



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3205

DATE FILMED 5/29/92 CAMERA NO. 1

CAMERAMAN S.E.G

92040902454

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 5 July 1990

ANALYST: Kenneth Davis

I. COMMITTEE:

Oklahoma Leadership Council
(C00167213)
C. Wesley Lane II, Treasurer
(April 10, 1990 to Present)
Phyllis R. Gault, Treasurer
(August 3, 1989 to April 9, 1990)
William C. Liedtke III, Treasurer
(July 27, 1987 to August 2, 1989)
4031 North Lincoln Boulevard
Oklahoma City, OK 73105

II. RELEVANT STATUTE: 11 CFR §106.1(e)

III. BACKGROUND:

Failure to Itemize Administrative Expenses

The Oklahoma Leadership Council ("the Committee") failed to itemize administrative expenses (such as payments for rent, salary, utilities) during calendar year 1989.

On July 28, 1989, the Committee filed its 1989 Mid-Year Report. This report disclosed \$30,977.84 in total disbursements and limited payments for administrative expenses. The Committee also disclosed \$21,460.08 in transfers to its non-federal account (Attachment 2).^{1/}

On March 14, 1990 a Request for Additional Information ("RFAI") was sent to the Committee referencing the 1989 Mid-Year Report. The Committee was notified of its failure to

^{1/} Line 20 (Transfers to Affiliated/Other Party Committees) on the Committee's Detailed Summary Page disclosed a total of \$26,960.08; however, Schedule B of the Committee's report itemized \$21,460.08 in transfers.

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itemize administrative expenses. The RFAI stated that if the transfers to the Oklahoma Republican Party General Fund, an apparent non-federal account of the Committee, were reimbursements of administrative expenses, they should be reported on Schedule B supporting Line 19 of the Detailed Summary Page for Operating Expenditures. If, however, these transfers did not represent this type of reimbursement, the Committee was advised that it must allocate administrative expenses between the federal and non-federal accounts in proportion to the amounts spent on federal and non-federal elections (Attachment 3).

The Committee filed its 1989 Year End Report on February 3, 1990. This report only disclosed \$29,865.41 in transfers to its non-federal account (Attachment 4).

On April 5, 1990, a Second Notice was sent to the Committee for failure to respond to the RFAI dated March 14, 1990 for the 1989 Mid-Year Report (Attachment 5).

On April 11, 1990, an RFAI was sent to the Committee referencing the 1989 Year End Report. The RFAI reiterated the points made in the March 14, 1990 RFAI sent for the Mid-Year Report (Attachment 6).

The Reports Analysis Division ("RAD") analyst contacted the Committee by telephone on April 19, 1990. Ms. Anita K. Beu, the Assistant Treasurer, notified the analyst that a new staff had been in place since the beginning of the year and a new treasurer was appointed on April 10, 1990. Ms. Beu also informed the analyst that she was going to an "FEC Compliance Seminar", sponsored by the Republican National Committee, in May. Ms. Beu stated she would send a response (Attachment 7).

On April 27, 1990, the Commission received a letter from the Committee. This letter reiterated Ms. Beu's assertion that a new staff has been in place since the beginning of the year and the Committee's new treasurer was appointed on April 10, 1990. The letter also mentioned Ms. Beu's attendance at the FEC Compliance Seminar (Attachment 8).

On May 3, 1990 a Second Notice was sent to the Committee for an incomplete response to the RFAI dated April 11, 1990 (Attachment 9).

On May 7, 1990 the RAD analyst called the Committee. The analyst questioned Ms. Beu as to when the Commission can expect a response. The analyst notified the Committee of a possible referral to the Office of General Counsel if the Committee failed to respond. Ms. Beu stated she could not be sure of when the Committee could send another response (Attachment 10).

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The analyst called the Committee on June 1, 1990. Ms. Beu assured the analyst that the Committee would send in a response by the following week (Attachment 11).

As of this date, the Committee has failed to respond.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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FEDERAL ELECTION COMMISSION
1989-1990

DATE 15JUN90

COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

PAGE 2

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
OKLAHOMA LEADERSHIP COUNCIL						
CONNECTED ORGANIZATION:	OKLAHOMA REPUBLICAN PARTY					ID #C00167213 PARTY QUALIFIED
	1989 STATEMENT OF ORGANIZATION - AMENDMENT			7AUG89	2	89FEC/606/3123
	MID-YEAR REPORT	29,267	30,977	1JAN89 -30JUN89	11	89FEC/605/0392
	MID-YEAR REPORT - AMENDMENT	-	-	1JAN89 -30JUN89	3	90FEC/638/3539
	REQUEST FOR ADDITIONAL INFORMATION			1JAN89 -30JUN89	4	90FEC/630/3903
	REQUEST FOR ADDITIONAL INFORMATION 2ND YEAR-END	26,100	29,865	1JAN89 -30JUN89	5	90FEC/632/4992
	YEAR-END - AMENDMENT	-	-	1JAN89 -31DEC89	8	90FEC/626/1480
	REQUEST FOR ADDITIONAL INFORMATION			1JAN89 -31DEC89	1	90FEC/638/4564
	REQUEST FOR ADDITIONAL INFORMATION 2ND YEAR-END			1JUL89 -31DEC89	2	90FEC/633/4660
	1990 STATEMENT OF ORGANIZATION - AMENDMENT			1JUL89 -31DEC89	2	90FEC/638/5340
	APRIL QUARTERLY	38,500	4,692	27APR90	1	90FEC/638/5212
	NOTICE OF FAILURE TO FILE			1JAN90 -31MAR90	7	90FEC/642/1630
				1JAN90 -31MAR90	1	90FEC/639/0810
	TOTAL	93,867	0 65,534 0		47	TOTAL PAGES

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2

All reports have been reviewed.
Cash-on-hand as of 3/31/90: \$33,813.31
Debts and obligations owed to the Committee as of 3/31/90: \$0
Debts and obligations owed by the Committee as of 3/31/90: \$0

FEDERAL ELECTION COMMISSION
WALL ROOM

98-005-1 FEB 26

USE FPC MAILING LABEL
TYPE ON FRONT

SHARON SHERWOOD
1031 N. Lincoln
OKLAHOMA CITY, OK

60207013

This document applies to 5 candidates
 General Election Year Reporting Period

- (a) 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

- Monthly Report Due On:
- | | | |
|--------------------------------------|---------------------------------------|--------------------------------------|
| <input type="checkbox"/> February 20 | <input type="checkbox"/> June 20 | <input type="checkbox"/> October 20 |
| <input type="checkbox"/> March 20 | <input type="checkbox"/> July 20 | <input type="checkbox"/> November 20 |
| <input type="checkbox"/> April 20 | <input type="checkbox"/> August 20 | <input type="checkbox"/> December 20 |
| <input type="checkbox"/> May 20 | <input type="checkbox"/> September 20 | <input type="checkbox"/> January 31 |
- Twelfth day report preceding _____ (Type of Election)
 election on _____ in the State of _____
- Thirtieth day report following the General Election on _____
 in the State of _____

(b) Is this Report an Amendment? YES NO

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
5.	Covering Period <u>1-1-89</u> through <u>6-30-89</u>		
6.	(a) Cash on Hand January 1, 19 <u>89</u>		\$ 5,480.54
	(b) Cash on Hand at Beginning of Reporting Period	\$ 5,480.54	
	(c) Total Receipts (from Line 18)	\$ 29,267.62	\$ 29,267.62
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 34,748.16	\$ 34,748.16
7.	Total Disbursements (from Line 28)	\$ 30,977.84	\$ 30,977.84
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d)) <i>VP</i>	\$ 3,770.32	\$ 3,770.32
9.	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$ -0-	For further information contact: Federal Election Commission 800 E Street, NW Washington, DC 20463 Toll Free 800-424-9530 Local 202-376-3120
10.	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$ -0-	

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
Phyllis R. Gault
 Signature of Treasurer
Phyllis R. Gault

Date
7-27-89

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

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1-30-89

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11. CONTRIBUTIONS (other than loans)			
(a) Individuals/Persons Other Than Political Committees		\$ 25,000.00	11(a)
(b) Political Party Committees		-0-	11(b)
(c) Other Political Committees (such as PACs)		-0-	11(c)
(d) TOTAL CONTRIBUTIONS (add 11(a), (b), and (c))		\$ 25,000.00	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES		\$ 782.64	12
13. ALL LOANS RECEIVED		-0-	13
14. LOAN REPAYMENTS RECEIVED		-0-	14
15. OFFSETS TO OPERATING EXPENDITURES (fees, rebates, etc.)		\$ 3,484.98	15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		-0-	16
17. OTHER RECEIPTS (Dividends, Interest, etc.)		-0-	17
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)		\$ 29,267.62	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES		\$ 3,867.76	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES		\$ 26,960.08	20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		\$ 150.00	21
22. INDEPENDENT EXPENDITURES (use Schedule E)		-0-	22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)		-0-	23
24. LOAN REPAYMENTS MADE		-0-	24
25. LOANS MADE		-0-	25
26. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees		-0-	26(a)
(b) Political Party Committees		-0-	26(b)
(c) Other Political Committees (such as PACs)		-0-	26(c)
(d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c))		-0-	26(d)
27. OTHER DISBURSEMENTS		-0-	27
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)		\$ 30,977.84	28
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) (from Line 11(d))		\$ 25,000.00	29
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))		-0-	30
31. NET CONTRIBUTIONS (other than loans) (subtract Line 30 from 29)		\$ 25,000.00	31
32. TOTAL OPERATING EXPENDITURES (from Line 19)		\$ 3,867.76	32
33. OFFSETS TO OPERATING EXPENDITURES (from Line 15)		\$ 3,484.98	33
34. NET OPERATING EXPENDITURES (subtract Line 33 from 32)		\$ 382.78	34

SCHEDULE B

ITEMIZED DISBURSEMENTS

Maximum Allowed
per Line Item
\$1000.00

Page 2 of 2
FOR LINE NUMBER 15

Any information copied from such Reports and Disbursements may not be used by any person for the purpose of making contributions or for campaign purposes, other than using the name and address of any political committee to solicit contributions from such persons.

NAME OF COMMITTEE (in Full)

Oklahoma Leadership Council

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A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Andrew Travel 826 Perdido, Ste. 100 New Orleans, LA 70112	Plane Ticket Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6-17-89	\$216.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Kirkpatrick Center 2100 N.E. 52 Oklahoma City, OK 73111	Meeting Room Rental Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7-17-89	\$200.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Tulsa County Election Bd. 555 N. Denver Tulsa, OK 74103	List Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	9-1-89	\$150.00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
West Star Bank 3900 N. Lincoln Oklahoma City, OK 73105	Travel Expenses Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6-13-89	\$350.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Oklahoma Olympic Festival P.O. Box 2075 Oklahoma City, OK 73101	Tickets Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6-22-89	\$276.00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
B & M Telecommunications 201 N. 6th St. Duncan, OK 73533	Phone Lease Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	1-10-89	\$120.00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Frank Hartsock 1424 Willham South Stillwater, OK 74077	Photo's Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	4-15-89	\$100.00
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
West Star Bank 3900 N. Lincoln Oklahoma City, OK 73105	Bank Charges Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6-30-89	\$15.72
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

\$3,867.76

SCHEDULE B

FINANCED DISBURSEMENTS

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

NAME OF COMMITTEE (in Full)

Oklahoma Leadership Council

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A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	1-3-89	\$2,000.00
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	1-13-89	\$3,500.00
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	2-15-89	\$1,500.00
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3-15-89	\$4,000.00
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	4-17-89	\$2,000.00
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	5-4-89	\$4,000.00
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6-30-89	\$ 860.08
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6-29-89	\$3,600.00
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)	
TOTAL This Period (last page this line number only)	\$26,960.08

SCHEDULE B

2 1
Full Line Number

Any information concerning this report should be furnished to the appropriate State or Federal agency for its use in the performance of its duties.

NAME OF COMMITTEE (in Full)
Oklahoma Leadership Conference

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7 2 0 4 0 9 0 2 4 0 4

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Congressman William H. Harrison 2934 Bayburn Building Washington, D.C. 20541	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3-10-89	\$150.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)	
TOTAL This Period (last page this line number only)	\$150.00



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

RQ-2

MAR 14 1990

Phyllis R. Gault, Treasurer
Oklahoma Leadership Council
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

Identification Number: C00167213

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

Dear Ms. Gault:

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 beginning cash balance of this report should equal the ending balance of your 1988 Year End report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-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)

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-Your report discloses transfers made to the Oklahoma Republican Party, General Fund which appears to be the non-federal account of your committee. Please note that if any portion of such transfers/payments represents reimbursements of administrative expenses pursuant to 11 CFR §106.1, such reimbursements should be reported on Schedule B supporting Line 19 of the Detailed Summary Page for Operating Expenditures. Administrative expenses are those day-to-day expenses of operating the committee, including rent, utilities, salaries, office supplies and other miscellaneous costs. The federal account must pay its share of such costs.

If these transfers do not represent reimbursements of administrative expenses, please be advised that you must allocate such expenses between your federal and non-federal accounts in proportion to the amount of funds expended on federal and non-federal elections, or on another reasonable basis. 11 CFR §§106.1(e) and 102.5(a)(1)

If your organization has incurred such administrative costs and your non-federal account has paid for all such costs, your federal account must reimburse the non-federal account for its portion of the expenses. The amount incurred by the federal account should be disclosed as a debt or obligation owed to the non-federal account on Schedule D supporting Line 10 of the Summary Page. When payments are made toward the debt, they should be reported on Schedule B supporting Line 19 of the Detailed Summary Page and the debt should be reduced by a corresponding amount.

-Line 20 of the Detailed Summary Page of your report discloses a total of \$26,960.08 in transfers to affiliated/other party committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$21,460.08. Please amend your report to clarify the discrepancy.

-Schedule A of your report discloses a receipt of \$782.64 from the Oklahoma Republican Party, Telemarketing Division (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) 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.

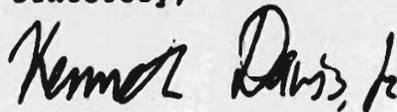
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If, however, this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should 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.

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,



Kenneth A. Davis, Jr.
Reports Analyst
Reports Analysis Division

2040902467

REPORT OF RECEIPTS AND DISBURSEMENTS
 For Other Than An Authorized Committee
 (Summary Page)

RECEIVED
 FEDERAL ELECTION COMMISSION

90FEB-3 AM 8:52

USE PEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Oklahoma Leadership Council

ADDRESS (number and street) Check if different than previously reported
4031 N. Lincoln

CITY, STATE and ZIP CODE
Oklahoma City, OK 73105

2. FEC IDENTIFICATION NUMBER
C 00167213

3. This committee qualified as a _____ committee DURING THIS _____ on _____

4. TYPE OF REPORT

- (a) 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
- Monthly Report Due On:
 February 20 June 20 October 20
 March 20 July 20 November 20
 April 20 August 20 December 20
 May 20 September 20 January 20
- Twelfth day report preceding _____ election on _____ in the State of _____
- Thirtieth day report following the General Election on _____ in the State of _____

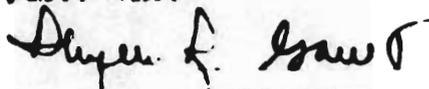
(b) Is this Report an Amendment? YES NO

SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
1-1-89 through 12-31-89		
6 (a) Cash on Hand January 1, 1989		\$ 5480.54
(b) Cash on Hand at Beginning of Reporting Period	\$ 3770.32	
(c) Total Receipts (from Line 18)	\$ 26,100.44	\$ 55,368.06
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 5(a) and 6(c) for Column B)	\$ 29,870.76	\$ 60,843.25
7 Total Disbursements (from Line 28)	\$ 29,865.41	\$ 60,843.25
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6 d.)	\$ 5.35	\$ 5.35
9 Debts and Obligations Owed TO the Committee (itemize all on Schedule C and/or Schedule D)	\$ -0-	
10 Debts and Obligations Owed BY the Committee (itemize all on Schedule C and/or Schedule D)	\$ -0-	

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
Phyllis R. Gault

Signature of Treasurer


Date
 1-31-90

Submitting false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 4303.

FEC FORM 278

2040902497

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule for each category of the Detailed Summary Part

Part 1
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The information on this Schedule B and Statements may not be sold or used by any person for the purpose of soliciting contributions or for any other purpose than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (in Full)

OKLAHOMA LEADERSHIP COUNCIL

22040902470

A Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Oklahoma Republican Party General Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	7-15-89	645.06
SAME AS ABOVE	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	7-13-89	2800.00
SAME AS ABOVE	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	9-29-89	15000.00
SAME AS ABOVE	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	10-24-89	3500.00
SAME AS ABOVE	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	10-31-89	5800.00
SAME AS ABOVE	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	11-15-89	1500.00
SAME AS ABOVE	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	11-30-89	500.00
Oklahoma Republican Party Candidate Reserve Fund 4031 N. Lincoln Oklahoma City, OK 73105	Transfer Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):	12-15-89	120.35
	Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General Other (specify):		

SUBTOTAL	29,865.41
TOTAL	29,865.41



FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20541

FE-3

April 5, 1990

Phyllis A. Gault, Treasurer
Oklahoma Leadership Council
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

Identification Number: C00167213

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

Dear Ms. Gault:

This letter is to inform you that as of April 4, 1990, the Commission has not received your response to our request for additional information, dated March 14, 1990. 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 Kenneth Davis 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

Enclosure

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

EO-2

APR 11 1990

Phyllis R. Gault, Treasurer
Oklahoma Leadership Council
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

Identification Number: C00167213

Reference: Year End Report (7/1/89-12/31/89)

Dear Ms. Gault:

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 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, name of employer, and mailing address.

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)

-Your report discloses transfers made to the Oklahoma Republican Party, General Fund and Candidate Reserve Fund which appears to be the non-federal account of your

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committee. Please note that if any portion of such transfers/payments represents reimbursements of administrative expenses pursuant to 11 CFR §106.1, such reimbursements should be reported on Schedule B supporting Line 19 of the Detailed Summary Page for Operating Expenditures. Administrative expenses are those day-to-day expenses of operating the committee, including rent, utilities, salaries, office supplies and other miscellaneous costs. The federal account must pay its share of such costs.

If these transfers do not represent reimbursements of administrative expenses, please be advised that you must allocate such expenses between your federal and non-federal accounts in proportion to the amount of funds expended on federal and non-federal elections, or on another reasonable basis. 11 CFR §§106.1(e) and 102.5(a)(1)

If your organization has incurred such administrative costs and your non-federal account has paid for all such costs, your federal account must reimburse the non-federal account for its portion of the expenses. The amount incurred by the federal account should be disclosed as a debt or obligation owed to the non-federal account on Schedule D supporting Line 10 of the Summary Page. When payments are made toward the debt, they should be reported on Schedule B supporting Line 19 of the Detailed Summary Page and the debt should be reduced by a corresponding amount.

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,

Kenneth Davis, Jr.

Kenneth A. Davis, Jr.
Reports Analyst
Reports Analysis Division

2040902473

KA

ANALYST: Kenneth Davis, Jr.

CONVERSATION WITH: Anita K. Beu

COMMITTEE: Oklahoma Leadership Council

DATE: April 19, 1990

SUBJECT(S): No Response to the RFAI's for the 1989 Mid-Year and Year End Reports

I contacted the Committee and asked to speak with the treasurer. Ms. Beu came on the line and said she was the assistant treasurer and she could help me. I informed her that the Commission had not received responses to the 1989 Mid-Year and Year End Reports from the Committee and it would be a good idea if the Committee would send a response. Ms. Beu informed me that a new staff has been in place since the beginning of the year and a new treasurer was appointed on April 10, 1990. She also informed me that she was going to the Republican National Committee's "FEC Compliance Seminar" in May. Ms. Beu did say she would send a response.

2040902474

OKLAHOMA REPUBLICANS

April 24, 1990

Mr. Kenneth A. Davis, Jr.
Reports Analyst
Reports Analysis Division
Federal Election Commission
Washington, D. C. 20463

Identification Number: C 00167213

Reference: Mid-Year Report (1/1/89-6/30/89)
Year End Report (7/1/89-12/31/89)

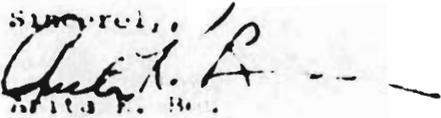
Dear Mr. Davis:

This letter is a written response to our telephone conversation concerning the above mentioned reports. Phyllis R. Gault, Treasurer, has left and is now working in Washington at the Department of Agriculture. The new Treasurer, C. Wesley Lane, II was appointed at a meeting of the Budget Committee on April 10, 1990. In addition, the Oklahoma Party Chairman and all staff are new since the first of the year. Therefore, no one remains here that was involved in the preparation of the original reports.

We want to work with you to resolve the issues you raise in your letters, but need additional time to study the reports, and to try to find and identify the underlying source documents. I am enclosing a copy of one of our mailers in order for you to see that we do request the information on occupation and employer with each solicitation.

I will be attending a Republican National Committee "FEC Compliance Seminar" in May, and will then know more about the rules in order to correct the previous reports, and to correctly file future reports.

Thank you for your assistance, and we will be in touch with your office as soon as we can review the reports and data.

Signature: 
Cheryl A. R.
of the R. Rep.

2040902475



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20541

88-3

May 3, 1990

Phyllis R. Gault, Treasurer
Oklahoma Leadership Council
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

Identification Number: C00167213

Reference: Year End Report (7/1/89-12/31/89)

Dear Ms. Gault:

On April 11, 1990 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 April 24, 1990 response is incomplete because you have not provided all the requested information. For your response to be considered adequate, the following information is still required.

-Your report discloses transfers made to the Oklahoma Republican Party, General Fund and Candidate Reserve Fund which appears to be the non-federal account of your committee. Please note that if any portion of such transfers/payments represents reimbursements of administrative expenses pursuant to 11 CFR 106.1, such reimbursements should be reported on Schedule B supporting Line 19 of the Detailed Summary Page for Operating Expenditures. Administrative expenses are those day-to-day expenses of operating the committee, including rent, utilities, salaries, office supplies and other miscellaneous costs. The federal account must pay its share of such costs.

If these transfers do not represent reimbursements of administrative expenses, please be advised that you must allocate such expenses between your federal and non-federal accounts in proportion to the amount of funds expended on federal and non-federal elections, or on another reasonable basis. 11 CFR §§106.1(e) and 102.5(a)(1)

If your organization has incurred such administrative costs and your non-federal account has paid for all such

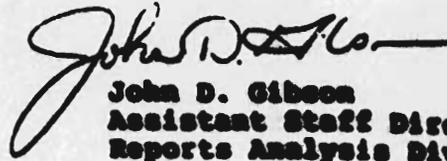
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costs, your federal account must reimburse the non-federal account for its portion of the expenses. The amount incurred by the federal account should be disclosed as a debt or obligation owed to the non-federal account on Schedule D supporting Line 10 of the Summary Page. When payments are made toward the debt, they should be reported on Schedule D supporting Line 19 of the Detailed Summary Page and the debt should be reduced by a corresponding amount.

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 Kenneth Davis 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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ANALYST: Kenneth Davis, Jr.

CONVERSATION WITH: Anita K. Beu

COMMITTEE: Oklahoma Leadership Council

DATE: May 7, 1990

SUBJECT(S): No Response to the RFAI's for the 1989 Mid-Year and Year End Reports

I contacted the Committee and asked to speak with Ms. Beu. I asked her when the Commission could expect another response to the 1989 Mid-Year and Year End Reports since the last response was declared inadequate. I also informed her that the Committee could be referred to the Office of General Counsel if it failed to respond. Ms Beu stated that she could not be sure of when the Committee could send another response, but this response would certainly be sent after the RNC's "FEC Compliance Seminar."

2040902478

ANALYST: Kenneth Davis, Jr.

CONVERSATION WITH: Anita K. Beu

COMMITTEE: Oklahoma Leadership Council

DATE: June 1, 1990

SUBJECT(S): Missing 1990 April Quarterly Report and No Response to the 1989 Mid-Year and Year End Reports

I contacted the Committee and asked to speak with Ms. Beu. I informed her that the Commission had not received the Committee's April Quarterly Report and if the Commission did not receive the report by June 7, 1990 the Committee might be referred to the Office of General Counsel. She assured me that the report would be out next week. I reminded Ms. Beu that the Committee's response to the 1989 Mid-Year and Year-End Reports was also due and if it was not received on June 15, 1990, this matter could also be referable to the Office of General Counsel. She stated that this would also be sent next week.

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SENSITIVE

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

FIRST GENERAL COUNSEL'S REPORT

**RAD Referral 90L-28
STAFF MEMBER: Michael Marinelli**

SOURCE: INTERNALLY GENERATED

**RESPONDENTS: Oklahoma Leadership Council and
C. Wesley Lane II, as Treasurer**

**RELEVANT STATUTES: 2 U.S.C. § 434(b)(4)(A)
2 U.S.C. § 434(b)(5)(A)
11 C.F.R. § 102.5(a)(1)(i)
11 C.F.R. § 106.1(e)**

**INTERNAL REPORTS CHECKED: 1989 Mid-Year Report
1989 Year End Report**

FEDERAL AGENCIES CHECKED: NONE

I. GENERATION OF MATTER

The Reports Analysis Division ("RAD") referred the Oklahoma Leadership Council (the "Leadership Committee") to the Office of the General Counsel on July 6, 1990, for failing to properly report administrative expenses during 1989.

II. FACTUAL AND LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended requires that the reports filed by a political committee disclose the total amount of all disbursements during the reporting period and the calendar year made to meet candidate or committee operating expenses. 2 U.S.C § 434(b)(4)(A). In addition, those reports must disclose the name and address of each person to whom an expenditure in an aggregate amount or value in excess of \$200 within the calendar year is made by the reporting committee to

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meet a candidate or committee operation expense, together with the date, amount, and purpose of such operation expenditure.

2 U.S.C. § 434(b)(5)(A).

Party committees and other political committees which have established Federal political committees are required to allocate administrative expenses between Federal and non-Federal accounts.

2 U.S.C. § 102.5(a)(1)(i). Such allocations must be made on reasonable basis in proportion to the amount of funds expended on Federal and non-Federal elections, or on another reasonable basis. 11 C.F.R. § 106.1(e).

The Leadership Committee's statement of organization states that it is a subordinate committee of the Oklahoma Republican Party. In its 1989 Mid Year Report, the Leadership Committee reported a total of \$30,977.84 in disbursements. Of these disbursements, only \$3,867.67 were listed as administrative expenses.¹ The bulk of the itemized non-administrative disbursements consisted of \$21,460.08 in transfers to an entity described as the Oklahoma Republican Party-General Fund. In its next report, 1989 Year End Report, the Leadership Committee did not list any administrative expenses among the reported \$29,865.41 in disbursements. According to this report, the entire \$29,865.41 was transferred to affiliated or party

1. The largest of the itemized administrative costs is \$1,166.74 spent on postage and printing. Among the other administrative expenses reported on the Committee's 1989 Mid-Year Report are \$844.00 in travel expenses and \$594.11 in computer programming expenses. The amounts that were reported spent for renting and leasing were minimal. They consisted of \$320.00 used for leasing phones and \$200 for "Meeting Room Rental."

2040902481

committees. Of this amount, \$16,245.06 was part of a transfer to the Oklahoma Republican Party-General Fund.

The Leadership Committee's 1989 Mid-Year and Year End Reports, particularly the absence of any operating expenses listed in its Year End Report, suggest that it may not have properly disclosed its administrative expenses as required by the Act. Instead, the Leadership Committee may have simply recorded its disbursements for such expenses as transfers to Oklahoma Republican Party-General Fund, a possible non-Federal account of the Leadership Committee. If such transfers were reimbursements for the Leadership Committee's share of administrative expenses, these amount should have been identified as such on the summary pages for both reports and itemized.

The irregularities in the reporting of the operating expenses also raises the possibility that the Leadership Committee failed to properly allocate its administrative expenses between federal and non-Federal accounts, in violation of 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e). See MUR 2536. Upon the finding of reason to believe, interrogatories will be sent to the Committee further examining these issues.

Therefore, the Office of the General Counsel recommends that the Commission find reason to believe that the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated

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2 U.S.C §§ 434(b)(4) and 434(b)(5)(A) and 11 C.F.R.
§§ 102.5(a)(1)(i) and 106.1(e).

III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated 2 U.S.C §§ 434(b)(4) and 434(b)(5)(A) and 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).
3. Approve the attached Factual and Legal Analysis and the appropriate letter.

Lawrence M. Noble
General Counsel

12/12/90
Date

BY: [Signature]
Lois G. Lerner
Associate General Counsel

Attachments:

1. Referral Materials
2. Factual and Legal Analysis

02040902483

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Oklahoma Leadership Council and) RAD Referral 90L-28
C. Wesley Lane II, as Treasurer)

(MUR)
3205

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 18, 1990, the Commission decided by a vote of 5-0 to take the following actions in RAD Referral 90L-28:

1. Open a MUR.
2. Find reason to believe that the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated 2 U.S.C. §§ 434(b)(4) and 434(b)(5)(A) and 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).
3. Approve the Factual and Legal Analysis and the appropriate letter, as recommended in the General Counsel's Report dated December 12, 1990.

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

Attest:

12-18-90
Date

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

Received in the Secretariat:	Thurs., Dec. 13, 1990 10:55 a.m.
Circulated to the Commission:	Thurs., Dec. 13, 1990 4:00 p.m.
Deadline for vote:	Mon., Dec. 17, 1990 4:00 p.m.
Final vote received:	Tues., Dec. 18, 1990 10:58 a.m.

dr

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 14, 1991

C. Wesley Lane II, Treasurer
Oklahoma Leadership Council
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

RE: MUR 3205
Oklahoma Leadership
Council and
C. Wesley Lane, as
treasurer

Dear Mr. Wesley:

On December 18, 1990, the Federal Election Commission found that there is reason to believe the Oklahoma Leadership Council ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 434(b)(4) and 434(b)(5)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e), provisions of the accompanying Commission regulations. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. In this regard, enclosed are questions as well.

Under the Act, you have an opportunity to demonstrate that no action should be taken against 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 along with answers to the enclosed questions 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.

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C. Wesley Lane II
page 2

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 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.

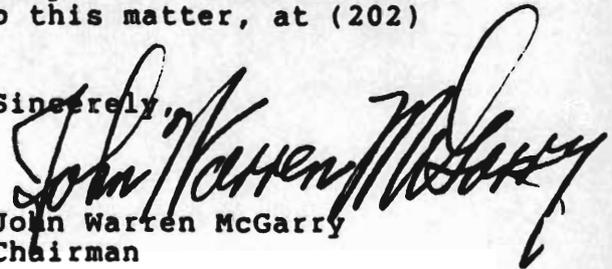
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

2040902486

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Oklahoma Leadership Council **MUR:** 3205
and C. Wesley Lane II, as
Treasurer

The Federal Election Campaign Act of 1971, as amended requires that the reports filed by a political committee disclose the total amount of all disbursements during the reporting period and the calendar year made to meet candidate or committee operating expenses. 2 U.S.C § 434(b)(4)(A). In addition, those reports must disclose the name and address of each person to whom an expenditure in an aggregate amount or value in excess of \$200 within the calendar year is made by the reporting committee to meet a candidate or committee operation expense, together with the date, amount, and purpose of such operation expenditure. 2 U.S.C. § 434(b)(5)(A).

Party committees and other political committees which have established Federal political committees are required to allocate administrative expenses between Federal and non-Federal accounts. 2 U.S.C. § 102.5(a)(1)(i). Such allocations must be made on reasonable basis in proportion to the amount of funds expended on Federal and non-Federal elections, or on another reasonable basis. 11 C.F.R. § 106.1(e).

The Leadership Committee's statement of organization states that it is a subordinate committee of the Oklahoma Republican Party. In its 1989 Mid Year Report, the Leadership Committee reported a total of \$30,977.84 in disbursements. Of these disbursements, only \$3,867.67 were listed as administrative

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expenses.¹ The bulk of the itemized non-administrative disbursements consisted of \$21,460.08 in transfers to an entity described as the Oklahoma Republican Party-General Fund. In its next report, 1989 Year End Report, the Leadership Committee did not list any administrative expenses among the reported \$29,865.41 in disbursements. According to this report, the entire \$29,865.41 was transferred to affiliated or party committees. Of this amount, \$16,245.06 was part of a transfer to the Oklahoma Republican Party-General Fund.

The Leadership Committee's 1989 Mid-Year and Year End Reports, particularly the absence of any operating expenses listed in its Year End Report, suggest that it may not have properly disclosed its administrative expenses as required by the Act. Instead, the Leadership Committee may have simply recorded its disbursements for such expenses as transfers to Oklahoma Republican Party-General Fund, a possible non-Federal account of the Leadership Committee. If such transfers were reimbursements for the Leadership Committee's share of administrative expenses, these amount should have been identified as such on the summary pages for both reports and itemized.

The irregularities in the reporting of the operating expenses also raises the possibility that the Leadership Committee failed

1. The largest of the itemized administrative costs is \$1,166.74 spent on postage and printing. Among the other administrative expenses reported on the Committee's 1989 Mid-Year Report are \$844.00 in travel expenses and \$594.11 in computer programming expenses. The amounts that were reported spent for renting and leasing were minimal. They consisted of \$320.00 used for leasing phones and \$200 for "Meeting Room Rental."

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to properly allocate its administrative expenses between federal and non-Federal accounts, in violation of 11 C.F.R.

§§ 102.5(a)(1)(i) and 106.1(e). See MUR 2536.

Therefore, there is reason to believe that the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated 2 U.S.C §§ 434(b)(4) and 434(b)(5)(A) and 11 C.F.R.

§§ 102.5(a)(1)(i) and 106.1(e).

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
)
)
)

MUR 3205

INTERROGATORIES

TO: C. Wesley Lane II, Treasurer
Oklahoma Leadership Council
4031 N Lincoln Blvd.
Oklahoma City, OK 73105

and

Oklahoma Leadership Council
(C. Wesley Lane II, Treasurer)
4031 N Lincoln Blvd.
Oklahoma City, OK 73105

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request.

INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

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MUR 3205

C. Wesley Lane II, Treasurer
page 2

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from December 1988 to January 1990.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

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MUR 3205

C. Wesley Lane II, Treasurer

page 3

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

INTERROGATORIES

1. State the total amount of all operating and administrative expenses paid by the Oklahoma Leadership Council (the "Leadership Committee") in 1989 including, but not limited to, amounts spent for rent, utilities, salaries, office supplies, interest on loans and fundraising for the Leadership Committee.

2. State if all of the above expenses were disclosed on the Leadership Committee's 1989 Mid-Year and Year End reports. If any were not:

- a. itemize these undisclosed expenses providing the date, amount, person receiving the payment and purpose for the payment; and
- b. explain why these expenses were not previously disclosed.

3. If the Leadership Committee transferred funds to other political committees or political entities including other subdivisions entities or accounts of the Oklahoma Republican Party to pay for the Leadership Committee's share of expenses as referred to in question 1:

- a. list the dates and amounts of the such transfers;
- b. describe the operating expenses at issue;
- c. identify the committees or entities receiving the funds and describe the relation between those committees or entities and the Leadership Committee; and
- d. describe the basis on which these expenses were allocated between the Leadership Committee and these other committees or entities.

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MUR 3205

C. Wesley Lane II, Treasurer

page 4

4. The Leadership Committee's 1989 Mid-Year Report lists \$21,460.08 in transfers to the Oklahoma Republican Party-General Fund. The Leadership Committee's 1989 Year End Report lists \$16,245.06 in transfers to the same committee.

- a. Describe the Oklahoma Republican Party-General Fund and its relation to the Leadership Committee.
- b. State the purpose of the transfers.
- c. If the transfers reflect payment for the Leadership Committee's share of operating expenses, describe the operating expenses and method uses to calculate the Leadership Committee's share.

5. State whether any other political committees or political entities including other subdivisions entities or accounts of the Oklahoma Republican Party made any unreimbursed payments covering the Leadership Committee's operating and administrative expenses referred to in question one. If so:

- a. list the dates and amounts of the such payments;
- b. describe the operating expenses at issue; and
- c. identify the committees or entities making the unreimbursed payments and describe the relation between those committees or entities and the Leadership Committee.

2040902493

OKLAHOMA REPUBLICANS

February 13, 1991

Mr. Michael Marinelli
Office of General Counsel
Federal Election Commission
Washington, D. C. 20463

Re: MUR 3205
Oklahoma Leadership Council
and C. Wesley Lane II, as Treasurer

Dear Mr. Marinelli:

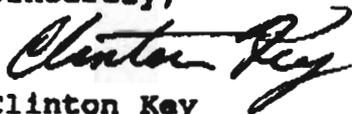
In regard to the above referenced case I respectfully request an extension of time in order to respond properly to the Commission questionnaire.

The Oklahoma Republican Party's current treasurer, C. Wesley Lane II, is a narcotics prosecutor and has been involved in a lengthy trial for the past few weeks. The trial concluded February 5, 1991. Due to his work schedule and the necessary time needed to gather the requested records, I do ask for a 20 day extension of time.

Our response is currently due February 15, 1991. An extension of 20 days would allow us to respond on or before March 7, 1991. This additional time would allow us the opportunity to respond in a proper manner.

Thank you for your consideration.

Sincerely,



Clinton Key
Chairman
Oklahoma Republican Party

2040902494



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 21, 1991

Clinton Key, Chairman
Oklahoma Republican Party
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

RE: MUR 3205
Oklahoma Leadership
Council and
C. Wesley Lane, as
treasurer

Dear Mr. Key:

This is in response to your letter dated February 13, 1991, which we received on February 20, 1991, requesting an extension of 20 days to respond to questions directed to your affiliated committee, the Oklahoma Leadership Council. After considering the circumstances presented in your letter, I have decided to grant the requested extension. Accordingly, your response is due by the close of business on March 7, 1991.

If you have any questions, please contact Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Lois G. Lerner
by HSK

BY: Lois G. Lerner
Associate General Counsel

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91 MAR 13 AM 10:42

**Republican
National
Committee**

Benjamin L. Ginsberg
Chief Counsel

Michael A. Hess
Janice P. Lacy
Deputy Chief Counsels

March 7, 1991

Mr. Michael Marinelli
Office of the General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3205
Oklahoma Leadership
Council and C. Wesley
Lane II, as treasurer

Dear Mr. Marinelli:

The respondent in the above-captioned matter has designated Benjamin L. Ginsberg and myself as counsel. You will receive from respondents a designation of counsel to this effect today by fax.

We respectfully request an additional extension of eight days, until March 15, 1991, to respond to the interrogatories. This extension, if granted, will result in a twenty-eight day extension for respondents to submit this response.

This extension is necessary because the respondents are still in the process of gathering information to adequately respond to the interrogatories. This process has been slowed somewhat because of personnel changes from the time in question.

Thank you for your consideration.

Sincerely,

Janice P. Lacy
Janice P. Lacy

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STATEMENT OF DESIGNATION OF COUNSEL

NO: 3205

NAME OF COUNSEL: Benjamin L. Ginsberg/
Janice P. Lacy

ADDRESS: 310 First Street, S.E.
Washington, D.C. 20003

TELEPHONE: (202) 863-8638

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.

3/7/91
Date

Anta Key
Signature

RESPONDENT'S NAME: Oklahoma Leadership Council and
C. Wesley Lane II, as Treasurer

ADDRESS: 4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

HOME PHONE: (405) 720-8347

BUSINESS PHONE: (405) 528-3501

2040902497



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 11, 1991

Janice P. Lacy, Esquire
Republican National Committee
Dwight D. Eisenhower Republican Center
310 First Street, S.E.
Washington, D.C. 20003

RE: MUR 3205
Oklahoma Leadership
Council and
C. Wesley Lane, as
treasurer

Dear Ms. Lacy:

This is in response to your letter dated March 7, 1991, which we received on March 7, 1991, requesting an additional extension of 8 days to respond to questions directed to your clients, the Oklahoma Leadership Council and C. Wesley Lane, as treasurer. After considering the circumstances presented in your letter, I have decided to grant the requested extension. Accordingly, your response is due by the close of business on March 15, 1991.

If you have any questions, please contact Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "Robert W. Bonham III".

BY: Robert W. Bonham III
Assistant General Counsel

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OGC 0377



**Republican
National
Committee**

Benjamin L. Ginsberg
Chief Counsel

Michael A. Hess
Janice P. Lacy
Deputy Chief Counsels

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March 15, 1991

Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Attention: Mike Marinelli

RE: MUR 3205

Dear Sir:

Please find attached the response of the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, to the above-captioned Matter. If you have any questions, please do not hesitate to contact me.

Thank you for your consideration.

Sincerely,

Janice P. Lacy
Janice P. Lacy

Enclosure

2040902499

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Oklahoma Leadership Council) MUR 3205
and C. Wesley Lane, as)
treasurer)
)

RESPONDENTS' RESPONSE TO FACTUAL AND LEGAL ANALYSIS AND INTERROGATORIES

Respondents Oklahoma Leadership Council and C. Wesley Lane, as treasurer ("Leadership Committee"), through their counsel, hereby submit this response to the Interrogatories in the above-referenced Matter. This response will show that administrative expenses were properly allocated between the Leadership Committee and its affiliated non-Federal account, and that this matter is limited only to an error in reporting these properly allocated expenses by the Leadership Committee's previous treasurer.

INTERROGATORIES

1. State the total amount of all operating and administrative expenses paid by the Oklahoma Leadership Council (the "Leadership Committee") in 1989 including, but not limited to, amounts spent for rent, utilities, [etc]. . . .

RESPONSE: The Leadership Committee directly disbursed \$3,867.76 for operating expenses in 1989, which is the amount it disclosed on its 1989 Mid-Year Report. It also reimbursed its non-Federal account \$36,426.00 for its share of allocated expenses incurred for 1989.

2. State if all of the above expenses were disclosed on the Leadership Committee's 1989 Mid-Year and Year End reports. If any were not:

a. itemize these undisclosed expenses providing the date, amount, person receiving the payment and purpose for the payment;

RESPONSE: The Leadership Committee disclosed \$3,867.76 on its 1989 Mid-Year Report, but failed to disclose as reimbursements the transfers to its non-Federal account for its share of allocated expenses. The transfers representing these reimbursements are listed at the response to Question 3(a). The operating expenditures the committee

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reimbursed, obtained from Respondents' best records at this time, are listed at the response to Question 3(b).

- b. explain why these expenses were not previously disclosed.

RESPONSE: These expenses were not previously disclosed probably due to oversight by the then-treasurer of the Leadership Committee, who has since left the Committee. The current treasurer, C. Wesley Lane, has no knowledge regarding why these expenses were not previously disclosed since the report is question was submitted previous to the time he assumed his position with the Leadership Committee.

3. If the Leadership Committee transferred funds to other political committees or political entities including other subdivisions, entities or accounts of the Oklahoma Republican Party to pay for the Leadership Committee's share of expenses as referred to in question 1:

- a. list the dates and amounts of the such transfers;

RESPONSE:

1-3-89	\$	2,000.00
1-13-89		3,500.00
1-31-89		5,500.00
2-15-89		1,500.00
3-15-89		4,000.00
4-17-89		2,000.00
5-4-89		4,000.00
6-30-89		860.08
6-29-89		3,600.00
7-15-89		645.06
7-31-89		2,800.00
9-29-89		15,000.00
10-24-89		3,500.00
10-31-89		5,800.00
11-15-89		1,500.00
11-30-89		500.00

The Leadership Committee transferred a total of \$56,705.14 to the Oklahoma Republican Party General Fund in 1989, of which \$36,426.00 represented reimbursements for administrative expenses.

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b. describe the operating expenses at issue;

Rent & Utilities	\$	2,669.08
Salaries		19,172.54
Office Supplies		1,089.15
Postage		2,131.09
Building & Janitorial		1,067.54
Telephone		1,384.24
Travel		1,399.54
Printing		593.64
Misc.		690.58
Equipment Maintenance		485.27
Printing		2,169.12
Voter Research		179.97
Political School		93.39
Meetings		3,166.87
Campaign Expense		133.98
TOTAL	\$	36,426.00

c. identify the committees or entities receiving the funds and describe the relation between those committees or entities and the Leadership Committee;

RESPONSE: The Oklahoma Republican Party General Fund received the funds described in 3(a) above. This committee is a non-Federal committee for the Oklahoma Republican Party, and is affiliated with the Leadership Committee.

d. describe the basis on which these expenses were allocated between the Leadership Committee and these other committees or entities.

RESPONSE: These expenses were allocated between the two committees using a percentage derived by comparing the total gross income received to the gross income of the Leadership Committee for 1989. The Leadership Committee's share was 14.06% of total operating expenses, or \$36,426.00 in operating expenditures, which corresponds with the operating expenses listed in 3(b) above and is subsumed in the amount transferred in 3(a).

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4. The Leadership Committee's 1989 Mid-Year Report lists \$21,460.08 in transfers to the Oklahoma Republican Party General Fund. The Leadership Committee's 1989 Year End Report lists \$16,245.06 in transfers to the same committee.

- a. Describe the Oklahoma Republican Party General Fund and its relation to the Leadership Committee.

RESPONSE:

See answer to 3(c) above. Note that the Leadership Committee reported transfers totalling \$29,745.06, not \$16,245.06, to this committee on its Year End Report.

- b. State the purpose of the transfers.

RESPONSE:

The purpose of a portion of the transfers was reimbursement for administrative costs incurred by the Oklahoma Republican Party General Fund.

- c. If the transfers reflect payment for the Leadership Committee's share of operating expenses, describe the operating expenses and method used to calculate the Leadership Committee's share.

RESPONSE:

See answers to 3(b) and (d) above.

5. State whether any other political committees or political entities including other subdivisions entities or accounts of the Oklahoma Republican Party made any unreimbursed payments covering the Leadership Committee's operating and administrative expenses referred to in question one.

RESPONSE: To the best of the treasurer's knowledge, no other committee made any such unreimbursed payments.

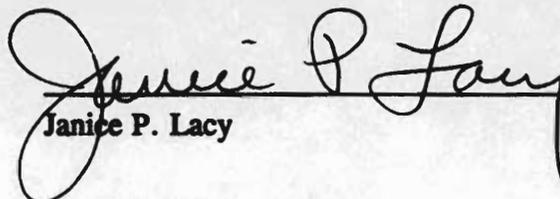
As our response indicates, the previous treasurer of the Leadership Committee failed to properly disclose the reimbursement of its administrative expenses on its 1989 reports, reporting disbursements to the Oklahoma Republican Party General Fund, which were actually reimbursements for administrative expenses, only as transfers. These transfers should have been identified as reimbursements for administrative expenses, and itemized as such on the Leadership Committee's 1989 reports.

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The persons at the Leadership Committee during the time these errors occurred have left the committee. The new treasurer, C. Wesley Lane, is aware of reporting requirements for the Leadership Committee and will comply with these requirements. Moreover, the new treasurer intends to rectify this reporting error by amending both the 1989 Mid Year Report and the 1989 Year End Report to correctly report the reimbursement of administrative expenses.

Our reponse clearly shows, however, that the Leadership Committee properly allocated the administrative expenses it shared with its non-Federal account. See Responses to Questions 3 and 4. Rather, this Matter is limited to an error in reporting properly allocated administrative expenses, which will be corrected by amending the committee's reports. Given these considerations, we ask the Commission to find no probable cause that Respondents violated 11 C.F.R. §§ 106.1(e) and 102.5(a)(1)(i). We also seek pre-probable cause conciliation as to the remaining allegations in this matter.

Respectfully submitted,



Janice P. Lacy

Counsel for Respondents

March 15, 1991

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BEFORE THE FEDERAL ELECTION COMMISSION

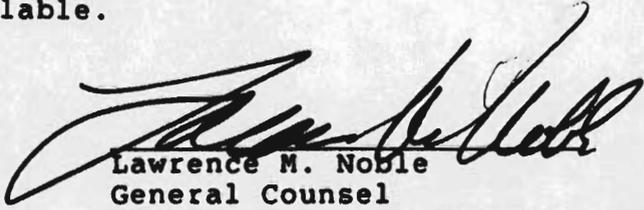
SENSITIVE

In the Matter of)	
)	
Oklahoma Leadership Council)	MUR 3205
and C. Wesley Lane, as treasurer)	

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to Oklahoma Leadership Council and C. Wesley Lane, as treasurer, based on the assessment of the information presently available.

Date 6/19/91


 Lawrence M. Noble
 General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

SENSITIVE

July 9, 1991

MEMORANDUM

TO: The Commission
FROM: Lawrence M. Noble *LM*
General Counsel
SUBJECT: MUR 3205

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. Copies of the brief and the letter notifying the respondents of the General Counsel's intent to recommend to the Commission a finding of no probable cause to believe were mailed on July 9, 1991. Following receipt of the respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Brief
2. Letter to respondents

2040902506



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1991

Janice P. Lacy, Esquire
Republican National Committee
Dwight D. Eisenhower Republican Center
310 First Street, S.E.
Washington, D.C. 20003

RE: MUR 3205
Oklahoma Leadership
Council and
C. Wesley Lane, as
treasurer

Dear Ms. Lacy:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on December 18, 1990, the Federal Election Commission found reason to believe that your clients, Oklahoma Leadership Council and C. Wesley Lane, as treasurer, violated 11 C.F.R. 102.5(a)(1)(i), 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 no probable cause to believe that a violation has 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.

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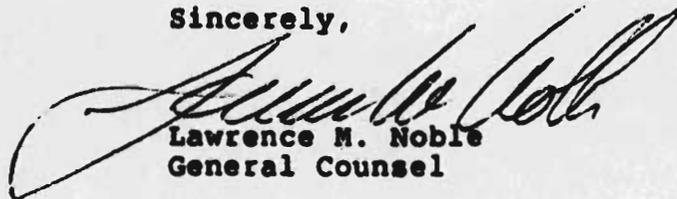
Janice P. Lacy, Esquire
page 2

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.

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 Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

2040902508

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Oklahoma Leadership Council) MUR 3205
and C. Wesley Lane, as treasurer)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE FACTS

The Oklahoma Leadership Council's (the "Leadership Committee") statement of organization states that it is a subordinate federal committee of the Oklahoma Republican Party. In its 1989 Mid Year Report, the Leadership Committee reported a total of \$30,977.84 in disbursements. Of these disbursements, only \$3,867.67 were listed as administrative expenses.¹ The bulk of the itemized non-administrative disbursements consisted of \$21,460.08 in transfers to an entity described as the Oklahoma Republican Party-General Fund (the "General Fund"). In its next report, the 1989 Year End Report, the Leadership Committee did not list any administrative expenses among the reported \$29,865.41 in disbursements. According to this report, the entire \$29,865.41 was transferred to affiliated or party committees. Of this amount, \$29,745.06 was part of a transfer to the General Fund.

The Leadership Committee's 1989 Mid-Year and Year End

1. The largest of the itemized administrative costs is \$1,166.74 spent on postage and printing. Among the other administrative expenses reported on the Committee's 1989 Mid-Year Report are \$844.00 in travel expenses and \$594.11 in computer programming expenses. The amounts that were reported spent for renting and leasing were minimal. They consisted of \$320.00 used for leasing phones and \$200 for "Meeting Room Rental."

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Reports, particularly the absence of any operating expenses listed in its Year End Report, suggested that it may not have properly disclosed its administrative expenses as required by the Act. Specifically, the irregularities in the reporting of the operating expenses raised the possibility that the Leadership Committee failed to properly allocate its administrative expenses between federal and non-federal accounts, in violation of 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).

Following a referral from the Reports Analysis Division ("RAD"), the Federal Election Commission (the "Commission") on December 18, 1990, found reason to believe that the Oklahoma Leadership Council and C. Wesley Lane, as treasurer, violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e). In response to the Commission's findings, respondents contend that "[the] administrative expenses were properly allocated between the Leadership Committee and its affiliated non-federal account, and that this matter is limited only to an error in reporting these properly allocated expenses by the Leadership Committee's previous treasurer."

The questions directed to the Leadership Committee requested a description of the method used to divide the administrative expenses between the Leadership Committee and the General Fund. In the response, counsel for respondents states that out of the total amount transferred to the General Fund, \$36,426 reflects amounts that were actually payments to the General Fund for the Leadership Committee's share of administrative expenses.

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Counsel for respondents further states:

These expenses were allocated between the two committees using a percentage derived by comparing the total gross income received to the gross income of the Leadership Committee for 1989. The Leadership Committee's share was 14.06% of total operating expenses, or \$36,426.00 in operating expenditures, which corresponds with the operating expenses listed [in the response] and is subsumed in the amount transferred...

II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended, requires that party committees and other political committees which have established federal political committees allocate administrative expenses between federal and non-federal accounts. 11 C.F.R. § 102.5(a)(1)(i). At the time of the events of the matter, the Act further required that such allocations must have been made on a reasonable basis in proportion to the amount of funds expended on federal and non-federal elections, or on another reasonable basis. 11 C.F.R. § 106.1(e).

The method used by respondents in this matter, using the amount raised by each Committee as a means to divide the expenses, is a method suggested by the Commission in Advisory Opinion 1978-28. Since the Commission has determined that this method is reasonable, this Office concludes the evidence in hand indicates that the respondents did not violate 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).

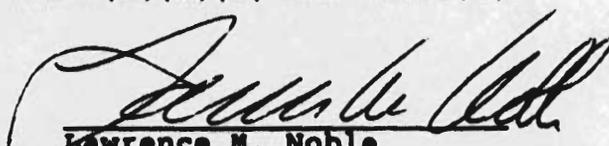
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Therefore, the Office of the General Council recommends that the Commission find no probable cause to believe that the Oklahoma Leadership Council violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).

III. GENERAL COUNSEL'S RECOMMENDATION

1. Find no probable cause to believe that the Oklahoma Leadership Council and C. Wesley Lane, as treasurer, violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).

Date 7/8/71


Lawrence M. Noble
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Oklahoma Leadership Council)
and C. Wesley Lane, as treasurer)

SENSITIVE

MUR 3205

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was initiated by a referral from the Reports Analysis Division. Based on the referral, the federal Election Commission (the "Commission") found reason to believe that the Oklahoma Leadership Council (the "Leadership Committee") and C. Wesley Lane, as treasurer, violated 2 U.S.C §§ 434(b)(4) and 434(b)(5)(A) and 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).

The Oklahoma Leadership Council is the federal committee of the Oklahoma Republican Party. The violations stem from the Leadership Committee's failure to properly record its administrative expenses on its 1989 Mid Year and Year End Reports and the possibility that the reporting irregularities represented a misallocation of funds between the Leadership Committee and the Oklahoma Republican Party-General Fund (the "General Fund"), the non-federal committee of the Oklahoma Republican Party. The General Fund is affiliated with the Leadership Committee.

Questions were sent to the respondents to obtain information regarding the reporting of their administrative expenses and the method of allocation. On March 15, 1991, counsel for respondents submitted answers on behalf of the respondents and requested that the Commission enter into pre-probable cause conciliation with her clients regarding the reporting violations and find no

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probable cause regarding the other violations.

Attachment 1 at 6.

II. ANALYSIS

A. Reporting Violations

In its 1989 Mid Year Report, the Leadership Committee reported a total of \$30,977.84 in disbursements. Of these disbursements, only \$3,867.67 were listed as administrative expenses. The bulk of the itemized non-administrative disbursements consisted of \$21,460.08 in transfers to the General Fund. In its next report, the 1989 Year End Report, the Leadership Committee did not list any administrative expenses among the reported \$29,865.41 in disbursements. According to this report, the entire \$29,865.41 was transferred to affiliated or party committees. Of this amount, \$29,745.06 was part of a transfer to the General Fund. The questions directed the Leadership Committee to explain the nature of the transfers to the General Fund and to identify any unreported administrative expenses.

In the response, counsel for respondents states that out of the total amounts transferred to the General Fund, \$36,426 represented amounts that were actually payments to the General Fund for the Leadership Committee's share of administrative expenses. See Attachment 1 at 3. The response also lists the purposes of these administrative expenses which range from \$93.39 spent for apparent educational purposes ("Political School") to \$19,172.54 spent for salaries. Id. at 4. Regarding the reason for the misreporting, the response states:

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These expense were not previously disclosed probably due to oversight by the then-treasurer, who has since left the Committee. The current treasurer, C. Wesley Lane, has no knowledge regarding why these expenses were not previously disclosed since the report i[n] question was submitted previous to the time he assumed his position with the Leadership Committee.¹

Attachment 1 at 6.

The Leadership Committee states in its response that including the \$36,426 cited above, it transferred a total of \$56,705.14 to the General Fund. However, on its 1989 Mid Year and Year End Reports, the total amount the Leadership Committee reported that it transferred to the General Fund was \$51,205.14. In a phone conversation, counsel for respondents explained that the Schedule B of Leadership Committee's 1989 Mid Year Report did not list a March 31, 1989 \$5,500 transfer to General Fund which was part of the \$36,426 allocation of administrative expenses. See Attachment 1 at 3. The failure to report the \$5,500 should be considered part of the Leadership Committee's violation of 2 U.S.C. § 434(b)(4).

B. Allocation of Administrative Expenses between the Leadership Committee and the General Fund.

The questions directed to the Leadership Committee also requested it to describe the method used to divide the administrative expenses between the Leadership Committee and the

1. Prior to the appointment of counsel, this Office was contacted by the current treasurer, C. Wesley Lane and Clinton Keys, the new Chairman of the Oklahoma Republican Party. In phone conversations, both stated that the previous treasurer of the leadership Committee had moved to the West Coast and was difficult to reach.

2040902515

General Fund. Counsel for respondents states:

These expenses were allocated between the two committees using a percentage derived by comparing the total gross income received to the gross income of the Leadership Committee for 1989. The Leadership Committee's share was 14.06% of total operating expenses, or \$36,426.00 in operating expenditures, which corresponds with the operating expenses listed [in the response] and is subsumed in the amount transferred...

Attachment 1 at 4.

This Office notes that under 11 C.F.R. § 106.1(e), the regulations in force at the time of the events of this matter, such allocations must have been made on reasonable basis in proportion to the amount of funds expended on federal and non-federal elections, or on another reasonable basis.

The method used by respondents in this matter, using the amount raised by each Committee as a means to divide the expenses is a method suggested by the Commission in Advisory Opinion 1978-28. Since the Commission has determined that this method is reasonable, this Office concludes the evidence in hand indicates that the respondents did not violate 11 C.F.R. § 106.1(e).

C. Conclusions

It is the view of this Office that the response provides sufficient information regarding respondents' administrative expenses to proceed with conciliation on this issue. As requested, respondents have identified the Leadership Committee's expenses and related them to the transfers made to the General Fund.

The Leadership Committee has also provided sufficient information regarding the allocation of administrative expenses

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with the General Fund. Therefore, the Office of the General Counsel recommends that the Commission accept respondents' request and enter into conciliation with the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, prior to a finding of probable cause to believe with respect to the reporting violations.

Because the evidence indicates there was no violation of 11 C.F.R. § 106.1(e), rather than recommend no further action this Office has prepared a brief recommending no probable cause to believe regarding the allocation issue.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

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IV. RECOMMENDATIONS

1. Enter into conciliation with the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer prior to finding of probable cause to believe.

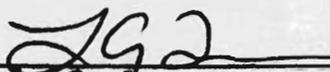
2. Approve the attached proposed conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

Date

7/19/91

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Response to Commission Questions and Request for Conciliation
2. Proposed Conciliation Agreement

Staff assigned: Michael Marinelli

2040902518



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20541

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. FAISON *BJF*
COMMISSION SECRETARY

DATE: JULY 24, 1991

SUBJECT: MUR 3205 - GENERAL COUNSEL'S REPORT
DATED JULY 19, 1991.

The above-captioned document was circulated to the Commission on MONDAY, JULY 22, 1991 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	<u>XXX</u>
Commissioner Elliott	<u>XXX</u>
Commissioner Josefiak	<u>XXX</u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Thomas	<u> </u>

This matter will be placed on the meeting agenda for August 30, 1991.

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

2040902519

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3205
Oklahoma Leadership Council)
and C. Wesley Lane, as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on July 30, 1991, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3205:

1. Enter into conciliation with the Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, prior to finding probable cause to believe.
2. Approve the proposed conciliation agreement and the appropriate letter as recommended in the General Counsel's report dated July 19, 1991

(continued)

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Federal Election Commission
Certification: MUR 3205
July 30, 1991

Page 2

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

Attest:

7-31-91
Date

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

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 9, 1991

Janice P. Lacy, Esquire
Republican National Committee
Dwight D. Eisenhower Republican Center
310 First Street, S.E.
Washington, D.C. 20003

RE: MUR 3205
Oklahoma Leadership
Council and
C. Wesley Lane, as
treasurer

Dear Ms. Lacy:

On December 18, 1990, the Federal Election Commission found reason to believe that the Oklahoma Leadership Council and C. Wesley Lane, as treasurer, violated 2 U.S.C §§ 434(b)(4) and 434(b)(5)(A). At your request, on July 30, 1991, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

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

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Janice P. Lacy, Esquire
Page 2

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 Dawn Odrowski, 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

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SECRETARIAT

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
Oklahoma Leadership Council and) MUR 3205
C. Wesley Lane II, as treasurer)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On December 12, 1990, the Federal Election Commission found reason to believe Oklahoma Leadership Council (the "Committee") and C. Wesley Lane II, as treasurer (collectively, "Respondents"), violated 2 U.S.C. §§ 434(a)(4) and 434(b)(5)(A) and 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e). Those violations arose from Respondents' failure to properly report the Committee's administrative expenses on its 1989 Mid Year and Year End reports and the possibility that the reporting problems represented a misallocation of funds between the Committee, the federal account of the Oklahoma Republican Party, and a non-federal account of the Party, the Oklahoma Republican Party-General Fund ("the General Fund").

Based on the Committee's response to interrogatories, this Office sent Respondents a brief recommending no probable cause to believe regarding the allocation issue on July 9, 1991.¹ Thereafter, on July 30, 1991, the Commission decided to enter into conciliation with Respondents prior to a finding of

1. Respondents have filed no reply to the brief.

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probable cause to believe with regard to the reporting violations of 2 U.S.C. §§ 434(b)(4) and 434(b)(5)(A).

II. ANALYSIS

In its 1989 Mid Year Report, the Committee reported a total of \$30,977.84 in disbursements, of which only \$3,867.67 were listed as operating expenses. The non-administrative disbursements consisted of transfers to the General Fund totaling \$21,460.08.² Moreover, in the 1989 Year End Report, the Committee did not list any operating expenses among its \$29,865.41 disbursements. Of these disbursements, \$29,745.06

2. This represents the sum of the transfers itemized on Schedule B. However, Schedule B and Line 20 of the Detailed Summary Page lists the total transfers as \$26,960.08. According to the Committee's response, the latter total is the correct one because it includes a \$5,500 transfer made to the Fund on January 31, 1989, for administrative expenses which was not itemized on Schedule B.

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was transferred to the General Fund. The Respondents' answers to interrogatories indicate that the Committee transferred to the General Fund a total of \$56,705.14 in 1989, of which \$36,426 covered the Committee's share of administrative expenses. The interrogatory answers detail those administrative expenses.

A. Allocation of Administrative Expenses

As detailed in the General Counsel's Brief which is incorporated by reference, administrative expenses were allocated between the Committee and the General Fund using a "funds received" method, a method suggested by the Commission in Advisory Opinion 1978-28. The Committee's share of expenses based on that allocation amounted to \$36,246 and was transferred to the General Fund, a non-federal account. Under the former version of the allocation rules found at 11 C.F.R.

§§ 102.5(a)(1)(i) and 106.1(e) which were effective when the acts at issue occurred, this method was permissible. See Advisory Opinion 1978-28. Consequently, this Office recommends that the Commission find no probable cause to believe that Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).

B. Discussion of Conciliation Agreement for Reporting Violations

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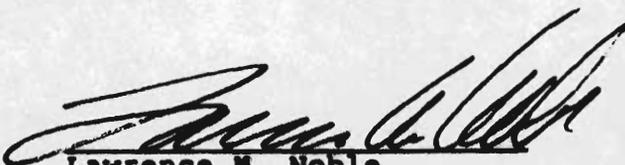
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III. RECOMMENDATIONS

1. Find no probable cause to believe that Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).
2. Accept the conciliation agreement submitted on April 22, 1992, by Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, and close the file in this matter.
3. Approve the appropriate letter.

Date

5/6/92


Lawrence M. Noble
General Counsel

Staff Person: Dawn M. Odrowski

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Oklahoma Leadership Council and) MUR 3205
C. Wesley Lane II, as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 11, 1992, the Commission decided by a vote of 5-0 to take the following actions in MUR 3205:

1. Find no probable cause to believe that Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e).
2. Accept the conciliation agreement submitted on April 22, 1992, by Oklahoma Leadership Council and C. Wesley Lane II, as treasurer, and close the file in this matter, as recommended in the General Counsel's Report dated May 6, 1992.

(Continued)

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3. Approve the appropriate letter, as recommended in the General Counsel's Report dated May 6, 1992.

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

Attest:



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

Received in the Secretariat: Wed., May 6, 1992 12:57 p.m.
Circulated to the Commission: Wed., May 6, 1992 4:00 p.m.
Deadline for vote: Mon., May 11, 1992 4:00 p.m.

dr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CLOSED

May 15, 1992

Janice P. Lacy, Esq.
Republican National Committee
Dwight D. Eisenhower Republican Center
310 First Street, S.E.
Washington, D.C. 20003

RE: MUR 3205
Oklahoma Leadership Council
and C. Wesley Lane, II, as
treasurer

Dear Ms. Lacy:

This is to advise you that on May 11, 1992, the Federal Election Commission ("Commission") found that there is no probable cause to believe your clients, Oklahoma Leadership Council ("Committee") and C. Wesley Lane, II, as treasurer, violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.1(e). On that same date, the Commission also accepted the signed conciliation agreement and civil penalty submitted on behalf of your clients in settlement of violations of 2 U.S.C. §§ 434(b)(4) and 434(b)(5)(A), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondents 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.

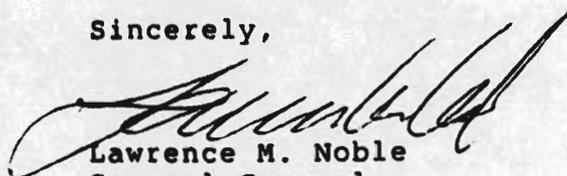
Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that in accordance with Section VI, Paragraph 2 of the agreement, the Committee must file amended 1989 Mid Year and Year End reports within 30 days of the conciliation agreement's effective

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Janice P. Lacy Esquire
Page 2

date. If you have any questions, please contact Dawn M. Odrowski, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Oklahoma Leadership Council) MUR 3205
and C. Wesley Lane, as treasurer)

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20541

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Oklahoma Leadership Council and its treasurer violated 2 U.S.C. §§ 434(b)(4) and 434(b)(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.

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

1. The Oklahoma Leadership Council, a subordinate committee of the Oklahoma Republican Party, is a political committee within the meaning of 2 U.S.C. § 431(4).

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2. C. Wesley Lane is the present treasurer of the Oklahoma Leadership Council. He was not the Treasurer when the facts at issue occurred. During that time Phyllis Gault was treasurer of the Oklahoma Leadership Council.

3. The Oklahoma Republican Party-General Fund is the non-federal Committee of the Oklahoma Republican Party, and is affiliated with the Leadership Committee.

4. Pursuant to 11 C.F.R. § 102.5(a)(1)(i), party committees and other political committees which have established federal political committees are required to allocate administrative expenses between federal and non-federal accounts.

5. Pursuant to 2 U.S.C. § 434(b)(4)(A), reports filed by a political committee must disclose the total amount of all disbursements during the reporting period and the calendar year made to meet candidate or committee operating expenses.

6. Pursuant to 2 U.S.C. § 434(b)(5)(A), those reports must disclose the name and address of each person to whom an expenditure in an aggregate amount or value in excess of \$200 within the calendar year is made by the reporting committee to meet a candidate or committee operation expense, together with the date, amount, and purpose of such operating expenditure. In situations where a federal committee wishes to record payments to an affiliated non-federal committee for the federal committee's share of their administrative expenses, the federal committee must itemize the disbursement on its Schedule B identifying the administrative expense. The federal committee must also make a memo entry identifying the disbursement as an allocation of its

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share of administrative expenses shared with the affiliated committee.

7. In its 1989 Mid Year Report, the Oklahoma Leadership Council reported a total of \$30,977.84 in disbursements. Of these disbursements, only \$3,867.67 were listed as administrative expenses. The bulk of the itemized non-administrative disbursements consisted of \$21,460.08 in transfers to the Oklahoma Republican Party-General Fund. In its next report, the 1989 Year End Report, the Leadership Committee did not list any administrative expenses among the reported \$29,865.41 in disbursements. According to this report, the entire \$29,865.41 was transferred to affiliated or party committees. Of this amount, \$29,745.06 represented transfers to the Oklahoma Republican Party-General Fund.

8. According to information provided by Respondents, \$36,426 of the total amount transferred to the Oklahoma Republican Party-General Fund in 1989 represented the reimbursement of the Oklahoma Republican Party-General Fund of the share of administrative expenses owed by the Oklahoma Leadership Council. When reporting these transfers on its 1989 Mid Year and Year End Reports, the Oklahoma Leadership Council did not identify the transfers as for administrative expenses.

9. According to information provided by Respondents, Oklahoma Leadership Council transferred a total of \$56,705.14 to the General Fund, including the \$36,426 cited above. However, on its 1989 Mid Year and Year End Reports, the total amount the Oklahoma Leadership Council reported that it transferred to the

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General Fund was \$51,205.14. Respondents have explained that the Schedule B of Leadership Committee's 1989 Mid Year Report did not list a January 31, 1989 \$5,500 transfer to General Fund which was part of the \$36,426 allocation of administrative expenses.

V. 1. Respondents failed to report \$5,500 in administrative expenses, in violation of 2 U.S.C. §§ 434(b)(4)

2. Respondents failed to properly report \$30,926 in administrative expenses, in violation of 2 U.S.C. §§ 434(b)(4) and 434(b)(5)(A).

VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Nine Hundred Dollars (\$900), pursuant to 2 U.S.C. § 437g(a)(5)(A).

2. Respondents will amend their 1989 Mid Year and 1989 Year End Reports to properly report the \$36,426 in administrative expenses.

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

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

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and

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implement the requirements contained in this agreement and to so notify the Commission.

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:



Lois G. Lerner
Associate General Counsel

Date

5/14/92

FOR THE RESPONDENTS:

C. Muskey Lane, Treasurer

(Name)
(Position)

Date

4-14-92

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3205

DATE FILMED 5/29/92 CAMERA NO. 1

CAMERAMAN S.G.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO
THE PUBLIC RECORD IN CLOSED MUR 3205.

6/24/92

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OKLAHOMA  **REPUBLICANS**

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June 15, 1992

Federal Election Commission
999 E. Street NW
Washington, DC 20463

Re: Letter of May 15, 1992 and
Conciliation Agreement

In response to your letter of May 15, 1992, and the Conciliation Agreement between the Federal Election Commission and the Oklahoma Leadership Council and C. Wesley Lane, Treasurer, please note the following.

We have enclosed herewith the amended 1989 Mid Year and Year End reports pursuant to Section VI, Paragraph 2 of the aforementioned Conciliation Agreement

Respectfully submitted,



Clinton E. Key
Chairman

LMS/lms

cc: C. Wesley Lane, II, Treasurer

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MUR 3205

For amended 1989 Mid Year and Year End Reports
filed by Oklahoma Leadership Council and attached
to June 15, 1992, letter, see Committee Reports

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