOKS**  
Treasurer  
**BYTHER WILLIAMS**  
Secretary  
**TODD PATTERSON**  
Director

P.O. Box 719 • Jefferson City, MO 65102 • 314/636-5241

January 9, 1988

Sharon Carpenter  
Carpenter for Recorder  
6423 Marquette  
St. Louis, MO 63139

Dear Sharon:

Your contribution of \$20, received on 10/1/88, was deposited in our federal account through a staff error. I know that you did not intend to contribute to our federal account and acknowledge that all fault is ours. Unfortunately, we did not discover the error until after our report to the Federal Election Commission had been filed.

Consequently, we have transferred the amount of your contribution out of our federal account and into our state account, where it should have been deposited in the first place. We are amending our Federal Election Commission report to reflect this transfer. In addition, if you would prefer, we will reimburse you for the amount of your contribution and you can reissue the check designating the "state" account. Please advise us of your decision.

I am sorry for this error and any inconvenience it has or may cause you and your organization. We have recently made staff changes that will enhance our ability to conduct business in a more professional manner.

Your support of the Missouri Democratic Party is truly appreciated.

Sincerely,



Todd Patterson  
Executive Director

98043588052642



REGULAR

FINANCIAL RECEIPTS

MISSOURI DEMOCRATIC PARTY  
 1000 N. 1st St.  
 St. Louis, MO 63102

Information should be furnished to the Missouri Democratic Party by the donor of any contribution to the Missouri Democratic Party. The donor should indicate the name and address of any person or organization to whom the contribution was made.

Missouri Democratic State Committee

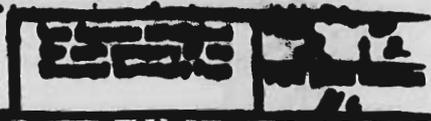
1988 30 Day Post-General Report

91040881875

A. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
The Shelton For Congress Comm P.O. Box A Harrisonville, MO 64701		10/31/88	\$5,000.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
B. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
ATLA PAC 1050 31st St. SW Washington, D.C. 20007		10/25/88	\$3,000.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
C. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
Volkmer for Congress Comm. P.O. Box 991 Hannibal, MO 63401		10/24/88	\$ 200.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
D. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
St. Louis Fire Fighters PAC Committee 5056 Cherry, St. Louis, MO		10/27/88	\$ 200.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
E. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
Laborers' Political League 905 16th St. SW Washington, D.C. 20006		10/26/88	\$5,000.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
F. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
Seafarers Political Activity 5201 North May Camp Springs, MO 63074		10/26/88	\$5,000.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
G. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (M, D, YR)	Amount of Cash Received (M, D, YR)
CMA-COPS PAC 1075 E Street, SW Washington, D.C. 20006		10/31/88	\$5,000.00
Amount for: <input type="checkbox"/> Party <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Amount of Cash Received (M, D, YR)		
TOTAL OF RECEIPTS THIS PERIOD			\$25,700.00

OB

REGULATIONS ITEMIZED RECEIPTS



These receipts are required to be filed with the Federal Election Commission... (2 of 5)

Missouri Democratic State Committee

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received, (M, Y, YR)	Amount of Cash Received (in Dollars)
Friends of Karen McCarthy 1111 Valentine Kansas City, MO 64111	[Redacted]	11/7/00	625.00
Receipt for: <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	
B. Full Name, Mailing Address and ZIP Code Committee to Elect Bill Staggs 700 NW 44th St. Kansas City, MO 64116	[Redacted]	11/7/00	3500.00
Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	
C. Full Name, Mailing Address and ZIP Code Local 41 Political Action Comm. 4501 Van Brunt Kansas City, MO 64130	[Redacted]	11/7/00	81,000.00
Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	
D. Full Name, Mailing Address and ZIP Code Nachtinists Non Partisan Political League 1300 Connecticut, WDC 20036	[Redacted]	11/3/00	85,000.00
Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	
E. Full Name, Mailing Address and ZIP Code SEIU COPE FUND PAC 1313 L Street NW Washington, D.C. 20005	[Redacted]	10/31/00	2500.00
Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	
F. Full Name, Mailing Address and ZIP Code	[Redacted]	Date Received, (M, Y, YR)	Amount of Cash Received (in Dollars)
Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	
G. Full Name, Mailing Address and ZIP Code	[Redacted]	Date Received, (M, Y, YR)	Amount of Cash Received (in Dollars)
Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > 0	

Handwritten initials 'JFB' in the right margin.

687,025.00

632,725.00

MOU 4

FINANCED RECEIPTS

Information obtained from each donor and financing may not be full or used in any manner for the purpose of making contribution or for campaign purposes. Other than using the name and address of the committee mentioned in other contributions from this committee.

Missouri Democratic State Committee

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received, (M., Year)	Amount of Cash Received (This Period)
Boone County Democratic Comm. P.O. Box 1294 Columbia, MO 65203 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$450	10/22/88	\$450.00
Bates County Democratic Women's Club Butler, MO 64730 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 200	10/22/88	\$200.00
DNC Service Corp. <i>Erly Kistner</i> 430 S. Capitol, S.E. Washington, D.C. 20003 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 21,241.80	0/24/88	\$7,061.32
DNC Service Corp. <i>Armand Jones</i> 430 S. Capitol, S.E. Washington, D.C. 20003 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 45,000.00	10/24/88	\$30,000.00
Central Democratic Comm. Mayeville, MO 64469 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 52.50	10/24/88	\$52.50
ASDC Dollars for Democrats 430 S. Capitol S.E. Washington, D.C. 20003 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 2,445.99	10/26/88	\$2,166.99
ASDC Dollars for Democrats 430 S. Capitol S.E. Washington, D.C. 20003 Receipt for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 100.00	10/26/88	\$6,200.00
Total of Cash on This Page (Amount)			\$47,330.81

RB

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**DUPLICATE ITEMIZED RECEIPTS**

Information obtained from these receipts and statements may not be used or sold by any person for the purpose of making a contribution to or for the benefit of any candidate for office or for the purpose of making a contribution to or for the benefit of any political party or organization.

**Missouri Democratic State Committee**

A. Full Name, Mailing Address and ZIP Code	Name of Donor	Date Received, (Mo., Year)	Amount of Cash Received (in Dollars)
30th Ward Committee 7027 Washville St. Louis, MO 63117		10/27/00	230.00
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 230.00	
BMC Service Corp. <i>Project Victory</i> 430 S. Capitol, S.E. Washington, D.C. 20003		10/27/00	110,000.00
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 110,000.00	
BMC Service Corp. <i>Rally '99</i> 430 S. Capitol, S.E. Washington, D.C. 20003		10/28/00	55,205.00
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 55,205.00	
BMC Service Corp. <i>Rally '99</i> 430 S. Capitol, S.E. Washington, D.C. 20003		10/28/00	55,205.00
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 55,205.00	
BMC Service Corp. <i>Donald Bond</i> 430 S. Capitol, S.E. Washington, D.C. 20003		10/28/00	225,000.00
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 225,000.00	
NO. 4th District Federation of Womens Democratic Clubs		10/31/00	250.00
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 250.00	
ASDC Dollars for Democrats 430 S. Capitol, S.E. Washington, D.C. 20003		11/1/00	1,325.77
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General	Aggregate Contribution > \$ 1,325.77	
TOTAL OF RECEIPTS THIS PAGE (Amount)			47,375.77

*OB*

*OB*

10/1/85

FINANCIAL REPORT

Any information received from such reports and documents shall not be used in any way by the Board of Directors of the Missouri Democratic State Committee.

Missouri Democratic State Committee

9-1 0-4-0-9-1 8-7-5

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
BMC Service Corp. <i>2ndly '85</i> 430 S. Capitol, S.E. Washington, D.C. 20003		11/1/88	\$1,500.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
BMC Service Corp. <i>Project History</i> 430 S. Capitol, S.E. Washington, D.C. 20003		11/1/88	\$9,950.31
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
BMC Service Corp. <i>Project History</i> 430 S. Capitol, S.E. Washington, D.C. 20003		11/1/88	\$5445.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
Democratic Central Committee of Macon County, Missouri		1/7/88	\$200.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
ASDC Dollars for Democrats 430 S. Capitol S.E. Washington, D. C. 20003		11/1/88	\$3,000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
Democratic National Committee 430 S. Capitol, S.E. Washington, D.C. 20003		10/20/88	\$3,330.28
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (M, Y, YR)	Amount of Cash Received (M, Y, YR)
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):			

OB

SUBTOTAL of Receipts This Page: \$ 10,295.31

TOTAL This Report of Cash Received: \$ 117,332.17



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20461

EO-2

Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
105 West High Street, P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: 30 Day Post-General Report (10/20/88-12/3/88)

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Please amend your report by providing the full name and address of recipient for each disbursement itemized on Schedule B supporting Line 19.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR 102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. 5544a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR 102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you

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7 9 2 2

refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR 103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

-The identification of each contributor, including the person's occupation and name of employer, must be provided if the person has contributed in excess of \$200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11(a)(i) for each entry lacking a contributor's occupation and name of employer.

Note: If your committee has made at least one effort per solicitation, either by a written request or by an oral request documented in writing to obtain this information from the contributor, your committee may have exercised "best efforts." Under 11 CFR 104.7(b), such effort shall consist of a clear request for the information (i.e., name, mailing address, occupation, and name of employer) which request informs the contributor that the reporting of such information is required by law. If you believe that your committee satisfies the "best efforts" provision, you should provide a copy of your solicitation or an explanation of the method(s) used to obtain contribution information. Clarification regarding "best efforts" should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. 11 CFR 104.3(a)(4)(i)

9.1 0.4 0.8 4.8 7.7

MLL





FEDERAL ELECTION COMMISSION

HQ-3

WASHINGTON, D.C. 20543

February 9, 1989

Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
105 West High Street, P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: 30 Day Post-General Report (10/20/88-12/3/88)

Dear Mr. Brooks:

This letter is to inform you that as of February 8, 1989 the Commission has not received your response to our request for additional information, dated January 18, 1989. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact David J. Blakeley on our toll-free number (800) 424-9530 or our local number (202) 376-2400.

Sincerely,

*John D. Gibson*  
John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

Enclosure

3 7 7 3 3 9 4 4 6 4 1

Attachment 16 (1 of 10)

FEDERAL ELECTION COMMISSION  
CHAIRMAN  
PHILIP GATES  
TREASURER  
DOUGLAS BROOKS  
SECRETARY  
BYRON WILLIAMS  
DIRECTOR  
TODD PATTERSON

**MISSOURI  
DEMOCRATIC**

P.O. Box 719 • Jefferson City, MO 65102 • 314/636-5241

Date: February 10, 1989

To: David Blakeley  
Reports Analyst  
Federal Election Commission

From: Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
PEC ID: C00135558

Re: Amendments to 30 Day Post-General Report

Enclosed please find our amendments to our 30 Day Post-General Report per your instructions.

- 1) We have provided the names, addresses, purposes and amounts for all itemized expenditures.
- 2) The contributions you marked were transferred out on January 9, 1989, with the exception of the Missouri 4th District Federation of Women's Democratic Clubs which was transferred out on February 3, 1989. We have enclosed copies of the transfer transactions and letters.
- 3) We have attempted to reach some contributors by phone to get their employers and occupations. We will now send out letters in a further attempt to obtain this information.
- 4) The year-to-date totals have been provided on Schedule A for line 11C

Thank you for your assistance in correcting our report.

2.1.03439899980

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9 1 17 24 0088-8-1-8 8 1

3297

DEMOCRATIC STATE COMMITTEE  
2324 WABSON STREET  
JEFFERSON CITY, MISSOURI 65101

Jan 1 1989

PAY TO THE ORDER OF  
Transfer to OSC Account # 1-2814-7  
Two hundred dollars and 00/100 Dollars

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65101

*[Signature]*

1111 St Louis Ave. Jefferson, Mo. 65101

FD032470060865006346 P 1-1897-97

Deposited in Federal Account in Error:

Contributor: St Louis Fire Fighters PAC

Amount: \$200.00

Date Deposited: 10/27/88

Transferred to State Account: 1/9/89

9104331882

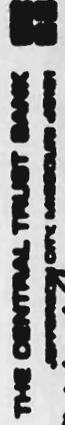
3853

DEMOCRATIC STATE COMMITTEE  
208A MARION STREET  
SERRANO CITY, CALIFORNIA 94101

DATE: Jan 7 1959

PAY TO THE ORDER OF: Transfer to OSC Account # 1-2814-7

Thirty dollars and no/100 DOLLARS



THE CENTRAL TRUST BANK  
SERRANO CITY, CALIFORNIA  
FUND: 28<sup>th</sup> Ward Committee - Serrano

ACCOUNT NO: 00869006366 PHONE: 415-1891-99

Deposited in Federal Account in Error:

Contributor: 28<sup>th</sup> Ward Committee

Amount: \$30.00

Date Deposited: 10/27/58

Transferred to State Account: 1/9/59

3 1 0 3 4 3 8 8 5 4 - 0 8 2 3

3853

DEMOCRATIC STATE COMMITTEE  
589A MARSHON STREET  
JEFFERSON CITY, MISSOURI 65101

Jan 9 1987

PAY TO THE ORDER OF Transfer to DC Account # 1-2814-7

Two hundred dollars and 00/100 DOLLARS

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65101

For Bates Co. Memo. Women's Char. Assn.

FD03252P • CUB65006346 P 1-1891-54

Deposited in Federal Account in Error:

Contributor: Bates County Democratic Women's Club

Amount: \$200.00

Date Deposited: 10/28/86

Transferred to State Account: 1/9/87

3 1 0 3 5 1 0 6 4

3854

DEMOCRATIC STATE COMMITTEE  
355A MARLOW STREET  
JEFFERSON CITY, MISSOURI 65104

Jan 11 1985

PAY TO THE ORDER OF Transfer to DSC Account # 1-2819-7 \$200.00

Two hundred dollars and no/100 Dollars

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65104

FIN Rev. Central Com. of Mass. County of Mason  
FD03254P • 60865006346 P 1-1091-5P

Deposited in Federal Account in Error:

Contributor: Democratic Central Committee  
of Mason County

Amount: \$200.00

Date Deposited: 11/9/85

Transferred to State Account:

1/9/89

39035051065

PERKINS WATER COMMITTEE  
2704 WASHINGTON AVENUE  
SEATTLE, WASH. 98104

3881

PAY TO THE ORDER OF

Jan 1 1979

Transfer to OSC Account # 1-888-9

\$450.00

Four hundred and fifty dollars & no/100 DOLLARS

THE CENTRAL TRUST BANK  
SEATTLE, WASH. 98104

*[Signature]*

First Bank County Administration Center, Seattle, Wash.

FD032510 60865006346 P 1-1070-50

Deposited in Federal Account in Error:

Contributor: Boone County, Wash. Central Committee

Amount: \$450.00

Date Deposited: 10/27/88

Transferred to State Account: 1/9/89

9 1 0 4 0 8 8 1 8 8 6

MEMPHIS: STATE COMMITTEE  
300A MARION STREET  
MEMPHIS, TENN. 38101

June 9 1959

PAY TO THE ORDER OF Transfer to OSC Account # 1-2814-7 \$ 1,000.00

One Thousand Dollars and no/100 DOLLARS

THE CENTRAL TRUST BANK  
MEMPHIS, TENN.

Financial 41 Political Action Committee Cont'g. *[Signature]*

PO BOX 2500 MEMPHIS TENN 38101

Deposited in Federal Account in Error:

Contributor: Local 41 P.A.C.

Amount: \$1,000.00

Date Deposited: 11/7/58

Transferred to State Account: 1/9/59

91040881887

2019

DEMOCRATIC STATE COMMITTEE  
2004 MADISON STREET  
JEFFERSON CITY, MISSOURI 65101

PAY TO THE ORDER OF Transfer to OSC Account # 1-2814-7 8/5/86

Five hundred dollars and no/100

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65101

FOR DEPOSIT ONLY  
Committee to Elect Bill Snygar

FD032490 6086 9006316 F10000000

Deposited in Federal Account in Error:

Contributor: Com to Elect Bill Snygar

Amount: \$ 500.00

Date Deposited: 11/7/86

Transferred to State Account: 1/9/89

01040881888

3210

DEMOCRATIC STATE COMMITTEE  
550A MARION ST  
JEFFERSON CITY, MISSOURI 65104

Jan 9 1989

PAY TO THE ORDER OF Transfer to DSC Account # 1-284-7 \$ 25.<sup>00</sup>

Twenty five dollars and 00/100 Dollars

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65104

Friends of Karen McCarty Jan 9  
PO BOX 248 • 65065006316 • 616-1091-000

Deposited in Federal Account in Error:

Contributor: Friends of Karen McCarty

Amount: \$ 25.<sup>00</sup>

Date Deposited: 11/7/88

Transferred to State Account: 1/9/89

3256

2/3 10 69

1-2814-7

\$ 750<sup>00</sup>

DOLLARS

*[Signature]*

THE BANK OF AMERICA

ATLANTA, GA 30303

Attachment 16 (1 of 10)

FEDERAL ELECTION COMMISSION  
09 FEB 15 1989  
DOUGLAS BROOKS  
GUYMER WILLIAMS  
TODD PATTERSON

# MISSOURI DEMOCRATIC

P.O. Box 19 • Jefferson City, MO 65102 • 314/636-5241

Date: February 10, 1989

To: David Blakeley  
Reports Analyst  
Federal Election Commission

From: Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
PEC ID: C00135558

Re: Amendments to 30 Day Post-General Report

Enclosed please find our amendments to our 30 Day Post-General Report per your instructions.

- 1) We have provided the names, addresses, purposes and amounts for all itemized expenditures.
- 2) The contributions you marked were transferred out on January 9, 1989, with the exception of the Missouri 4th District Federation of Women's Democratic Clubs which was transferred out on February 3, 1989. We have enclosed copies of the transfer transactions and letters.
- 3) We have attempted to reach some contributors by phone to get their employers and occupations. We will now send out letters in a further attempt to obtain this information.
- 4) The year-to-date totals have been provided on Schedule A for line 11C

Thank you for your assistance in correcting our report.

9.1.034398990

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313743331000

3253

DEMOCRATIC STATE COMMITTEE  
2594 MARION STREET  
JEFFERSON CITY, MISSOURI 64101

Jan 9 1989

PAY TO THE ORDER OF Transfer to OSC Account # 14814-9

Thirty dollars and no/100 DOLLARS



Fin 28<sup>th</sup> Ward Committee - District

*T. J. Jones*

PO BOX 2530 • 64885008346 P 1-816-91-99

Deposited in Federal Account in Error:

Contributor: 28<sup>th</sup> Ward Committee

Amount: \$30.00

Date Deposited: 10/27/88

Transferred to State Account: 1/9/89

32:1003458 @ 1.0.6.2.3

3552

DEBENHATH STATE CHARITIES  
2204 MARION STREET  
JEFFERSON CITY, MISSOURI 65102

*Jan 1 1987*

PAY TO THE ORDER OF *Transfer to DC Account # 1-2814-7*

*\$ 200.00*

*Two hundred dollars and 00/100* DOLLARS

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 65102

FIN *Bates Co. Women's Charities*

FD03252P • CUBE 500634C P 1-1891-94

Deposited in Federal Account in Error:

Contributor: *Bates County Democratic*

Amount: *\$ 200.00*

Date Deposited: *10/22/86*

Transferred to State Account: *1/9/87*

3 1 0 3 3 0 5 1 0 6 4

3854

DEMOCRATIC STATE COMMITTEE  
2884 HARBOR STREET  
BOSTON, MASS. 02108

Pay to the order of Jan 21 88

Transfer to DSC Account # 1-2814-7 \$200.00

Two hundred dollars and no/100 DOLLARS

THE CENTRAL TRUST BANK  
AMERICAN CITY NATIONAL BANK

Fin. Com. Central Com. of Mass. County Comm. *[Signature]*

FD032540 60865006346 P 1-1891-58

Deposited in Federal Account in Error:

Contributor: Democratic Central Committee of Mason County

Amount: \$200.00

Date Deposited: 11/2/85

Transferred to State Account:

1/9/88

39035051066

3851

PRINCE GEORGE COUNTY COMMISSIONERS  
5900 WASHINGTON AVENUE  
GREENBELT, MARYLAND 20818

June 1 1977

PAY TO THE ORDER OF Transfer to OSC Account # 1-884-9 \$450.<sup>00</sup>

Four hundred and fifty dollars & 00/100 DOLLARS

THE CENTRAL TRUST BANK  
GREENBELT CITY MARYLAND 20818

First State County Commission, Greenbelt, Md. *[Signature]*

FD032510 60869006314 P 1-1897-97

Deposited in Federal Account in Error:

Contributor: Prince Georges County Central Committee

Amount: \$450.<sup>00</sup>

Date Deposited: 10/23/76

Transferred to State Account: 1/9/87

9 1 0 4 0 8 8 1 8 9 6

MEMORANDUM FOR THE CHAIRMAN  
SEN. WASHINGTON STREET  
SEATTLE, WASH. 98101

June 9 1959

PAY TO THE ORDER OF  
Transfer to osc account # 1-884-7  
One thousand dollars and no/100 Dollars

THE CENTRAL TRUST BANK  
ATTEMPTED COPY NUMBER 0001

Financial & Political Action Committee  
P.O. Box 2500  
Seattle, WA 98101

Deposited in Federal Account in Error:

Contributor: Local 4 P.A.C.

Amount: \$1,000.00

Date Deposited: 11/7/59

Transferred to State Account: 1/9/59

3 9 0 3 5 8 5 1 0 7 7

INDIANAPOLIS STATE COMMISSION  
SERA MARKING SYSTEM  
JEFFERSON CITY, INDIANA 47204

2019  
PAY TO THE ORDER OF  
Transfer to OSC Account # 1-2014-7  
Five hundred dollars and 00/100  
James Hill

THE CENTRAL TRUST BANK  
JEFFERSON CITY, INDIANA 47204

For Committee to Elect Bill Stagg  
T. Stagg

FD03249060869006342 01-18-2019

Deposited in Federal Account in Error:

Contributor: Committee to Elect Bill Stagg

Amount: \$ 500.00

Date Deposited: 4/7/86

Transferred to State Account: 4/9/89

3 7 0 3 5 0 5 1 0 9 2

3240

IRISH: RATH STATE COMMITTEE  
2514 WASHINGTON STREET  
JEFFERSON CITY, MISSOURI 64104

Jan 9 1989

\$ 25.00

Transfer to DSC Account # 1-2014-7

Twenty five dollars and no/100 Dollars

THE CENTRAL TRUST BANK  
JEFFERSON CITY, MISSOURI 64104

*Joseph P.*

Friends of Karen McCarty

PO BOX 6086 64106 MISSOURI

Deposited in Federal Account in Error:

Contributor: Friends of Karen McCarty

Amount: \$ 25.00

Date Deposited: 11/7/88

Transferred to State Account: 1/9/89

3256

2/3 89

Account 1-2014-7 \$ 750<sup>00</sup>

City of ... Dollars

*[Signature]*

City of ...  
200 3256 00069006342 01-1891-50

(10 of 10)

These deposits were included in the unbalanced contribution schedule for the period 10/20/88 to 12/3/88 that have been transferred out.

Amount contributed by each category of the General Summary Page  
 6 4  
 115 (Last Number)

All information shown on each Report and Summary may not be used by any person for the purpose of making contributions or for the purpose of the general summary. This information is for the use and address of the political committee to which contributions have been made.

NAME OF CONTRIBUTOR IN FULL

Missouri Democratic State Committee

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date Received (Mo., year)	Amount of Each Receipt (This Period)
Cooper County Democratic Committee c/o Ed Scribner 407 Main Boonville, Mo. 65213 Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	10/26/88	\$ 40.00
Aggregate Year-to-Date > \$ 40.00			
Central Democratic Committee Rayville, Mo 64469 Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	10/26/88	\$ 88.75
Aggregate Year-to-Date > \$ 88.75			
Pulaski County Women's Demo Club c/o Iva Case, Treasurer Maysville, MO 65563 Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	10/26/88	\$ 100.00
Aggregate Year-to-Date > \$ 100.00			
Randolph County Democratic Club c/o Paul Gentry Berkeley, MO Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	10/26/88	\$ 100.00
Aggregate Year-to-Date > \$ 100.00			
Citizens for Reidinger P.O. Box 412413 Kansas City, MO 64141 Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	11/7/88	\$ 100.00
Aggregate Year-to-Date > \$ 100.00			
Carpenter for Recorder Committee 6412 Marquette St. Louis, MO 63139 Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	10/27/88	\$ 30.00
Aggregate Year-to-Date > \$ 50.00			
Taxpayers Unlimited, Inc. P.O. Box 8063 Kansas City, MO 64112 Receipt For <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):	*(coded wrong) Deposited in error Occupation	11/7/89	\$ 100.00
Aggregate Year-to-Date > \$ 150.00			

SUBTOTAL of Receipts This Page (attach) .....	\$ 558.75
TOTAL This Period (see also the first number only) .....	\$ 34,066.25

J-4



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

RQ-5

MAR 16 1990

Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
419 East High  
P.O. Box 179  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: Amended 30 Day Post-General Report (10/20/88-12/3/88)  
dated 1/31/90

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR §102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §5441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR §102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in

KM

accordance with 11 CFR §103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Should you choose to refund or transfer-out the funds, the Commission will presume the funds were impermissible, absent a statement from your committee to the contrary. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

The Commission notes that you state the receipts were deposited in error and have been transferred out. However, as of December 31, 1989, no such transfers out have been disclosed. Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

-The total listed on Line 11(a)(iii), Column B of the Detailed Summary Page appears to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Line 11(a)(iii), Column B total.

Any amendment or clarification should be filed with the Federal Election Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Kate Moore  
Reports Analyst  
Reports Analysis Division

94104088.19.0.1

KM



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

RQ-5

MAR 16 1990

Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
419 East High  
P.O. Box 179  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: Amended 30 Day Post-General Report (10/20/88-12/3/88)  
dated 1/31/90

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

*KM*

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR §102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR §102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in

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TELECON  
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ANALYST: Margo Tucker  
 CONVERSATION WITH: Corinne Brown  
 COMMITTEE: Missouri Democratic State Committee (COO135558)  
 DATE: 3/29/90  
 SUBJECT: Receipts from Unregistered Organizations and  
 Corporations on Amended 30 Day Post-General Report  
 dated 1/31/90

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91040881903

I telephoned the Missouri Democratic Party and asked to speak to Douglas Brooks, treasurer for the Committee. Corinne Brown explained that he did not come into the office on a regular basis and that she handled the Committee's affairs in his absence. I asked her if the Committee had recieved the letter dated 3/16/90 referencing the Amended 30 Day Post-General Report dated 1/31/90 from Kate Moore regarding the contributions from unregistered organizations. She said that they were planning on transferring-out the money but that since there was no time limit for responding in the letter, she didn't know when exactly she was supposed to respond. I told her the Commission needed a response as soon as possible. I also called to her attention the receipts from five (5) apparent corporations that had been disclosed in the same report. She said that they were indeed receipts from corporate entities and that they would transfer out the money and inform us ablut these contributions and the unregistered ones as soon as possible.

CRATIC

Attachment 20 (1 of 4)

Date: July 31, 1989

To: David S. Glinsky, Report Analyst  
Federal Elections Commission

From: Doug Brooks, Treasurer  
Missouri Democratic State Committee

Re: Cash on hand at beginning of reporting period

ID: 000198888

As a follow-up to a telephone conversation between you and Corrine Brown of our staff on July 26, 1989, a review of our records with our C.P.A. firm has shown that the balance listed on our year end report for 1989 was incorrect. We have begun this midyear report with the correct balance. Our C.P.A. firm has proven that our balance up to the report ending 10/15/88 was accurate. We will amend our reports ending 12/3/88 and 12/31/88 so that the ending balance will coincide with our beginning balance on this midyear report.

In regard to line 20 of the detailed summary page and schedule B, this transfer amount of \$14,525 is itemized. These transfers were required per previous FEC instructions in regards to 11 CFR 102.5(b) due to the Democratic State Committee receiving contributions from ineligible committees.

In regard to line 10 of the first page and schedule D, this amount was incorrectly transferred into the Federal Account. We are aware of the seriousness of this type of error. We are showing it as a debt to be repaid as soon as possible.

We appreciate your careful attention to all of these matters and your assistance. Please be advised that we are making every effort to clear up all of these matters in as timely a fashion as possible.

Thank you.

91040801904  
83036062106

MISSOURI Democrat

P.O. Box 44

Jefferson City, Mo. 64101

C0012557

The principal named as a multicandidate candidate during THIS Reporting Period (None)

- April 15 Quarterly Report
- July 15 Quarterly Report
- October 15 Quarterly Report
- January 31 Year End Report
- July 31 Mid Year Report (Non-election Year Only)
- Termination Report

- Start of Report Due On:
- February 29
  - March 29
  - April 29
  - May 29
  - June 29
  - July 29
  - August 29
  - September 29
  - October 29
  - November 29
  - December 29
  - January 31
- Twelfth day report preceding \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ of \_\_\_\_\_ State of \_\_\_\_\_
- Thirtieth day report following the General Election or \_\_\_\_\_ in the State of \_\_\_\_\_

(a) Is this Report an Amendment?  Yes  No

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Covering Period	1/1/89 through 6/30/89		
6. (a)	Cash on Hand January 1, 1989		\$ 774.15
6. (b)	Cash on Hand at Beginning of Reporting Period	\$ 774.15	
6. (c)	Total Receipts (from Line 10)	\$ 17753.71	\$ 17753.71
6. (d)	Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 18527.86	\$ 18527.86
7.	Total Disbursements (from Line 20)	\$ 14525.00	\$ 14525.00
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 4002.86	\$ 4002.86
9.	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$ -	
10.	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$ 12,250.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer  
**DOUG BROOKS**

Signature of Treasurer  
*Doug Brooks*

Date  
7/28/89

For further information contact:  
Federal Election Commission  
600 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9630  
Local 202-376-3120

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 9437g

9 3 0 3 6 0 6 2 1 0 7

**SCHEDULE A**

**FINANCED RECEIPTS**

Number of copies of this report to be filed with the Federal Election Commission

PAGE 1/1  
FORM LINE NUMBER  
12

Any information copied from such Reports and Statements may not be used in any other report or statement of financing contributions or for administrative purposes, other than using the name and address of any political committee to which contributions were sent (employees).

NAME OF COMMITTEE (in Full)

MISSOURI DEMOCRATIC STATE COMMITTEE

(3 of 4)

6  
0  
3  
6  
0  
6  
2  
1  
0  
9  
6

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Cash Receipt this Period
<u>MISSOURI DEMOCRATIC STATE COMMITTEE</u> <u>STREET ADDRESS AND PHONE</u> <u>P.O. Box 711</u> <u>JENNISON CITY, MO 65111</u>	Condition Aggregate Year-to-Date > \$ <u>12,050.00</u>	<u>1/6/89</u>	<u>12,050.00</u> SEE ATTACHED CHECK
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify):			
B. Full Name, Mailing Address and ZIP Code <u>DNC SERVICES CORPORATION</u> <u>RALLY ST. WASHINGTON</u> <u>410 SOUTH CAPITAL ST., SE</u> <u>WASHINGTON, D.C. 20003</u>	Name of Employer Occupation Aggregate Year-to-Date > \$ <u>102.81</u>	<u>1/17/89</u>	<u>102.81</u> JUST REMITTANCE AND LIST ATTACHED
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
C. Full Name, Mailing Address and ZIP Code <u>DNC SERVICES CORPORATION</u> <u>ANALYST WASHINGTON - FEDERAL</u> <u>410 SOUTH CAPITAL ST., SE</u> <u>WASHINGTON, D.C. 20003</u>	Name of Employer Occupation Aggregate Year-to-Date > \$ <u>4580.90</u>	<u>1/17/89</u>	<u>4580.90</u> JUST REMITTANCE AND LIST ATTACHED
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
D. Full Name, Mailing Address and ZIP Code <u>DNC SERVICES CORPORATION</u> <u>GENERAL MANAGER</u> <u>410 SOUTH CAPITAL ST., SE</u> <u>WASHINGTON, D.C. 20003</u>	Name of Employer Occupation Aggregate Year-to-Date > \$ <u>822.00</u>	<u>1/17/89</u>	<u>822.00</u>
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
E. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Cash Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
F. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Cash Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
G. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Cash Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			

Name of Debtor or Creditor	Date	Amount	Type of Debt	Balance
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor <i>AC. G... ..</i>	<i>0</i>	<i>12,250.00</i>	<i>1</i>	<i>12,250.00</i>
Nature of Debt (Purpose): <i>WARRANT DEBIT</i>				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional) .....				<i>12,250.00</i>
2) TOTAL This Period (last page this line only) .....				<i>12,250.00</i>
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only) .....				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only) .....				<i>12,250.00</i>

87036062112



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

BQ-2

FEB 21 1989

Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
105 W. High Street  
P.O. Box 719  
Jefferson City, MO 65102

Identification Number: C00135558

Reference: Mid-Year Report (1/1/89-6/30/89)

Dear Mr. Brooks:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report discloses a receipt of \$12,250.00 from the Missouri Democratic State Committee State Account Non Federal (pertinent portion(s) attached). Please clarify whether this transfer is from an account maintained by your committee for non-federal activity. If so, be advised that such transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer should be returned to the non-federal account. Please inform the Commission immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on a supporting Schedule B for Line 20 of your next report.

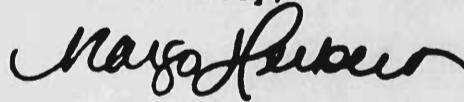
If, however, this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should not be itemized as doing so inflates total receipts and cash on hand. If this is the case, please amend your report accordingly.

Although the Commission may take further legal action regarding the acceptance of funds from a non-federal account, your prompt transfer-out of the funds in question, or clarification of the transaction, will be taken into consideration.

91040881908

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Margo Herbert  
Reports Analyst  
Reports Analysis Division

91040861909

# MISSOURI DEMOCRATIC PARTY

Post Office Box 719 • 419 East High Street  
Jefferson City, Missouri 65102  
314-636-5241 FAX 314-634-8176



EUGENE C. BUSHMANN  
JACQUELINE BUTLER  
DOUGLAS BROOKS  
BYTHER WILLIAMS  
GARY EDWARDS

Date: March 27, 1990  
To: Margo Herbert, Reports Analyst  
Federal Elections Commission  
From: Douglas Brooks, *dt* Treasurer  
Missouri Democratic State Committee  
Re: Mid-Year Report (1/1/89 - 6/30/89)  
ID #: C00135559

This is in response to your letter dated February 21, 1990.

The receipt of \$12,250.00 from our State Account was from an account maintained by our committee for non-federal activity. We realize that a transfer of this nature is prohibited. The full amount has already been refunded to the State Account. This transaction occurred on February 15, 1990 and a copy of the check is enclosed.

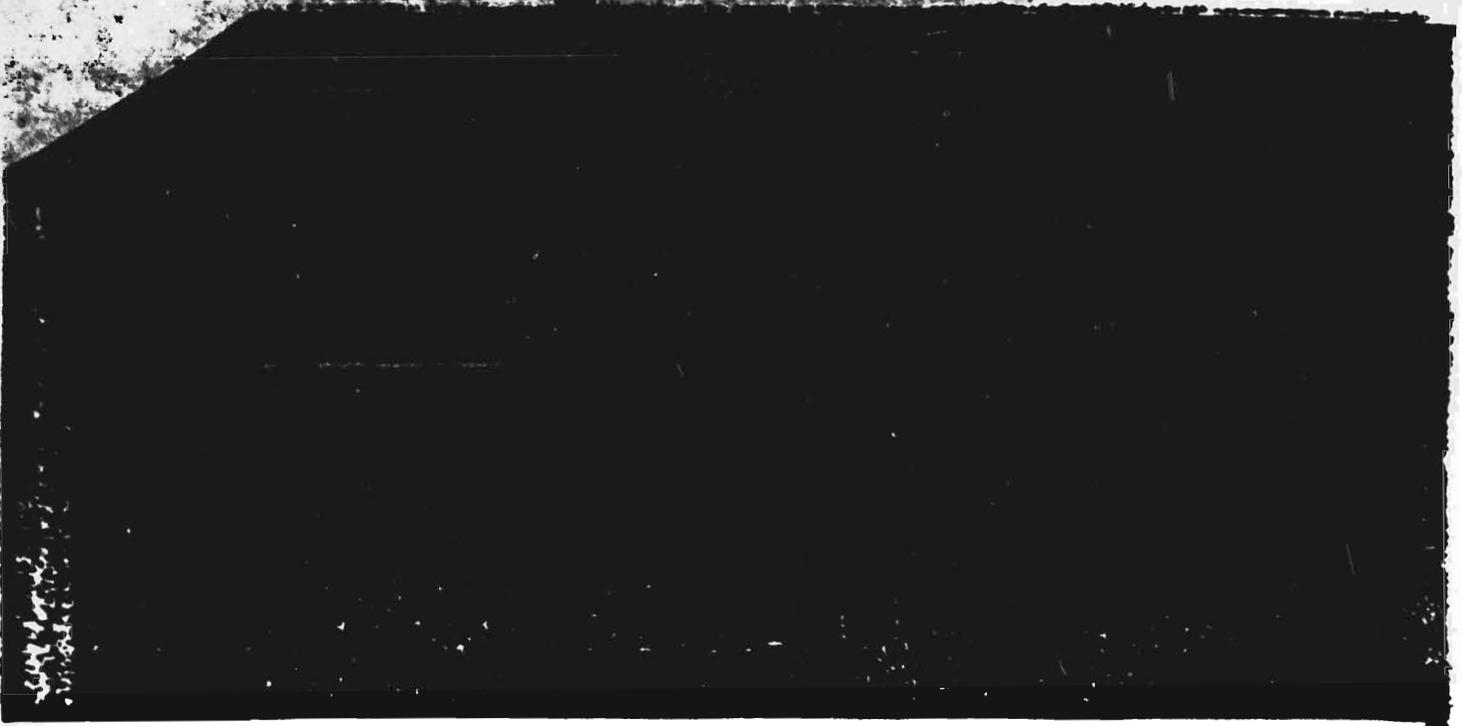
We appreciate your careful consideration of this matter and are sorry for the inconvenience.

enclosure

DB:cf

90FEB 27 11:25

9 7 0 4 0 8 1 9 1 0



DEMOCRATIC STATE COMMITTEE  
FEDERAL ACCOUNT  
P.O. BOX 719  
JEFFERSON CITY, MO 65102

0260

176  
817  
818  
819

Feb 15 1992

*Division Director State Committee*

\$ 17,550.00

*Five thousand two hundred and fifty*

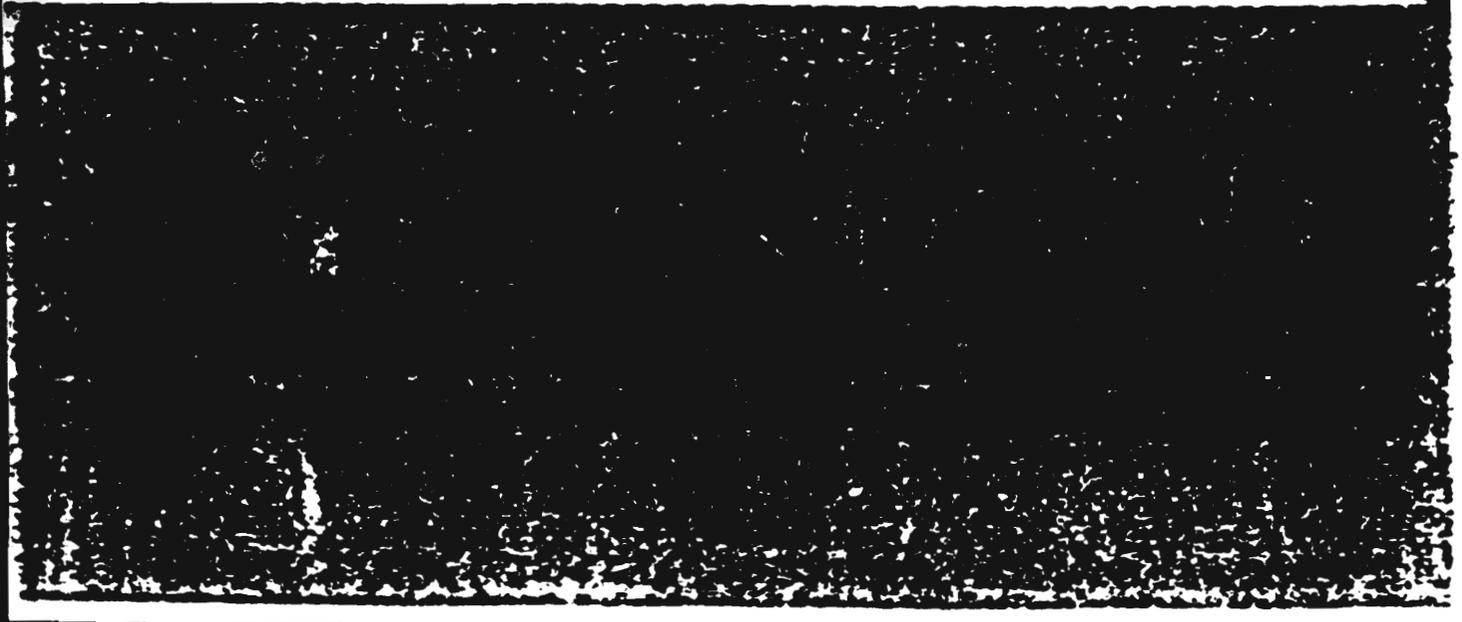
DOLLARS



Central Bank  
PO BOX 719  
JEFFERSON CITY, MISSOURI 65102

*Robert H. Bushman*

⑆0003280⑆ 4066500634⑆ ⑆1-85⑆



Amended 1988 30 Day Post-General Report Attachment 23 (1 of 2)

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedules for each category of the Detailed Summary Page

All receipts and statements may not be used by any person for the purchase of or making contributions to any political committee other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE in Full

Missouri Democratic State Committee

A Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Jane Overton 441 W. 67th Kansas City, MO 64113 Primary <input checked="" type="checkbox"/> General	Occupation	11/7/88	\$ 250.00
Aggregate Year-to-Date > \$ 250			
B Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Aphelen F. Senopoulos 15 Hopkins Rd. Jamaica Plain, MA 02130 Primary <input checked="" type="checkbox"/> General	Occupation	11/7/88	\$ 250.00
Aggregate Year-to-Date > \$ 250			
C Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Candra Mauro 6415 Jefferson Kansas City, Mo 64113 Primary <input checked="" type="checkbox"/> General	Occupation	11/7/88	\$ 200.00
Aggregate Year-to-Date > \$ 200			
D Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
M.L.F. Living Trust 701 North Rexford Dr. Heverly Hills, Ca 90219 Primary <input checked="" type="checkbox"/> General	Occupation	11/7/88	\$ 500.00
Aggregate Year-to-Date > \$ 500			
E Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Frances Anderson 5001 Gladstone Blvd. Kansas City, MO 64123 Primary <input checked="" type="checkbox"/> General	Occupation	10/27/88	\$ 500.00
Aggregate Year-to-Date > \$ 500			
F Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Hess Investment Inc. 601 Blue Springs Ln St. Louis, MO 63131 Primary <input checked="" type="checkbox"/> General	Occupation	11/7/88	\$200.00
Aggregate Year-to-Date > \$ 200			
G Full Name Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Courtesy Checks Inc. 401 Hillside Drive Raytown, MO 63111 Primary <input checked="" type="checkbox"/> General	Occupation	11/7/88	\$ 100.00
Aggregate Year-to-Date > \$ 100.00			

SUBTOTAL

\$ 2,000.00

TOTAL

9104081912

MT

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedules for each category of the Detailed Summary Page

Part

of

Form

1120

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions for any political purpose other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (in Full)

Missouri Democratic State Committee

A Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Dino's Trucking, Inc. P.O. Box 240155 St. Louis, MO 63120 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Occupation Aggregate Year-to-Date > \$ 100	11/7/88	\$ 100.00
B Full Name, Mailing Address and ZIP Code Kana'ja Insurance, Inc. Kansas City, Mo 64112 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 100	Date (month, day, year) 11/7/88	Amount of Each Receipt this Period \$ 100.00
C Full Name, Mailing Address and ZIP Code Katsinas Construction Co., Inc. 6865 Plateau St. Louis, MO 63139 Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > \$ 300	Date (month, day, year) 11/7/88	Amount of Each Receipt this Period \$ 300.00
D Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
E Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
F Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
G Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (options)

\$ 500.00

TOTAL This Period (last page this line number on)

\$16,300.00

91040821913

TELECON  
-----

ANALYST: Margo Tucker

CONVERSATION WITH: Corinne Brown

COMMITTEE: Missouri Democratic State Committee  
(C00135558)

DATE: March 30, 1990

SUBJECT: Receipts from Unregistered Organizations  
and Corporations reported in Amended 30  
Day Post-General dated 1/31/90

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Ms. Brown telephoned the analyst and stated that she would be transferring-out the receipts from the unregistered organizations and corporations today, 3/30/90. She informed me that she would send me a photocopy of the check and that the transaction would be disclosed in the Committee's April Quarterly Report.

91040881914

90 JUL 26 PM 12:17

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

FIRST GENERAL COUNSEL'S REPORT

**SENSITIVE**

RAD Referral #90L-17  
Staff Member: Xavier K. McDonnell

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENTS: Missouri Democratic State Committee  
(federal account/non-federal account)  
and Douglas Brooks, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 441b(a)  
11 C.F.R. § 102.5  
11 C.F.R. § 103.3

INTERNAL AGENCIES CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Reports Analysis Division ("RAD") referred the Missouri Democratic State Committee (the "Committee") and Douglas Brooks, as treasurer, to the Office of General Counsel for apparently spending funds from its non-federal account on federal activity, and for transferring funds from its non-federal account into its federal account. In addition, the Committee apparently accepted contributions from various corporations and unregistered organizations.<sup>1</sup>

II. FACTUAL AND LEGAL ANALYSIS

A. Applicable Law

The Federal Election Campaign Act of 1971, as amended (the

1. The Committee was referred for a 2 U.S.C. § 438(b) audit on May 26, 1989. The Commission voted not to audit the Committee on October 3, 1989. See #A89-28.

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"Act") prohibits corporations and labor unions from making contributions or expenditures in connection with any election for federal office, and for any person or committee to knowingly accept any such contribution. 2 U.S.C. § 441b(a).

To ensure that political committees which finance political activity in connection with both federal and non-federal activities do not receive or expend funds which are in violation of the Act, the Commission has promulgated 11 C.F.R. § 102.5(a). That regulation provides that organizations which are political committees, shall either: (1) establish a separate federal account which shall only accept funds subject to the prohibitions and limits of the Act, and which shall make all disbursements, contributions, expenditures and transfers in connection with a federal election, or (2) establish a single account for both federal and non-federal activity, which shall contain only contributions subject to the prohibitions and limitations of the Act. 11 C.F.R. § 102.5(a)(1).

The Commission's regulations also prohibit transfers from a non-federal account to a federal account. 11 C.F.R. § 102.5(a)(1)(i).<sup>2</sup> In addition, organizations that are not political committees under the Act must either establish a

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2. In addition, only contributions meeting certain conditions are permitted to be deposited in the federal account: 1) contributions designated for the federal account; 2) contributions that result from a solicitation which expressly states that the contribution will be used in connection with a federal election, and; 3) contributions from contributors who are informed that all contributions are subject to the prohibitions and limitations of the Act. 11 C.F.R. § 102.5(a)(2).

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separate account into which only funds subject to the limitations and prohibitions of the Act shall be deposited, or must demonstrate through a reasonable accounting method that whenever such organization makes a contribution, that organization has received sufficient funds subject to the limitations and prohibitions of the Act. 11 C.F.R. § 102.5(b)

**B. Analysis**

**1. Payment for Federal Campaign Materials**

The Committee maintains a coordinated ("non-federal") account for expenditures relating to get-out-the-vote, voter-registration and other activities involving both federal and non-federal elections. From September 1988 through January 1989, the Committee made payments from this non-federal account, totaling \$22,549.86, for campaign materials used on behalf of the 1988 Democratic Presidential and Vice Presidential Nominees. Attachment 2 at pages 21,31-34.<sup>3</sup> In addition, during September, 1988, the Committee's non-federal account paid private corporations for phone bank services "to register voters in highly Democratic areas and to get Democrats out to vote on election day." Id at pages. 34-35. The federally allocated portion of these services was \$9,060.<sup>4</sup>

3. This amount includes \$20,805.86 contained in the list provided by the Committee, and the \$1,744 payment to Haws Embroidery. See Attachment 2 at pages 30-33.

4. The total cost of these services was \$29,425. The \$9,060 reported by the Committee was based on an estimated federal activity of 30.8%. That estimate was provided to the Committee by the Democratic National Committee. See Attachment 2 at pages 23 and 35.

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With regard to the payments for the campaign materials, the Committee stated that when it became concerned that these disbursements may have been "in violation of federal election laws," it transferred \$100,000 in unmatched funds from its federal account to its non-federal account on October 31, 1988. Id. at page 33. With regard to the payments for phone bank services, the Committee stated that: "[i]f there is a question regarding the legality of ... financing this kind of voter identification activity with [non-federal] funds, these expenditures, in total, could be deducted from the \$100,000 transfer from our federal account." Id. at page 34.

Missouri election law permits the use of contributions from corporations and labor unions. The funds used to finance the federal activity therefore may have contained contributions from prohibited sources. 2 U.S.C. § 441b(a). While the subsequent transfer of \$100,000 from the Committee's federal account to the non-federal account may be considered a mitigating factor, there is nothing in the Act or Commission regulations to support the contention that the subsequent transfer of permissible funds to the Committee's non-federal account would vitiate these apparent violations. Accordingly, the Office of General Counsel recommends that the Commission find reason to believe the Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1).

2. Prohibited Transfer

The Committee's 1989 Mid Year Report indicated that on

January 6, 1989, it transferred \$12,250 from its non-federal account into its federal account. In a July 31, 1989 response to RAD's inquiries, the Committee asserted that these funds were "incorrectly transferred." Attachment 2 at page 87. The Committee also stated that it was "aware of the seriousness of this type of error," and that it would repay the debt "as soon as possible." Id. The prohibited funds were not transferred out of the Committee's federal account until February 15, 1990, over a year later.<sup>5</sup>

Where an organization finances political activity in connection with both federal and non-federal activity it must keep its accounts strictly segregated. Only funds subject to the requirements of the Act are permitted to be deposited into an account which finances activity in connection with federal elections. 11 C.F.R. § 102.5(a)(1). Moreover, the Commission's regulation explicitly provides that: "[n]o transfers may be made

5. On January 9, 1989, the Committee took corrective action with respect to another apparent violation by transferring out of its federal account \$9,275 in impermissible contributions. See infra Sections 3 and 4 of this Report. It appears, however, that the \$12,250 in funds improperly transferred into the federal account on January 6, 1989, may have been used to effectuate this corrective action three days later. This conclusion is based upon the fact that cash on hand in the federal account on January 1, 1989 was \$774.15, and it was not until January 17, 1989, that the Committee received \$4,683.71 from a joint fundraising event. See Attachment 1 at pages 88 and 89.

Moreover, the transfer at issue here is distinguishable from that involved in RAD Referral #88L-16, where the same Committee misdeposited federally designated funds into the non-federal account and then transferred them out within 6 days. While the previous referral was generated when the Committee attempted to correct a single misdeposit, this referral involves a pattern of staff errors, including this \$12,250 "inadvertent" transfer.

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to [a] federal account from any other account(s) maintained by such organization for the purpose of financing activity in connection with non-federal elections." 11 C.F.R.

§ 102.5(a)(1)(i). In addition, as noted, Missouri election law permits the use of contributions prohibited under the Act, so it would appear that the funds transferred may have contained prohibited contributions. 2 U.S.C. § 441b(a). Accordingly, the Office of General Counsel recommends that the Commission find reason to believe that the Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1).

3. Acceptance of Corporate Contributions

The Committee's 1988 reports disclose that it received a total of seven contributions from corporations, totaling \$2,150. These contributions were apparently not designated for the Committee's federal account. Specifically, the 1988 Pre-General Report disclosed the receipt of a \$1,250 contribution from Taxpayers Unlimited, Inc. on October 12, 1988. On January 9, 1989, the Committee transferred \$1,250 from its federal account, and informed the corporation that its contribution was deposited into the account due to a staff error. The transfer was made 89 days after receipt.

The Amended 1988, 30 Day Post-Election Report disclosed that on November 7, 1988, the Committee received six corporate

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contributions, totaling \$900.<sup>6</sup> That Report was dated January 31, 1990. On March 30, 1990, after being notified by RAD of the receipt of these corporate contributions, the Committee transferred \$900 out of its federal account. This transfer was approximately 16 months after receipt.

Under the Act, political committees are prohibited from accepting corporate contributions. 2 U.S.C. § 441b(a). In this matter, the Committee accepted contributions from entities with names which on their face indicated they were corporations. See Attachment 1 at page 3. These contributions presented "genuine questions" of illegality. 11 C.F.R. § 103.3(b). As such, these funds never should have been spent, and the Committee's treasurer was required to use "best efforts" to determine whether they were legal. If the legality of the contributions could not be determined, the Committee was required to refund or transfer these corporate contributions out of its federal account within 30 days of receipt. 11 C.F.R. § 103.3(b)(1) and (2).

The facts here demonstrate that the Committee failed to meet these requirements. Accordingly, the Office of General Counsel recommends that the Commission find reason to believe the Committee, and Douglas Brooks, as treasurer violated 2 U.S.C. § 441b(a) by accepting corporate contributions.

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6. In the referral, RAD included a second contribution from Taxpayers Unlimited, Inc. (for \$100) with the contributions from unregistered organizations. However, this Office has included it here with the corporate contributions.

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4. Contributions From Unregistered Organizations.

The Committee's 1988 October Quarterly Reports disclose the receipt of a total of \$8,785.75 from twenty-two contributions from organizations which are not registered political committees. These contributions, received between September 3 and November 11, 1988, were apparently not designated for the Committee's federal account. On December 28, 1989, RAD informed the Committee that their reports disclosed the receipt of fifteen of these contributions. On January 9, 1989, the Committee notified these unregistered organizations that their contributions had been deposited into the federal account in error, and transferred \$8,025.00 from its federal account to its non-federal account to correct these violations. On February 3, 1989, the Committee transferred another \$250.00 contribution from its federal account. See Attachment 1 at pages 1 and 2.<sup>7</sup>

The Committee's Amended 1988 30 Day Post General Report, dated January 31, 1990, disclosed the receipt of six additional contributions from unregistered organizations, totaling \$448.75. These contributions were received from October 26, 1988 through November 7, 1988. After receiving notice from RAD on March 16, 1989, the Committee transferred \$448.75 from its federal account to its non-federal account on March 30, 1990.

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7. The Committee also apparently received another contribution from an unregistered organization, in the amount of \$52.50, for which no corrective action has been taken. See Attachment 2 at page 58.

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As previously noted, Missouri election law permits the acceptance of contributions prohibited by the Act. Under the Commission's regulations, these unregistered organizations were required to either make these contributions from a segregated account, or to demonstrate through a reasonable accounting method that their account contained sufficient funds subject to the requirements of the Act to make the contributions in question. 11 C.F.R. § 102.5(b). The Committee's treasurer was required to determine whether the contributions from these unregistered organizations were legal. If these unregistered committees could not make such a showing, the Committee was required to refund or transfer these funds from its federal account within 30 days. 11 C.F.R. § 103.3(b).

The Committee asserts that its acceptance of these contributions can be attributed to "staff errors" and "deposits in error." See Attachment 2 at page 22. We note that what is involved here is not an isolated occurrence. In any event, the earliest corrective action was taken 63 days after receipt, while the remainder of the transfers were made approximately 18 months after receipt. Therefore, while such factors may be considered in mitigation, they do not vitiate the apparent violations. Accordingly, the Office of General Counsel recommends that the Commission find reason to believe the Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and

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11 C.F.R. § 102.5(a).<sup>8</sup>

**III. RECOMMENDATIONS**

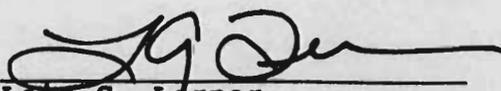
1. Open a MUR.
2. Find reason to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).
3. Approve the attached Factual and Legal Analysis.
4. Approve the appropriate letter.

Lawrence M. Noble  
General Counsel

Date

7/25/90

BY:

  
Lois G. Lerner  
 Associate General Counsel

**Attachments**

1. Charts
2. Referral Materials
3. Factual and Legal Analysis

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8. There is no evidence that these unregistered organizations, or the aforementioned corporations, intended that their contributions be used in connection with any federal election even though they were deposited into the federal account. Therefore, the Office of General Counsel makes no recommendation with regard to these entities.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Missouri Democratic State Committee ) RAD Referral #90L-17  
(federal account/non-federal account )  
and Douglas Brooks, as treasurer )

(MUR)  
3095

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 30, 1990, the Commission decided by a vote of 5-0 to take the following actions in RAD Referral #90L-17:

1. Open a MUR.
2. Find reason to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).
3. Approve the Factual and Legal Analysis as recommended in the General Counsel's Report dated July 25, 1990.
4. Approve the appropriate letter as recommended in the General Counsel's Reported dated July 25, 1990.

Commissioners Elliott, Josefiak, McDonald, McGarry and Thomas voted affirmatively for the decision; Commissioner Aikens did not cast a vote.

Attest:

July 20, 1990  
Date

Hilda Arnold  
for Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat:	Thurs.,	July 26, 1990	12:17 P.M.
Circulated to the Commission:	Thurs.,	July 26, 1990	4:00 P.M.
Deadline for vote:	Mon.,	July 30, 1990	4:00 P.M.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 3, 1990

Douglas Brooks, Treasurer  
Missouri Democratic State Committee  
419 East High Street  
P.O. Box 719  
Jefferson City, MO 65102

RE: MUR 3095  
Missouri Democratic State Committee  
federal/non-federal account and  
Douglas Brooks, as treasurer

Dear Mr. Brooks:

On July 30, 1990, the Federal Election Commission found that there is reason to believe the Missouri Democratic State Committee ("the Committee") federal account/non-federal account and you, as treasurer, violated 2 U.S.C. § 441a(b), and 11 C.F.R. § 102.5(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations. The 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 the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the 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 the 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 the General Counsel may recommend that pre-probable

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Douglas Brooks  
Page 2

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

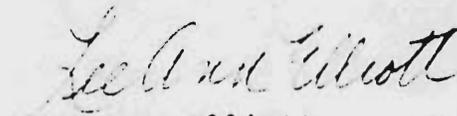
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain 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 Xavier K. McDonnell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Lee Ann Elliott  
Chairman

Enclosures

1. Factual and Legal Analysis and charts
2. Procedures
3. Designation of Counsel Form

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**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

MUR: 3095

RESPONDENTS: Missouri Democratic State Committee  
(federal account/non-federal account)  
and Douglas Brooks, as treasurer

**I. GENERATION OF MATTER**

The Reports Analysis Division ("RAD") referred the Missouri Democratic State Committee (the "Committee") and Douglas Brooks, as treasurer, to the Office of General Counsel for apparently spending funds from its non-federal account on federal activity, and for transferring funds from its non-federal account into its federal account. In addition, the Committee apparently accepted contributions from various corporations and unregistered organizations.

**II. FACTUAL AND LEGAL ANALYSIS**

**A. Applicable Law**

The Federal Election Campaign Act of 1971, as amended (the "Act") prohibits corporations and labor unions from making contributions or expenditures in connection with any election for federal office, and for any person or committee to knowingly accept any such contribution. 2 U.S.C. § 441b(a).

To ensure that political committees which finance political activity in connection with both federal and non-federal activities do not receive or expend funds which are in violation of the Act, the Commission has promulgated 11 C.F.R. § 102.5(a). That regulation provides that organizations which are political

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committees, shall either: (1) establish a separate federal account which shall only accept funds subject to the prohibitions and limits of the Act, and which shall make all disbursements, contributions, expenditures and transfers in connection with a federal election, or (2) establish a single account for both federal and non-federal activity, which shall contain only contributions subject to the prohibitions and limitations of the Act. 11 C.F.R. § 102.5(a)(1).

The Commission's regulations also prohibit transfers from a non-federal account to a federal account. 11 C.F.R.

§ 102.5(a)(1)(i).<sup>1</sup> In addition, organizations that are not political committees under the Act must either establish a separate account into which only funds subject to the limitations and prohibitions of the Act shall be deposited, or must demonstrate through a reasonable accounting method that whenever such organization makes a contribution, that organization has received sufficient funds subject to the limitations and prohibitions of the Act. 11 C.F.R. § 102.5(b)

**B. Analysis**

The Committee maintains a coordinated ("non-federal") account for expenditures relating to get-out-the-vote, voter-registration and other activities involving both federal and

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1. In addition, only contributions meeting certain conditions are permitted to be deposited in the federal account: 1) contributions designated for the federal account; 2) contributions that result from a solicitation which expressly states that the contribution will be used in connection with a federal election, and; 3) contributions from contributors who are informed that all contributions are subject to the prohibitions and limitations of the Act. 11 C.F.R. § 102.5(a)(2).

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non-federal elections. From September 1988 through January 1989, the Committee made payments from this non-federal account, totaling \$22,549.86, for campaign materials used on behalf of the 1988 Democratic Presidential and Vice Presidential Nominees.

In addition, during September, 1988, the Committee's non-federal account paid private corporations for phone bank services "to register voters in highly Democratic areas and to get Democrats out to vote on election day." The federally allocated portion of these services was \$9,060.<sup>2</sup>

With regard to the payments for the campaign materials, the Committee stated that when it became concerned that these disbursements may have been "in violation of federal election laws," it transferred \$100,000 in unmatched funds from its federal account to its non-federal account on October 31, 1988. With regard to the payments for phone bank services, the Committee stated that: "[i]f there is a question regarding the legality of ... financing this kind of voter identification activity with [non-federal] funds, these expenditures, in total, could be deducted from the \$100,000 transfer from our federal account."

Missouri election law permits the use of contributions from corporations and labor unions. The funds used to influence the federal activity therefore may have contained contributions from prohibited sources. 2 U.S.C. § 441b(a). While the subsequent transfer of \$100,000 from the Committee's federal account to the

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2. The total cost of these services was \$29,425. The \$9,060 reported by the Committee was based on an estimated federal activity of 30.8%. That estimate was provided to the Committee by the Democratic National Committee.

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non-federal account may be considered a mitigating factor, there is nothing in the Act or Commission regulations to support the contention that the subsequent transfer of permissible funds to the Committee's non-federal account would vitiate these apparent violations. Accordingly, there is reason to believe the Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1).

The Committee's 1989 Mid Year Report indicated that on January 6, 1989, it transferred \$12,250 from its non-federal account into its federal account. In a July 31, 1989 response to RAD's inquiries, the Committee asserted that these the funds were "incorrectly transferred." The Committee also stated that it was "aware of the seriousness of this type of error," and that it would repay the debt "as soon as possible." The prohibited funds were not transferred out of the Committee's federal account until February 15, 1990, over a year later.<sup>3</sup>

Where an organization finances political activity in connection with both federal and non-federal activity it must keep its accounts strictly segregated. Only funds subject to the requirements of the Act are permitted to be deposited into an account which finances activity in connection with federal

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3. On January 9, 1989, the Committee took corrective action with respect to another apparent violation by transferring out of its federal account \$9,275 in impermissible contributions. It appears, however, that the \$12,250 in funds improperly transferred into the federal account on January 6, 1989, may have been used to effectuate this corrective action three days later. This conclusion is based upon the fact that cash on hand in the federal account on January 1, 1989 was \$774.15, and it was not until January 17, 1989, that the Committee received \$4,683.71 from a joint fundraising event.

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elections. 11 C.F.R. § 102.5(a)(1). Moreover, the Commission's regulation explicitly provides that: "[n]o transfers may be made to [a] federal account from any other account(s) maintained by such organization for the purpose of financing activity in connection with non-federal elections." 11 C.F.R. § 102.5(a)(1)(i).

In addition, Missouri election law permits the acceptance and use of contributions prohibited under the Act, so it would appear that the funds transferred may have contained prohibited contributions. 2 U.S.C. § 441b(a). Accordingly, there is reason to believe that the Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1).

The Committee's 1988 reports disclose that it received a total of seven contributions from corporations, totaling \$2,150. These contributions were apparently not designated for the Committee's federal account. Specifically, the 1988 Pre-General Report disclosed the receipt of a \$1,250 contribution from Taxpayers Unlimited, Inc. on October 12, 1988. On January 9, 1989, the Committee transferred \$1,250 from its federal account, and informed the corporation that its contribution was deposited into the account due to a staff error. The transfer was made 89 days after receipt.

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transferred \$900 out of its federal account. This transfer was approximately 16 months after receipt.

Under the Act, political committees are prohibited from accepting corporate contributions. 2 U.S.C. § 441b(a). In this matter, the Committee accepted contributions from entities with names which on their face indicated they were corporations. These contributions presented "genuine questions" of illegality. 11 C.F.R. § 103.3(b). As such, these funds never should have been spent, and the Committee's treasurer was required to use "best efforts" to determine whether they were legal. If the legality of the contributions could not be determined, the Committee was required to refund or transfer these corporate contributions out of its federal account within 30 days of receipt. 11 C.F.R. § 103.3(b)(1) and (2).

The facts here demonstrate that the Committee failed to meet these requirements. Accordingly, there is reason to believe the Committee, and Douglas Brooks, as treasurer violated 2 U.S.C. § 441b(a) by accepting corporate contributions.

The Committee's 1988 October Quarterly Reports disclose the receipt of a total of \$8,785.75 from twenty-two contributions from organizations which are not registered political committees. These contributions, received between September 3 and November 11, 1988, were apparently not designated for the Committee's federal account. On December 28, 1989, RAD informed the Committee that their reports disclosed the receipt of fifteen of these contributions. On January 9, 1989, the Committee notified these unregistered organizations that their contributions had been

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deposited into the federal account in error, and transferred \$8,025.00 from its federal account to its non-federal account to correct these violations. On February 3, 1989, the Committee transferred another \$250.00 contribution from its federal account.<sup>4</sup>

The Committee's Amended 1988 30 Day Post General Report, dated January 31, 1990, disclosed the receipt of six additional contributions from unregistered organizations, totaling \$448.75. These contributions were received from October 26, 1988 through November 7, 1988. After receiving notice from RAD on March 16, 1989, the Committee transferred \$448.75 from its federal account to its non-federal account on March 30, 1990.

As previously noted, Missouri election law permits the acceptance of contributions prohibited by the Act. Under the Commission's regulations, these unregistered organizations were required to either make these contributions from a segregated account, or to demonstrate through a reasonable accounting method that their account contained sufficient funds subject to the requirements of the Act to make the contributions in question. 11 C.F.R. § 102.5(b). The Committee's treasurer was required to determine whether the contributions from these unregistered organizations were legal. If these unregistered committees could not make such a showing, the Committee was required to refund or transfer these funds from its federal account within 30 days. 11 C.F.R. § 103.3(b).

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4. The Committee also apparently received another contribution from an unregistered organization, in the amount of \$52.50, for which no corrective action has been taken.

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The Committee asserts that their acceptance of these contributions can be attributed to "staff errors" and "deposits in error." However, what is involved here is not merely an isolated misdeposit. In any event, the earliest corrective action was taken 63 days after receipt, while the remainder of the transfers were made approximately 18 months after receipt. Therefore, while such factors may be considered in mitigation, they do not vitiate the apparent violations. Accordingly, there is reason to believe the Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1).

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## CONTRIBUTIONS FROM UNREGISTERED ORGANIZATIONS

COMMITTEE NAME	CONTRIBUTION DATE	TRANSFER DATE	AMOUNT
Dardeene Township Democratic Club	9-3-88	1-9-89	\$100.00
Missouri AFL-CIO	9-29-88	1-9-89	\$5,000.00
Carpenter for Recorder	10-1-88	1-9-89	\$20.00
Communication Center NO. 1	10-1-88	1-9-89	\$100.00
Democratic Central Committee of Lincoln County	10-1-88	1-9-89	\$100.00
Raytown Democratic Association	10-7-88	1-9-89	\$100.00
St Louis Fire Fighters	10-27-88	1-9-89	\$200.00
Friends of Karen McCarthy	11-7-88	1-9-89	\$25.00
Committee to Re-elect Bill Scaggs	11-7-88	1-9-89	\$500.00
Local 41 PAC	11-7-88	1-9-89	\$1,000.00
Boone County Democratic Comm.	10-22-88	1-9-89	\$450.00
Bates County Democratic Women's Club	10-22-88	1-9-89	\$200.00
Central Democratic Comm.	10-24-88	(No refund info provided)	\$52.50
28th Ward Comm.	10-27-88	1-9-89	\$30.00

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COMMITTEE NAME	CONTRIBUTION DATE	TRANSFER DATE	AMOUNT
No. 4 District Federation of Women's Democratic Club	10-31-88	2-3-89	\$250.00
Democratic Central Committee of Mason County	11-7-88	1-9-89	\$200.00
Cooper County	10-26-88	3/30/90	\$40.00
Central Democratic Committee	10-26-88	" "	\$88.75
Pulaski County Women's Democratic Club	10-26-88	" "	\$100.00
Randolph County Democratic Club	10-26-88	" "	\$100.00
Citizens for Reiderer	11-7-88	" "	\$100.00
Carpenter for Recorder Committee	10-27-88	" "	\$20.00
		<b>TOTAL</b>	<b><u>\$8,785.75</u></b>
		<b>TOTAL AMOUNT REFUNDED</b>	<b><u>\$8,733.25</u></b>

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CONTRIBUTIONS FROM CORPORATIONS

CORPORATE CONTRIBUTIONS NAME	DEPOSIT DATE	TRANSFER DATE	AMOUNT
Taxpayers Unlimited, Inc.	10-12-88	1-9-89	\$1,250
Taxpayers Unlimited, Inc.	11-7-88	3/30/90	\$100
Bess Investment, Inc.	11-7-88	" "	\$200
Courtesy Checks, Inc.	11-7-88	" "	\$100
Dino's Trucking, Inc.	11-7-88	" "	\$100
Kanaga Insurance, Inc.	11-7-88	" "	\$100
Katsinas Construction Co, Inc.	11-7-88	" "	\$300
		<b>TOTAL</b>	<b><u>\$2,150</u></b>

91040881938

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR** \_\_\_\_\_

**NAME OF COUNSEL:** Eugene G. Bushmann

**ADDRESS:** Carson and Coil, P.C.

P.O. Box 235

Jefferson City, MO 65102

**TELEPHONE:** (314) 636-2177/(314)636-5241

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Aug 20, 1990  
Date

*Doug Brooks*  
Signature

**RESPONDENT'S NAME:** Doug Brooks

**ADDRESS:** Rt. 5, Box 290

Joplin, MO 64801

**HOME PHONE:** (417) 624-5815

**BUSINESS PHONE:** (417) 782-1910

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06C 7579

# MISSOURI DEMOCRATIC PARTY

Post Office Box 719 • 419 East High Street  
Jefferson City, Missouri 65102  
314-636-5241 FAX 314-634-8176



**EUGENE G. BUSHMANN**  
Chairman  
**JACQUELINE BUTLER**  
Vice-Chairman  
**DOUGLAS BROOKS**  
Treasurer  
**BYTHER WILLIAMS**  
Secretary  
**GARY EDWARDS**  
Executive Director

August 20, 1990

Lee Ann Elliott  
Chairman  
Federal Election Commission  
Washington, D.C. 20463

RE: MUR 3095  
Missouri Democratic State  
Committee federal/non-federal  
account and Douglas Brooks,  
as treasurer

Dear Ms. Elliott:

This letter is in response to correspondence received from you dated August 3, 1990.

We are requesting pre-probable cause conciliation in the hope that we can reach an agreement in settlement of the matter.

The problems referred to in the correspondence relate directly to a very inexperienced staff and lack of adequate supervision in the 1988 campaign cycle. In addition, the office was operating with an outdated, inadequate computer system. In late spring of 1989, a new chairman came on board with an entirely new staff. Thereafter, a computer system was put in place with a program designed to comply with FEC reporting requirements.

During the summer of 1989, the new staff became aware of the various problems that existed with the FEC reports relating to the 1988 election. We reviewed the letters sent to the state party by the FEC and then started a detailed examination of the six or eight reports which we filed for the 1988 election. As we went through each contribution check and deposit slip, it became apparent that our reports were out of balance with our bank records.

We brought these matters to the attention of the State Committee at the next scheduled meeting and obtained approval to employ a CPA firm to review all of the reports and the supporting documentation. The accountant was to prepare amended reports so we would be in full compliance with your rules and regulations.

RECEIVED  
FEDERAL ELECTION COMMISSION  
FEDERAL SECRETARIAT  
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RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
90 AUG 24 AM 8:59

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Lee Ann Elliott  
August 20, 1990  
Page 2

As you know, these amended reports are now on file in your office. In addition, we removed all improper deposits from our federal account and the present balance meets federal requirements.

Most of your factual analysis is correct, however, we would like to make a few observations. First of all, our records indicated that the \$52.50 contribution from the Central Democratic Committee, dated 10/24/88, was transferred from our federal account on January 9, 1989. We took this matter to our accountant and he determined that although we reported that the transfer was made on 1/9/89, we did not write the check. We have now transferred the \$52.50.

In addition, the facts surrounding the transfer of \$12,250 from the non-federal account to our federal account on January 6, 1989 is somewhat complicated. On December 8, 1988, we transferred \$12,520 from the federal account to our state account. The best we have been able to determine is that those in charge at the time thought we had a surplus in the federal account and needed the money for other purposes. Shortly after the transfer, your office advised us that we had a number of improper contributions included in the federal account which needed to be transferred out. Since there was not enough money in the federal account to accomplish this, they decided to reimburse the federal account for the previous withdrawal. Unfortunately, when they made the transfer from the state account back to the federal account on January 6, 1989, they transposed two numbers and only returned \$12,250. Once the money was back into the federal account then the improper checks were transferred out. These are the checks dated January 9, 1989 amounting to \$9,275.

Prior to filing our report dated 7/31/89, we spoke with your office by phone about this matter. We revealed these facts and were advised to show the amount of \$12,250 as a debt owed to the state party. We did this at your direction, not in response to your inquiries. At the time, we stated that we did not have the funds available to pay the debt and that we would as soon as possible. It was our understanding that this was acceptable and that there was no urgency on paying the debt. We transferred the \$12,250 out of the federal account on 2/15/90 after our accountant completed his audit and prepared the various amended returns.

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Lee Ann Elliott  
August 20, 1990  
Page 3

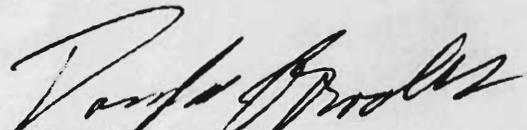
The Missouri Democratic Party has always maintained a separate account for federal activity, but now we have a better trained staff and adequate equipment to properly handle contributions and expenditures in federal elections. The current staff is aware that transfers from a non-federal account to a federal account is prohibited. Any delay in transferring improper contributions out of the federal account was due entirely to the auditing process of the CPA firm we employed. While the auditing process was lengthy, it was our intent to conduct a careful and thorough audit in an attempt to clear up all past problems and establish a sound base of procedure for the future.

While errors were made in the handling of funds, there has never been any attempt to conceal any transactions. All original deposits and subsequent transfers have been reported. It is our intent to make every effort to see that future handling of the federal account and its reporting requirements meet all federal regulations.

It is our strong desire to resolve these matters as expediently as possible. If we need to provide any further information, please contact us as soon as possible.

Sincerely,

  
Eugene G. Bushmann  
Chairman

  
Douglas Brooks  
Treasurer

EGB/cb

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Missouri Democratic State Committee ) MUR 3095  
(federal account/non-federal account) )  
and Douglas Brooks, as treasurer )

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On July 30, 1990, the Commission found reason to believe that the Missouri Democratic State Committee (the "Committee") and Douglas Brooks, as treasurer, (the "Respondents") violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). The Committee has submitted a response, and has made a request for conciliation prior to a finding of probable cause to believe. See Attachment 1 at page 1.

II. ANALYSIS

In its response, the Committee admits that "errors were made in the handling of funds," and acknowledges that most of the Commission's "factual analysis is correct." Attachment 1 at pages 2 and 3.<sup>1</sup> The Committee asserts that there was "never any attempt to conceal any transactions," and that the "problems" outlined in the Commission's Factual and Legal Analysis can be attributed to "a very inexperienced staff and lack of adequate supervision in the 1988 campaign cycle." Attachment 1 at pages 1 and 3. In addition, the Respondents contend that they were

1. The Commission's findings were based upon information which indicated that the Committee used funds from its non-federal account to pay \$31,609.86 for federal election activities, that the Committee transferred \$12,250 from its non-federal account into its federal account, and that the Committee accepted \$2,150 in corporate contributions and \$8,785.75 in contributions from unregistered organizations.

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operating with an "outdated, inadequate computer system," and that they now have a new computer system, a new chairman, and an entirely new staff. Id.<sup>2</sup>

In their response, the Committee indicates that the facts surrounding the \$12,250 transfer from the non-federal account to the federal account are "somewhat complicated." Id. They assert that the prohibited transfer into the federal account on January 6, 1989 occurred as a result of the Committee's efforts to "transfer back" \$12,520 in federal funds which previously had been transferred from the federal account to the non-federal account on December 8, 1988. The Committee has produced a copy of a check evidencing the earlier transfer, and on January 31, 1990, the Committee amended its reports to disclose that transaction. See Attachment 2 at pages 4 and 11. The Committee contends it cannot determine why the December 8, 1988 transfer was made, but states that perhaps "those in charge at the time thought we had a surplus in the federal account." Attachment 1 at page 2.<sup>3</sup>

The Respondents further contend that prior to filing the report which first disclosed the prohibited transfer, they discussed the matter with FEC personnel by telephone and that they were advised to report the \$12,250 as a debt owed to the state party committee. After they informed the FEC staff that "they did not have funds available to pay the debt," the Committee was left with the "understanding that this was acceptable and that there was no urgency [in] paying the debt." Attachment 1 at page 2.

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2. We note, however, that Douglas Brooks has been the Committee's treasurer since the time period when these violations occurred.

3. According to the Respondents, the staff transposed the numbers and mistakenly transferred \$12,250 back into the federal account, rather than \$12,520.

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Respondents' explanation of the circumstances surrounding the transfer does not vitiate the apparent violation. First of all, the Committee acknowledges that it made the prohibited transfer on January 6, 1989. Apparently, the Committee deposited the funds in the federal account in order to effectuate the corrective action with respect to the contributions it had accepted from corporations and unregistered organizations. In other words, the Committee transferred \$12,250 in non-federal funds into its federal account on January 6, 1989, so that it could then transfer \$9,275 in prohibited contributions out of its federal account three days later.<sup>4</sup>

Moreover, the Committee's contention that it understood that repaying the debt was not urgent, based on information allegedly given by FEC staff, conflicts with the Committee's July 31, 1989 memorandum in which they acknowledge that "[w]e are aware of the seriousness of this type of error," and asserted that the \$12,250, would be "repaid as soon as possible." See First General Counsel's Report, dated July 25, 1990, Attachment 1 at page 87. In fact, RAD informed the Committee by letter that the transfer was prohibited, and that the Commission might take further legal action. Id. at page 91. Nevertheless, the \$12,250 was not repaid

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4. As indicated in the First General Counsel's Report, from September through November, 1988, the Committee accepted seven contributions from corporations and twenty-two contributions from unregistered organizations. By letter dated December 28, 1988, the Reports Analysis Division (RAD) informed the Committee that it had accepted the prohibited contributions. On January 9, 1989, the Committee transferred \$9,275 from its federal account in order to remove from the account some of these illegal contributions. One of the contributions purportedly refunded on January 9, 1989, was a \$52.50 contribution from the Central Democratic Committee, an unregistered organization. The Respondents now indicate that the \$52.50 was only recently transferred out of the federal account. Attachment 1 at page 2.

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until February 15, 1990, over a year after the prohibited transfer.

**III. DISCUSSION OF PREPROBABLE CAUSE CONCILIATION**

**III. RECOMMENDATIONS**

1. Enter into preprobable cause conciliation with the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer.

2. Approve the attached conciliation agreement and appropriate letter.

Lawrence M. Noble  
General Counsel

11/2/90  
Date

BY:   
Lois G. Lerner  
Associate General Counsel

**Attachments**

- 1. Response from Committee
- 2. Additional Response
- 3. Proposed conciliation agreement

Staff assigned: Xavier K. McDonnell

91040881946

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Missouri Democratic State Committee ) MUR 3095  
(federal account/non-federal account) )  
and Douglas Brooks, as treasurer. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 13, 1990, the Commission decided by a vote of 4-0 to take the following actions in MUR 3095:

1. Enter into preprobable cause conciliation with the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, as recommended in the General Counsel's Report dated November 2, 1990.
2. Approve the conciliation agreement and appropriate letter, as recommended in the General Counsel's Report dated November 2, 1990.

Commissioners Aikens, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioners Elliott and McDonald did not cast votes.

Attest:

11/13/90  
Date

Hilda Arnold  
for Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Friday, Nov. 2, 1990 4:43 p.m.  
Circulated to the Commission: Monday, Nov. 5, 1990 11:00 a.m.  
Deadline for vote: Tuesday, Nov. 13, 1990 4:00 p.m.

dh

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 20, 1990

Eugene G. Bushman  
Carson & Coil, P.C.  
Missouri Democratic State Committee  
P.O. Box 235  
Jefferson City, MO 65102

RE: MUR 3095  
Missouri Democratic State  
Committee (federal account/  
non-federal account), and  
Douglas Brooks, as treasurer

Dear Mr. Bushman:

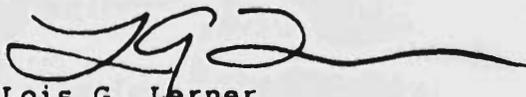
On July 30, 1990, the Federal Election Commission found reason to believe that the Missouri Democratic State Committee (federal account/non-federal account), and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). At your request, on November 13, 1990, the Commission determined 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 you 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 Xavier K. McDonnell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY:   
Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

91040881948

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR**

**NAME OF COUNSEL:** Ronald C. Gladney

**ADDRESS:** 130 S. Bemiston, Ste 604  
Clayton, MO 63105

**TELEPHONE:** (314) 727-0922

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

2/21/91  
Date

*Douglas Brooks*  
Signature

**RESPONDENT'S NAME:** Douglas Brooks

**ADDRESS:** Rt 5 Box 290  
Joplin, Mo 64804

**HOME PHONE:** 417-624-5815

**BUSINESS PHONE:** 417-782-1910

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LAW OFFICES

**BARTLEY, GOPPSTEIN, BOLLATO AND LANGE**

ATTORNEYS AND COUNSELORS

SUITE 604

130 SOUTH BENISTON AVENUE

ST. LOUIS, MISSOURI 63105

WILLIAM N. BARTLEY  
JOHN H. GOPPSTEIN  
JEROME T. BOLLATO  
GARY H. LANGE\*  
JEFFREY S. HARTNETT  
RONALD C. GLADNEY  
WILLIAM E. MOENCH  
RICHARD J. BAUGH\*  
ROBERT J. THOMECEK\*  
BRENT J. JAMES

(314) 727-0922  
FAX (314) 727-4770

\*ALSO LICENSED  
IN ILLINOIS

91 MAY 31 PM 12:09

FEDERAL ELECTION COMMISSION

May 29, 1991

Mr. Xavier K. McDonnell  
Attorney at Law  
Federal Election Commission  
Washington, D.C. 20463

Dear Sir:

By this letter, we confirm our entry of appearance provided to you some time ago on behalf of Douglas Brooks with respect to your outstanding file pertaining to the Missouri Democratic State Committee and Douglas Brooks, as Treasurer, Case No. MUR 3095. By this letter, we further request time to and including June 15, 1991 in which to prepare our client's position. We, finally, request a copy of the case file to date, if such may be provided, under the Freedom of Information Act to Mr. Brooks as a party to the inquiry in question.

Thank you very much for your cooperation.

Very truly yours,

*R.C. Gladney*  
RONALD C. GLADNEY

RCG:ssh

cc: Eugene G. Bushmann  
Carson & Coil  
Attorneys at Law  
211 East Capitol Avenue  
P.O. Box 235  
Jefferson City, Missouri 65102-0235

91 MAY 31 AM 10:45

FEDERAL ELECTION COMMISSION

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FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20463

June 14, 1991

Ronald C. Gladney  
Bartley, Goffstein, Bollato and Lange  
Suite 604  
130 South Bemiston Avenue  
St. Louis, Missouri 63105

RE: MUR 3095  
Missouri Democratic State  
Committee, and  
Douglas Brooks, as treasurer

Dear Mr. Gladney:

On May 29, 1991, we received confirmation that you will be representing Douglas Brooks, the treasurer of the Missouri Democratic State Committee, in MUR 3095. In that letter, you have also requested a copy of the case file and have asked for an extension of time. Enclosed please find a copy of the Commission's Factual and Legal Analysis. The Office of the General Counsel is currently preparing a probable cause brief, which will be provided to you shortly and you will have the opportunity to submit a reply brief on behalf of your client. Therefore, an extension is not necessary at this time.

Thank you for your cooperation in this matter. If you have any questions, please call Xavier McDonnell, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

Enclosures  
Factual and Legal Analysis

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**SENSITIVE**

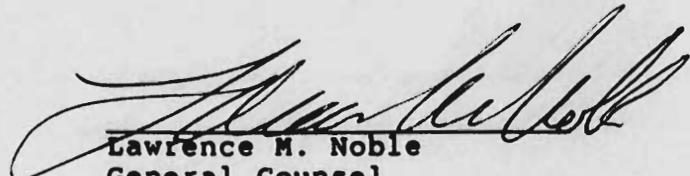
**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of	)	
	)	
Missouri Democratic State Committee	)	MUR 3095
federal account/non-federal account	)	
and Douglas Brooks, as treasurer	)	

**GENERAL COUNSEL'S REPORT**

The Office of the General Counsel is prepared to close the investigation in this matter as to the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, based on the assessment of the information presently available.

6/17/91  
Date

  
Lawrence M. Noble  
General Counsel

91040881952

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Missouri Democratic State Committee, )  
(federal account/non-federal account) ) MUR 3095  
and Douglas Brooks, as treasurer )

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On July 30, 1990, the Commission found reason to believe that the Missouri Democratic State Committee (federal account/non-federal account) (the "Committee"), and Douglas Brooks, as treasurer, ("Respondents") violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). The Respondents paid for federal campaign activities with funds from their non-federal account, transferred into their federal account funds from their non-federal account, and accepted contributions from corporations and unregistered organizations.

II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended (the "Act") prohibits corporations and labor unions from making contributions or expenditures in connection with any election for federal office, and prohibits any candidate, political committee or person from knowingly accepting any such contribution.

2 U.S.C. § 441b(a). The Commission's regulations provide that organizations which are political committees, shall either: (1) establish a separate federal account which shall only accept funds subject to the prohibitions and limits of the Act, and from which the organization shall make all disbursements, contributions,

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expenditures and transfers in connection with a federal election, or (2) establish a single account for both federal and non-federal activity, which shall contain only contributions subject to the prohibitions and limitations of the Act. 11 C.F.R. § 102.5(a)(1). The Commission's regulations also provide that: "[n]o transfers may be made to [a] federal account from any other account(s) maintained by such organization for the purpose of financing activity in connection with non-federal elections." 11 C.F.R. § 102.5(a)(1)(i).

**A. Payment for Federal Campaign Materials**

The Committee maintains a coordinated ("non-federal") account for expenditures relating to get-out-the-vote, voter-registration and other activities involving both federal and non-federal elections. From September 1988 through January 1989, the Committee made payments from this non-federal account, totaling \$22,549.86, for campaign materials used on behalf of the 1988 Democratic Presidential and Vice Presidential Nominees. In addition, during September, 1988, the Committee made payments to private corporations from its non-federal account for phone bank services "to register voters in highly Democratic areas and to get Democrats out to vote on election day." The estimated federally allocated portion of these services was \$9,060.<sup>1</sup>

With regard to the payments for the campaign materials, the Committee stated that when it became concerned that these

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1. The total cost of these services was \$29,425. The \$9,060 reported by the Committee was based on an estimated federal activity of 30.8%. That estimate was provided to the Committee by the Democratic National Committee.

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disbursements may have been in violation of federal election laws, it transferred \$100,000 from its federal account to its non-federal account on October 31, 1988. With regard to the payments for phone bank services, the Committee stated that: "[i]f there is a question regarding the legality of ... financing this kind of voter identification activity with [non-federal] funds, these expenditures, in total, could be deducted from the \$100,000 transfer from our federal account."

Missouri election law permits the use of contributions from corporations and labor unions. The funds used to finance the federal activity or federally allocated activity, therefore, may have contained contributions from prohibited sources. 2 U.S.C. § 441b(a). While the subsequent transfer of \$100,000 from the Committee's federal account to the non-federal account may be considered a mitigating factor, there is nothing in the Act or Commission regulations to support the contention that the subsequent transfer of permissible funds to the Committee's non-federal account would vitiate these apparent violations. Accordingly, there is probable cause to believe that the Missouri Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

**B. Prohibited Transfer**

The Committee's 1989 Mid Year Report indicated that on January 6, 1989, it transferred \$12,250 from its non-federal account into its federal account. On February 15, 1990, the Committee transferred \$12,250, the amount of the prohibited transfer, from its

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federal account back into its non-federal account.

The Committee asserts that the facts surrounding the \$12,250 transfer from the non-federal account to the federal account are "somewhat complicated." To begin with, on December 8, 1988, the Committee transferred \$12,520 from the federal account into the non-federal account. Then, in late December of 1988, the Respondents were informed by the Reports Analysis Division ("RAD") that it appeared that they had deposited corporate contributions and contributions from unregistered organizations into their federal account. See infra Sections II(C) and (D). The Respondents contend that in order to have sufficient funds to remove these prohibited contributions from their federal account, on January 6, 1989, they transferred \$12,250 from their non-federal account into their federal account. In so doing, the Respondents assert, they merely intended to transfer back into the federal account the funds which had been transferred out of the federal account on December 8, 1988.<sup>2</sup>

Where an organization finances political activity in connection with both federal and non-federal activity it must keep its accounts strictly segregated to ensure that contributions prohibited under the Act are not used in connection with federal

---

2. The Committee contends it cannot determine why it made the initial transfer on December 8, 1988, but states that perhaps those in charge at the time thought there was a surplus in the federal account. After the transfer, however, the federal account only had a balance of \$774.15. The Respondents also contend that the person who made the second transfer transposed the numbers and consequently transferred \$12,250 back into the federal account rather than \$12,520.

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elections. 11 C.F.R. § 102.5(a)(1). Only funds subject to the requirements of the Act are permitted to be deposited into an account which finances activity in connection with federal elections. Id. The Commission's regulation explicitly provides that: "[n]o transfers may be made to [a] federal account from any other account(s) maintained by such organization for the purpose of financing activity in connection with non-federal elections."

11 C.F.R. § 102.5(a)(1)(i). While the circumstances surrounding the transfer may be considered in mitigation, they do not vitiate the violation. Accordingly, the Office of General Counsel recommends that the Commission find probable cause to believe that the Missouri Democratic State Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).<sup>3</sup>

**C. Acceptance of Corporate Contributions**

The Committee's 1988 reports disclose that it received a total

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3. In A.O. 1990-29, the Commission permitted a committee to transfer funds from its non-federal account back into its federal account. However, the circumstances surrounding that transfer were quite distinguishable from those at hand. To begin with, the campaign finance laws of the state in which that transfer occurred, Arizona, are consistent with the Act, whereas Missouri election law permits the use of prohibited contributions. Secondly, in A.O. 1990-29 the organization's non-federal account was established with funds from that committee's federal account, and the only additional funds ever deposited into that account was a \$2,000 contribution reimbursement. In this matter, there is no evidence that the Committee's non-federal account was established with permissible funds, and in fact it appears that the Committee's non-federal account accepted contributions from corporations and unregistered organizations. Moreover, it appears that even the funds initially transferred out of the Respondents' federal account were impermissible as they contained contributions from corporations and unregistered organizations. See infra Sections II(C) and (D).

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of seven contributions from corporations, totaling \$2,150. These contributions were apparently not designated for the Committee's federal account. Specifically, the 1988 Pre-General Report disclosed the receipt of a \$1,250 contribution from Taxpayers Unlimited, Inc. on October 12, 1988. On January 9, 1989, the Committee transferred \$1,250 from its federal account, and informed the corporation that its contribution was deposited into the account due to a staff error. The transfer was made 89 days after receipt.

The Amended 1988 30 Day Post-Election Report disclosed that on November 7, 1988, the Committee received six corporate contributions, totaling \$900. That Report was dated January 31, 1990. On March 30, 1990, after being notified by RAD of the receipt of these corporate contributions, the Committee transferred \$900 out of its federal account. This transfer was made approximately 16 months after receipt.

As previously noted, under the Act, political committees are prohibited from accepting corporate contributions. 2 U.S.C. § 441b(a). In this matter, the Committee accepted contributions from entities with names which on their face indicated they were corporations. These contributions presented "genuine questions" of illegality. 11 C.F.R. § 103.3(b). As such, these funds never should have been spent, and the Committee's treasurer was required to determine whether they were legal. If the legality of the contributions could not be determined, the Committee was required to refund or transfer these corporate contributions out of its federal account within 30 days of receipt. 11 C.F.R. § 103.3.

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The facts here demonstrate that the Committee failed to meet the requirements of the Act and the Commission's regulations. Moreover, the corrective action taken was effectuated through the improper transfer on \$12,250 from the Committee's non-federal account into its federal account. Accordingly, there is probable cause to believe the Missouri Democratic State Committee, and Douglas Brooks, as treasurer violated 2 U.S.C. § 441b(a) by accepting corporate contributions.

D. Contributions From Unregistered Organizations

The Committee's 1988 reports disclose the receipt of a total of \$8,776.25 in contributions from organizations which are not registered political committees. These contributions, received between September 3 and November 11, 1988, were apparently not designated for the Committee's federal account.

On December 28, 1988, RAD informed the Committee that its reports disclosed the receipt of fifteen of these contributions. On January 9, 1989, the Committee notified these unregistered organizations that their contributions had been deposited into the federal account in error, and transferred \$8,025.00 from its federal account to its non-federal account to correct these violations. On February 3, 1989, the Committee transferred a \$250.00 contribution from its federal account.

On March 16, 1991, RAD notified the Respondents that the Amended 1988 30 Day Post General Report, dated January 31, 1990, disclosed the receipt of six other contributions from unregistered organizations, totaling \$448.75. These contributions were received

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from October 26, 1988 through November 7, 1988. The Committee transferred \$448.75 from its federal account to its non-federal account on March 30, 1990. Finally, by letter dated August 20, 1990, the Committee notified the Commission that it had transferred another contribution, totaling \$52.50, from its federal account.

As previously noted, Missouri election law permits the acceptance of contributions prohibited by the Act. Under the Commission's regulations, these unregistered organizations were required to either make these contributions from a segregated account, or to demonstrate through a reasonable accounting method that their account contained sufficient funds subject to the requirements of the Act to make the contributions in question. 11 C.F.R. § 102.5(b). The Committee's treasurer was required to determine whether the contributions from these unregistered organizations were legal. If these unregistered committees could not make such a showing, the Committee was required to refund or transfer these funds from its federal account within 30 days. 11 C.F.R. § 103.3(b).

The Committee asserts that its acceptance of these contributions can be attributed to "staff errors" and "deposits in error." We note that the earliest corrective action was taken 63 days after receipt, while the remainder of the transfers were made approximately 18 months after receipt. Moreover, in order to effectuate the corrective action, the Respondents improperly transferred \$12,250 from their non-federal account into their federal account. Accordingly, there is probable cause to believe

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the Missouri Democratic State Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

**III. RECOMMENDATIONS**

1. Find probable cause to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

7/1/91

Date

  
Lawrence M. Noble  
General Counsel

21040881961



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

July 15, 1991

Eugene G. Bushmann  
Carson and Coil, P.C.  
P.O. Box 235  
Jefferson City, MO 65102

RE: MUR 3095  
Missouri Democratic State Committee  
federal account/non-federal account  
and Douglas Brooks, as treasurer

Dear Mr. Bushmann:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on July 30, 1990, found that there was reason to believe the Missouri Democratic State Committee federal account/non-federal account and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a), and 11 C.F.R. § 102.5(a), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded that Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsible brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

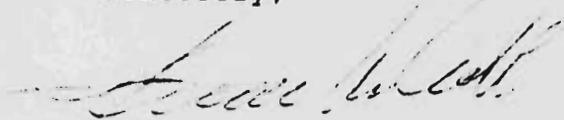
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MUR 3095  
Eugene G. Bushmann  
Page 2

A finding of probable cause to believe request that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Xavier K. McDonnell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M Noble  
General Counsel

Enclosure  
Brief

91040881963



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 15, 1991

Ronald C. Gladney  
Bartley, Goffstein, Bollato and Lange  
Suite 604  
130 South Bemiston Avenue  
St. Louis, Missouri 63105

RE: MUR 3095  
Douglas Brooks, as treasurer  
Missouri Democratic State Committee

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on July 30, 1990, the Federal Election Commission found reason to believe that Douglas Brooks, as treasurer of the Missouri Democratic State Committee, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a), and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

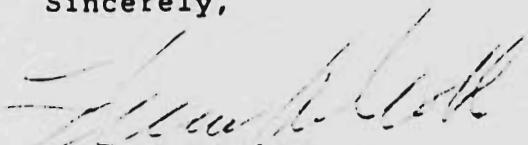
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MUR 3095  
Ronald C. Gladney  
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Xavier K. McDonnell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Brief

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FEDERAL ELECTION COMMISSION  
SECRETARIAT

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**SENSITIVE**

July 15, 1991

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble  
General Counsel *[Signature]*

SUBJECT: MUR 3095  
Missouri Democratic State Committee  
federal account/non-federal account  
and Douglas Brooks, as treasurer

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. Copies of the briefs and letters notifying the respondents of the General Counsel's intent to recommend to the Commission findings of probable cause were mailed on July 15, 1991. Following receipt of respondents' replies to these notices, this Office will make a further report to the Commission.

Attachments

1. Briefs
2. Letters to respondents

9104081966

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Missouri Democratic State Committee, )  
(federal account/non-federal account) ) MUR 3095  
and Douglas Brooks, as treasurer. )

RESPONDENTS' BRIEF

I. STATEMENT OF THE CASE

Respondents' disagreement with the brief of general counsel is primarily in its failure to include several relevant facts and to properly discuss the time sequence in which certain activities occurred. Respondents admit that its bookkeeping and accounting was somewhat sloppy in 1988, and that its reports for this election cycle disclosed certain errors on their face. But there was no intentional violation. The Committee now has a workable computer and trained clerical help so that none of these inaccuracies are now occurring. With the additional facts being discussed below we believe that the allegations of the general counsel are fully answered, or at most, show only technical violations.

A. Payment for Federal Campaign Materials

In the 1988 election cycle, the Committee maintained several bank accounts. One was a federal account, another was a state account and a third was a coordinated account. The coordinated account was used to pay for any expenditure that involved both federal candidate activity as well as local candidate political activities. Funds from the state account and federal account

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were transferred to the coordinated account when joint campaign activity incurred expenses. The allocation formula used at that time was 30.8% of coordinated effort being assigned to federal activity with the balance being assigned to state or local activity.

There is slight disagreement between the parties as to how much respondents paid for campaign materials used on behalf of the 1988 Democratic presidential and vice-presidential nominees. A recent review of the relevant reports indicate that it was approximately \$20,000.00. Respondents admit that these payments were not made from their federal account, but also assert that these payments were made from its "coordinated account". The coordinated account made these payments from funds that were transferred from both the federal account and the state account.

The \$20,000.00 in question was spent over a time period that began in September 1988, and ended at the end of January 1989. In October of 1988, when it became apparent that perhaps insufficient funds were being transferred from the federal account to cover the 30.8% of coordinated expenditures, respondents transferred \$100,000.00 from the federal account into the coordinated account. It was felt at that time that the \$100,000.00 more than compensated the coordinated account for any allocated portion that was due from the federal account.

In September of 1988, the Committee also spent funds from the coordinated account to register voters in highly Democratic areas and to eventually get these Democrats to vote in the

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November election. The Committee was uncertain at the time that this phone activity had to be allocated between the federal and state account, but does concede that if it was allocatable, the federally allocated portion of these phone services was \$9,060.00. However, if that amount was owed from the federal account to the coordinated account, it was more than paid for when the \$100,000.00 was transferred to the coordinated account in October of 1988.

Respondents submit that there is not probable cause to believe that the Missouri Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a), as a result of these expenditures.

B. Prohibited Transfer

The facts in this area are in basic agreement. However, respondents believe it is inappropriate and potentially damaging to cite one occurrence separately, as general counsel has in his brief, and not discuss the entire interrelated sequence of events. Therefore, respondents would like to restate these facts and describe them in chronological order.

Following the 1988 election, the Committee discovered that it had excess funds in the federal account and little money left in its state account. Since it was not going to be conducting any campaign activities for federal candidates for the next two years, it transferred \$12,520.00 from its federal account into its state account on December 8, 1988. Later that month the Reports Analysis Division informed respondents that they had

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wrongly deposited corporate contributions and contributions from unregistered organizations into their federal account and needed to remove them. Since the federal account had been drawn down to a balance of \$774.15, there was not enough money left to transfer these contributions out of the account. The only way it would have funds to remove these prohibited contributions was to reverse its earlier transfer and take the money out of its state account and put it back into the federal account. Unfortunately, in making this reverse transfer, the people in charge transposed two of the figures so that the money going from the state account to the federal account was \$12,250.00, rather than \$12,520.00. Once the funds were back in the federal account, then the prohibited amounts were removed.

First of all, respondents reported to the FEC all of these transactions. It did not hide the fact that it had taken money out and then put money back into its federal account. It was not only reported, but respondents asked the FEC for its advice as to how it should handle the matter. The FEC knew that after the prohibited checks were removed, there was not sufficient funds in the federal account to again transfer \$12,250.00 out. On advice of the FEC, the Committee listed the \$12,250.00 on its report as a debt owed to the state account and launched a fundraising effort to get sufficient funds into the federal account in order to make a subsequent transfer. The FEC also knew that the Committee had employed a CPA to examine all of the reports filed in relation to the 1988 election to be certain that all of them

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complied with the statutes and regulations. It was only after a successful solicitation effort and after a full report from our CPA that respondents eventually transferred the \$12,250.00 from the federal account.

The most important point, which respondents wish to emphasize, was that during this complicated time period of transferring funds from federal to state, back to the federal and again to the state account was the fact that there were no campaign activities and no election expenditures made from respondents' federal account. Only the transfer between accounts, took place. No portion of the \$12,250.00 transferred to the federal account on January 6, 1989, was used to finance activities in connection with a federal or non-federal election. Accordingly, there is no probable cause to believe that the Missouri Democratic State Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a), as a result of the transfer of these funds.

C. Acceptance of Corporate Contributions and Contributions From Unregistered Organizations

Respondents admit that on its 1988 Pre-General Report and 1988 30 Day Post-Election Report it listed contributions from both corporations and unregistered political committees. The only explanation for the acceptance of these contributions is that the Committee had untrained personnel without competent supervision. They should have been deposited to respondent's state account rather than its federal account.

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As stated earlier, on December 28, 1988, the Reports Analysis Division notified respondents that these improper contributions had been deposited to the federal account and needed to be transferred out. After the re-deposit of the moneys previously removed from the federal account was made on January 6, then all those contributions identified by the RAD were then transferred out of the federal account on January 9, 1989. In March of 1990, after the Committee's CPA had reviewed all 1988 reports, amended reports were filed. Additional improper contributions were identified and reported by the Committee. The Reports Analysis Division then requested these contributions be transferred out of the federal account, which the Committee did a few days later.

In both situations, all transfers were made a few days after notification from the Reports Analysis Division. Not only were the transfers made, but appropriate letters were written to all contributors, and there was full compliance with the requirements of the FEC for the proper transferring of these funds out of the federal account. Respondents have never attempted to hide anything and have fully disclosed on the reports where these checks originated. Some were voluntarily identified by the Committee. Unfortunately, in 1988, we had poorly trained and poorly supervised personnel handling these matters, as well as a computer that was not suitable for accurate control. This is no longer the case.

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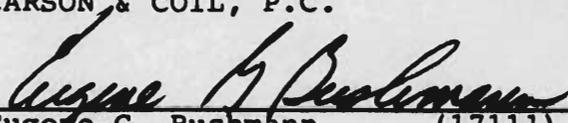
The sloppy bookkeeping of 1988 has been corrected, which the recent filings by respondents will reveal. Respondents are presently in full compliance with all FEC regulations and governing statutes, including the new complicated allocation requirements applicable to all expenditures. We have in place the appropriate equipment and trained personnel to handle this accounting and documentation. Inappropriate checks are not being deposited to the federal account and will not during the next election cycle. If there is probable cause to believe that respondents violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 103.5(a), then no further action should be taken.

III. RECOMMENDATIONS:

1. Find probable cause to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a), because respondents accepted corporate contributions and contributions from unregistered organizations in the 1988 general election. Order that no further action be taken.

CARSON & COIL, P.C.

By

  
Eugene G. Bushmann (17111)  
211-213 East Capitol Avenue  
P.O. Box 235  
Jefferson City, MO 65102  
314-636-2177

CERTIFICATE OF MAILING

I hereby certify that three copies of the forgoing brief was mailed, postage prepaid, this 31st day of July, 1991, to Mr. Lawrence M. Nobel, General Counsel, Federal Election Commission, Washington, D.C. 20463.

  
Eugene G. Bushmann

91040881974

**COPY** <sup>REC 0079</sup>

LAW OFFICES  
**CARSON & COIL**  
A PROFESSIONAL CORPORATION

211 EAST CAPITOL AVENUE  
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FORREST P. CARSON  
1910-1981

CULLEN COIL  
1907-1989

DANA L. FRESE  
EDWARD C. CLAUSEN  
CARLA G. HOLSTE  
J. JEFFREY SPAINHOWER  
DAVID H. BAILEY, JR.  
LANA R. WOOLSEY

MICHAEL P. RILEY  
RONALD R. McMILLIN  
EUGENE G. BUSHMANN  
JAMES W. GALLAHER  
LORI J. LEVINE  
RUDOLPH L. VEIT  
MICHAEL MADSEN  
VICTOR TELL NEFF  
R. MAX HUMPHREYS  
MARK A. LUDWIG

July 31, 1991

Secretary  
Federal Election Commission  
Washington, D.C. 20463

Re: FEC v. Missouri Democratic State Committee  
and Douglas Brooks, as treasurer  
MUR 3095

Dear Secretary:

Enclosed please find ten copies of Respondent's Brief, which I would appreciate your filing in the above-styled cause. I am this same date forwarding three copies of said brief to the Office of the General Counsel.

Thank you for your courtesy in this matter.

Very truly yours,

*Eugene G. Bushmann*

Eugene G. Bushmann

EGB:fs  
Enclosures  
cc: Lawrence M. Noble ✓

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FEDERAL ELECTION COMMISSION

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FEDERAL ELECTION COMMISSION

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LAW OFFICES

**BARTLEY, GOFFSTEIN, BOLLATO AND LANGE**

ATTORNEYS AND COUNSELORS

SUITE 604

130 SOUTH BEMISTON AVENUE

ST. LOUIS, MISSOURI 63105

WILLIAM H. BARTLEY  
JOHN H. GOFFSTEIN  
JEROME T. BOLLATO  
GARY H. LANGE  
JEFFREY E. HARTNETT  
RONALD C. GLADNEY  
PAULA D. SEABAUGH  
WILLIAM E. MOENCH  
RICHARD J. BAUGH  
ROBERT J. THOMECEK

(314) 727-0922  
FAX (314) 727-4770

\*ALSO LICENSED  
IN ILLINOIS

August 5, 1991

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Federal Election Commission  
Washington, D.C. 20463

ATTN: Mr. Lawrence M. Noble,  
General Counsel

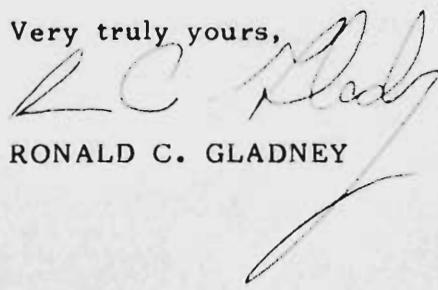
RE: MUR 3095; Missouri Democratic State Committee and Douglas Brooks

Dear Sir:

By this letter, we withdraw our representation of Mr. Douglas Brooks as Treasurer of the Missouri Democratic State Committee. Mr. Brooks and the Committee shall continue to be represented by Mr. Eugene G. Bushmann.

Thank you very much for your attention to this matter.

Very truly yours,

  
RONALD C. GLADNEY

RCG:ssh

cc: Eugene G. Bushmann

Douglas Brooks

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FEDERAL ELECTION COMMISSION

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BEFORE THE FEDERAL ELECTION COMMISSION

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In the Matter of )  
 )  
Missouri Democratic State Committee )  
(federal account/non-federal account) )  
and Douglas Brooks, as treasurer )

MUR 3095

**SENSITIVE**

SEP 17 1991

**EXECUTIVE SESSION**

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

On July 30, 1990, the Commission found reason to believe that the Missouri Democratic State Committee (the "Committee") and Douglas Brooks, as treasurer, (the "Respondents") violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). Efforts to negotiate a mutually acceptable agreement prior to a finding of probable cause were unsuccessful, and on July 15, 1991, the Office of the General Counsel mailed a probable cause brief to the Respondents. Attached is the Committee's reply brief. Attachment 1. For the reasons stated in its brief and in this report, the Office of the General Counsel recommends that the Commission find probable cause to believe the Respondents violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

**II. ANALYSIS**

In their reply brief, the Respondents admit that payments which they made for federal campaign materials and get-out-the-vote telephone services were not made from their federal account. Attachment 1 at page 2. The Respondents state that the materials were paid for from their "coordinated" account, an account which they used to pay for both state and federal candidate activities. Id. at pages 1 and 2. However, the

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Respondents admit that their "coordinated account" contained funds from their state account.

The pertinent regulation provides that "political committees" which finance activity in connection with both federal and non-federal elections and which have a separate federal account must make all disbursements in connection with federal activities from that account. 11 C.F.R. § 102.5(a). While the Respondents concede that they financed federal activity from a nonfederal account, they also reiterate that on October 31, 1988, the Committee transferred \$100,000 from its federal account to its coordinated account to cover the costs of the federal portion of its campaign activity. Although this subsequent transfer of the \$100,000 might be considered in mitigation, the payments for the federal activities were nevertheless prohibited by 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).<sup>1</sup>

With respect to the prohibited transfer of \$12,250 from its non-federal account into its federal account, the Committee reiterates in its brief that it made the prohibited transfer in order to transfer back funds which it had transferred out of its

---

1. In the General Counsel's brief this Office indicated that the Committee's expenditures for federal campaign materials totaled \$22,549.86. This figure is based upon detailed calculations contained in a letter provided by the Respondents to the Reports Analysis Division ("RAD") on January 30, 1989. See First General Counsel's Report, dated July 26, 1990, Attachment 2 at pages 31-32. The Respondents now assert that their review of reports indicates that payments for the 1988 Democratic Presidential ticket totaled "approximately \$20,000.00." See Attachment 2 at page 2. However, the Respondents have not provided any documentation to establish the new figure or to clarify or counter their previously submitted calculations. Therefore, this Office shall continue to rely on the Committee's earlier statements.

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federal account earlier that month, and that it made the prohibited transfer in order to take corrective action with respect to its receipt of prohibited contributions. The Respondents further assert that no portion of the \$12,250 transferred into the federal account was used to finance activities in connection with federal or non-federal elections. For these reasons, the Committee contends that there is no probable cause to believe the Respondents violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a) by making the transfer.

The Respondents assertions with respect to the prohibited transfer are not supported by law. The Commission's regulation prohibits transfers to a federal account from any other account maintained for the purposes of financing activities in connection with non-federal activities. 11 C.F.R. § 102.5(a). Moreover, there is no evidence that the funds transferred into the federal account from the state account were permissible or were the same funds which were transferred out of the Committee's federal account on December 8, 1988, almost a month earlier. Furthermore, contrary to the Respondent's suggestions, the fact that the Committee made the prohibited transfer in order to take corrective action with respect to another violation does not change the result here. This is especially true in a case such as this, in which the Commission has previously informed the Committee that

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such transfers are prohibited. See RAD Referral #88L-16.<sup>2</sup>

Respondents also admit that they accepted prohibited contributions and contributions from unregistered organizations, but they assert that, because they transferred the prohibited amounts out of the federal account, and because they now have the appropriate equipment and procedures in place, the Commission should take no further action with respect to the receipt of these contributions. As noted in the General Counsel's brief, the corrective action was not taken within the time period prescribed in 11 C.F.R. § 103.3. Therefore, although the Committee's attempted corrective action may be considered in mitigation, it does not vitiate the violation.

In summary, in their reply brief the Respondents have made assertions which might be considered in mitigation but which do not vitiate the violations at issue. Therefore, the Office of the General Counsel recommends that the Commission find probable cause to believe that the Missouri Democratic State Committee and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and

---

2. In RAD Referral # 88L-16, the Committee deposited an \$11,000 contribution into the state account for six days before transferring it into the federal account. Although the transfer at hand is distinguishable from the earlier transfer, what is important to note here is that in its correspondence with RAD with respect to 88L-16, the Committee demonstrated that it had become familiar with 11 C.F.R. § 102.5(a) and that it understood that such transfers were prohibited.

We also note that the Committee's most recent response makes it clear that the \$12,250 was not transferred "in error," as the Committee had previously maintained in its responses and on its disclosure report. See First General Counsel's Report, dated July 26, 1990, Attachment 2 at pages 87-90. Rather, the transfer was made so that the Respondents could then transfer out of their federal account prohibited contributions.

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11 C.F.R. § 102.5(a).

**III. DISCUSSION OF PROBABLE CAUSE CONCILIATION**

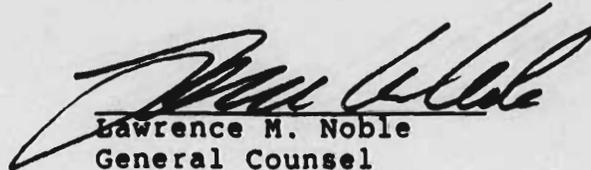
**IV. RECOMMENDATIONS**

1. Find probable cause to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

2. Deny the request of the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, to take no further action with respect to their acceptance of corporate contributions and contributions from unregistered organizations.

3. Approve the attached conciliation agreement and appropriate letter.

8/28/94  
Date

  
Lawrence M. Noble  
General Counsel

**Attachments**

1. Reply brief
2. Proposed conciliation agreement

Staff assigned: Xavier K. McDonnell

91040881981

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 3095  
Missouri Democratic State Committee )  
(federal account/non federal account) )  
and Douglas Brooks, as treasurer )

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on September 17, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3095:

1. Find probable cause to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).
2. Deny the request of the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, to take no further action with respect to their acceptance of corporate contributions and contributions from unregistered organizations.

(continued)

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3. Approve the conciliation agreement and appropriate letter as recommended in the General Counsel's report dated August 28, 1991

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

Attest:

9-20-91  
Date

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

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 24, 1991

Eugene G. Bushmann, Esquire  
Carson and Coil, P.C.  
P. O. Box 235  
Jefferson City, MO 65102

RE: MUR 3095  
Missouri Democratic State Committee  
(federal/non-federal account) and  
Douglas Brooks, as treasurer

Dear Mr. Bushmann:

On September 17, 1991, the Federal Election Commission found that there is probable cause to believe that the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer ("your clients"), violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 102.5(a), a provision of the Commission's regulations. By same date, the Commission denied your clients' request that the Commission take no further action with respect to their acceptance of contributions from corporations and unregistered organizations.

The Commission has a duty to attempt to correct such violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach an agreement during that period, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within ten days. I will then recommend that the Commission accept the agreement. Please make your check for the civil penalty payable to the Federal Election Commission.

91040881984

Eugene G. Bushmann, Esquire  
Page 2

If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Xavier K. McDonnell, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

*Lawrence M. Noble*  
Lawrence M. Noble *LMN*  
General Counsel

Enclosure  
Conciliation Agreement

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00C 3013

EUGENE G. BUSHMANN

Chairman

JACQUELINE BUTLER

Vice-Chairman

DOUGLAS BROOKS

Treasurer

SANDRA QUERRY

Secretary

GARY EDWARDS

Executive Director



# MISSOURI

## STATE DEMOCRATIC COMMITTEE

Post Office Box 719 • 419 East High Street  
Jefferson City, Missouri 65102  
314-636-5241 FAX 314-634-8176

October 17, 1991

Xavier K. McDonnell  
Attorney at Law  
Federal Election Commission  
Washington, D.C. 20463

RE: MUR 3095  
Missouri Democratic State  
Committee federal/non-federal  
and Douglas Brooks, as treasurer

Dear Mr. McDonnell:

Enclosed is the signed copy of the conciliation agreement which you forwarded to me on October 10, 1991.

Please send a fully executed copy at your convenience. Our check will be mailed immediately when this matter is completed.

Thank you for your cooperation and assistance in negotiating this matter.

Sincerely,

*Eugene G. Bushmann*  
Eugene G. Bushmann  
Chairman

EGB/cb

enclosure

91 OCT 22 PM 1:55  
FEDERAL ELECTION COMMISSION

91 OCT 22 PM 3:35  
RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF LEGAL COUNSEL

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Contributions or gifts to the Missouri State Democratic Committee are not tax deductible.  
Paid for by the Missouri State Democratic Committee, Doug Brooks, Treasurer



RECEIVED  
F.E.C.  
SECRETARIAT

91 NOV 14 AM 10:25

BEFORE THE FEDERAL ELECTION COMMISSION

**SENSITIVE**

In the Matter of )  
 )  
Missouri Democratic State Committee ) MUR 3095  
(federal account/non-federal account) )  
and Douglas Brooks, as treasurer )

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On September 13, 1991, the Commission found probable cause to believe that the Missouri Democratic State Committee (the "Committee") and Douglas Brooks, as treasurer, (the "Respondents") violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). By same date, the Commission approved a conciliation agreement with the Respondents in settlement of this matter.

II. DISCUSSION OF PROBABLE CAUSE CONCILIATION AGREEMENT

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Accordingly, the

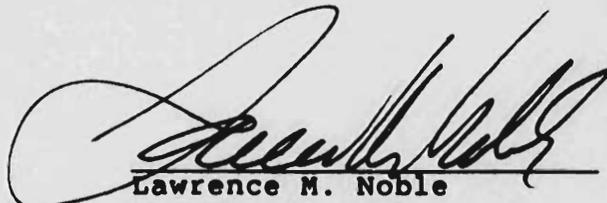
Office of the General Counsel recommends that the Commission accept the attached agreement and close the file.

**III. RECOMMENDATIONS**

1. Accept the counterproposal of the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer.
2. Approve the appropriate letter.
3. Close the file.

Date

11/13/81

  
Lawrence M. Noble  
General Counsel

Staff assigned: Xavier K. McDonnell

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Missouri Democratic State Committee ) MUR 3095  
(federal account/non-federal account) )  
and Douglas Brooks, as treasurer. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 18, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 3095:

1. Accept the counterproposal of the Missouri Democratic State Committee (federal account/non-federal account) and Douglas Brooks, as treasurer, as recommended in the General Counsel's Report dated November 13, 1991.
2. Approve the appropriate letter, as recommended in the General Counsel's Report dated November 13, 1991.
3. Close the file.

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

Attest:

11-18-91  
Date

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

Received in the Secretariat: Thurs., Nov. 14, 1991 10:25 a.m.  
Circulated to the Commission: Thurs. Nov. 14, 1991 4:00 p.m.  
Deadline for vote: Mon., Nov. 18, 1991 4:00 p.m.

dr

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Missouri Democratic State Committee, )  
(federal account/non-federal account) ) MUR 3095  
and Douglas Brooks, 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 probable cause to believe that the Missouri Democratic State Committee (federal account/non-federal account) (the "Committee"), and Douglas Brooks, as treasurer, ("Respondents") violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

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.

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

1. The Missouri Democratic State Committee (federal account/non-federal account) is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Douglas Brooks is the treasurer of the Missouri Democratic State Committee.

3. The Federal Election Campaign Act of 1971, as amended (the "Act") prohibits corporations and labor unions from making contributions or expenditures in connection with any election for federal office, and for any person or committee to knowingly accept any such contribution. 2 U.S.C. § 441b(a).

4. The Commission's regulations provide that organizations which are political committees, shall either: (1) establish a separate federal account which shall only accept funds subject to the prohibitions and limits of the Act, and from which the organization shall make all disbursements, contributions, expenditures and transfers in connection with a federal election, or (2) establish a single account for both federal and non-federal activity, which shall contain only contributions subject to the prohibitions and limitations of the Act. 11 C.F.R. § 102.5(a)(1).

5. The Commission's regulations also provide that: "No transfers may be made to [a] federal account from any other account(s) maintained by such organization for the purpose of financing activity in connection with non-federal elections." 11 C.F.R. § 102.5(a)(1)(i).

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6. Missouri election law permits the use of contributions from corporations and labor unions.

7. The Committee maintains a federal account. The Committee also maintains an account through which it finances non-federal activity ("non-federal account").

8. From September 1988 through January 1989, the Committee made payments from its non-federal account, totaling \$22,549.86, for campaign materials used on behalf of the 1988 Democratic Presidential and Vice Presidential Nominees. In addition, during September 1988, the Committee's non-federal account paid private corporations for phone bank services to register voters in highly Democratic areas and to get Democrats out to vote on election day. The estimated federal portion of these phone bank services was \$9,060.

9. On October 31, 1988, the Respondents transferred \$100,000 from their federal account into their non-federal account. The Respondents contend that they made the \$100,000 transfer on October 31, 1988, in an attempt to place in the non-federal account permissible funds to cover the costs for the previously purchased federal campaign materials and the estimated cost of the federal portion of the previously purchased phone bank services.

10. The Committee's 1988 reports disclose that it received a total of seven contributions from corporations, totaling \$2,150. In addition, the Committee's 1988 October Quarterly Report discloses the receipt of \$8,776.25 in contributions from organizations which

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are not registered political committees. These contributions have been transferred out of the Committee's federal account.

11. The Committee's 1989 Mid Year Report indicated that on January 6, 1989, it transferred \$12,250 from its non-federal account into its federal account. On reports filed with the Commission, the Committee reported the \$12,250 as a debt to the non-federal account. On February 15, 1990, the Committee transferred the prohibited funds out of its federal account.

The Respondents contend that the circumstances surrounding the \$12,250 transfer to the federal account were as follows:

A. On December 8, 1988, they transferred \$12,520 from their federal account to their non-federal account, leaving a balance of \$774.15.

B. In late December of 1988, the Respondents were informed by the Reports Analysis Division ("RAD") that it appeared that they had deposited corporate contributions and contributions from unregistered organizations into their federal account.

C. In order to have sufficient funds to remove these prohibited contributions from their federal account, on January 6, 1989, the Respondents transferred \$12,250 from their non-federal account into their federal account. In doing so, the Respondents intended to transfer back into the federal account allegedly federally permissible funds which had been transferred out of the federal account on December 8, 1988.

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D. Respondents engaged in an active solicitation effort, and after raising sufficient permissible funds, on February 15, 1990, the Committee transferred \$12,250, the amount of the prohibited transfer, from their federal account.

E. From December 8, 1988 through February 15, 1990, the Respondents did not make any expenditures from their federal account in connection with federal elections, except to transfer out of the federal account prohibited contributions.

V. Respondents financed activities in connection with a federal election with funds from its non-federal account, in violation of 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

VI. Respondents transferred into their federal account funds from their non-federal account, in violation of 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

VII. Respondents deposited into their federal account contributions from corporations and unregistered organizations, in violation of 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

VIII. Respondents will pay a civil penalty to the Federal Election Commission in the amount of six thousand dollars (\$6,000) pursuant to 2 U.S.C. § 437g(a)(5)(A).

IX. 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

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relief in the United States District Court for the District of Columbia.

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

XI. Respondents shall have no more than 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.

XII. 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  
General counsel

BY: Lois G. Lerner  
Lois G. Lerner  
Associate General Counsel

November 27, 1991  
Date

FOR THE RESPONDENTS:

Eugene G. Bushmann  
Eugene G. Bushmann, Esquire  
Chairman, and Counsel for Respondents

Oct. 17, 1991  
Date

21040881996



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 27, 1991

Eugene G. Bushmann, Esquire  
Carson and Coil, P.C.  
P.O. Box 235  
Jefferson City, MO 65102

RE: MUR 3095  
Missouri Democratic State  
Committee federal/non-federal account  
and Douglas Brooks, as treasurer

Dear Mr. Bushmann:

On November 18, 1991, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5, provisions of the Federal Election Campaign Act of 1971, as amended, and Commission regulations. 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. I remind you that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact Xavier K. McDonnell, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble  
General Counsel

*Lois G. Lerner (js)*

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

21040881997



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3095

DATE FILMED 12/17/91 CAMERA NO. 2

CAMERAMAN AS

91040881998



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO  
THE PUBLIC RECORD IN CLOSED MUR 3095.

1/15/92

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# MISSOURI

## STATE DEMOCRATIC COMMITTEE

Post Office Box 719 • 419 East High Street  
Jefferson City, Missouri 65102  
314-636-5241 FAX 314-634-8176



*06-C 3810*  
EUGENE G. BUSHMANN  
Chairman  
JACQUELINE BUTLER  
Vice-Chairman  
DOUGLAS BROOKS  
91 DEC 17 11 09 AM '91  
SANDRA QUERRY  
Secretary  
GARY EDWARDS  
Executive Director

December 13, 1991

**CLOSED**

91 DEC 18 PM 12:12

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FEDERAL ELECTION COMMISSION  
FEDERAL ELECTION COMMISSION

Lois G. Lerner  
Associate General Counsel  
Federal Election Commission  
Washington, D. C. 20463

RE: MUR 3095  
Missouri Democratic State Committee  
federal/non-federal account and  
Douglas Brooks, as treasurer

Dear Ms. Lerner:

Enclosed please find our check in the amount of \$6,000. This should satisfy the obligation of the Missouri Democratic Party established in the Conciliation Agreement signed on November 27, 1991.

Thank you for your cooperation on this this manner.

Sincerely,

Eugene G. Bushmann  
Chairman

cc: Douglas Brooks

Enclosure

Contributions or gifts to the Missouri State Democratic Committee are not tax deductible.  
Paid for by the Missouri State Democratic Committee, Doug Brooks, Treasurer



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FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20463

01000

Dec. 18, 1991

TWO WAY MEMORANDUM

TO: Fabrae Brunson  
OGC, Docket

FROM: Philomena Brooks *PB*  
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from Democratic State Centre, check number 3704, dated Dec. 13, 1991, and in the amount of \$ 6000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Philomena Brooks  
Accounting Technician

FROM: Fabrae Brunson *FB*  
OGC, Docket

In reference to the above check in the amount of \$ 6000, the MUR number is 3095 and in the name of Democratic State Centre. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: \_\_\_\_\_

Fabrae Brunson  
Signature

Dec. 19, 1991  
Date

92040392081

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DEMOCRATIC STATE COMMITTEE  
FEDERAL ACCOUNT  
P O BOX 719  
JEFFERSON CITY, MO 65102

3704

Dec 13 19 91

80-63/865

PAY  
TO THE  
ORDER OF

Federal Election Commission

\$6000<sup>00</sup>

Six-thousand and <sup>00</sup>/100

DOLLARS



Central Bank  
P.O. Box 779  
Jefferson City, Missouri 65102

*[Handwritten Signature]*

FOR conciliation agreement obligation

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