



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3637

DATE FILMED 3-17-57 CAMERA NO. 4

CAMERAMAN JMH

97043780302



The Republican Party of Kentucky

Capitol Avenue at Third Street ★ P.O. Box 1068 ★ Frankfort, Kentucky 40602
Phone (502) 875-5130 FAX (502) 223-5625

October 1, 1992

MUR 3637

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

Oct 2 2 40 PM '92

92 OCT -2 PM 3:41

RECEIVED
FEDERAL ELECTION COMMISSION
OCT 1 1992

To the General Counsel:

This sworn complaint, filed pursuant to 2 USC 437g(a)(1), alleges that the Kentucky State Democratic Central Executive Committee (the "Federal Account") and/or the Kentucky Democratic Party (the "Non-Federal Account") (together hereafter referred to as "Respondent") have in several ways violated the financing and reporting requirements of the federal election laws and applicable regulations.

I. Respondent has totally ignored the new federal election financing and reporting requirements that went into effect on January 1, 1991.

Respondent raised only \$6,000 in federal funds during the entire year 1991.¹ Incredibly, they then transferred into the Federal Account \$153,190 from the Non-Federal Account on January 23, 1992 (after the end of the 1991 reporting period, but it was reported as a 1991 transaction anyway), and then promptly (same day) transferred the same amount back to the Non-Federal Account.² Clearly, they did not do what the FEC requires, namely that they "pay all overhead from the Federal Account," and then reimburse the Federal Account from the Non-Federal Account each month during 1991 only the amount representing the non-federal allocation percentage (66.67%)³ - all in violation of 11 CFR 106.5. Respondents clearly funded all FEDERAL activities (as well as non-Federal activities) in 1991 from their Non-Federal Account.⁴ Even if it were an otherwise proper transaction, there is considerable doubt whether on January 23, 1992, Respondent's Non-Federal Account contained enough to cover the check they wrote to their Federal Account.⁵

¹ Exhibit B, Detailed Summary Page, line 29, column B
² Exhibit B, copies of four checks dated 1-23-92
³ Respondent calculated this percentage incorrectly on Schedule H1; 66-2/3% is of course the non-federal portion, not the federal portion.
⁴ See Exhibits E, F, and G showing the massive activity in Respondent's Non-Federal Account.
⁵ See Exhibit G, report of the Non-Federal Account for this period.

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There is no indication from the reports filed to date covering the 1991-92 two-year Federal election cycle that Respondents have followed the FEC regulations at all. They should be raising funds pursuant to federal rules, and then paying everything through their Federal Account, reimbursing from the Non-Federal Account each month per the allocation formula. Instead, they apparently have raised almost exclusively NON-federal money, and then simply have paid non-federal funds for everything, in violation of 11 CFR 102.5, 106.5, and 104.10(b).

Specifically, as shown in the Exhibits, and as summarized on the "Schedule of Exhibits" attached, during the first 75% of this federal election cycle, Respondents show receipts of federal funds of only \$6,166.00 (most of which is still on hand), while reporting receipts of \$773,900.99 in non-federal funds.

II. Schedule H1 Incorrectly Filed (Method of Allocation for shared Federal and Non-Federal Administrative Expenses and Generic Voter Drive Costs)

11 CFR 106.5 (d) (1) states that "all administrative and generic voter drive cost incurred during the two-year cycle must be allocated according to this ratio."

Because Kentucky is one of five states that holds a non-federal election in odd-numbered calendar years, two Schedules H1 need to be filed, a Schedule H1 for Administrative Expenses and one for Generic Vote Drives. 11 CFR 106.5(d) (2).

Respondent has not filed the Schedule H1 form for Generic Vote Drives. Refer to Respondent's December 31, 1991 FEC Year End Report (dated 1-23-91 (sic)) attached hereto as Exhibit B.

The schedule H1 form for Administrative Expenses is technically incorrect. It states that the Federal Allocation share for the two year cycle is 66.66%, but the computation on Schedule H1 actually results in 33.33% rather than 66.66%. Despite this error, Respondent has apparently used the correct figure (33.33%) in their computations. See, for example, the Summary Page, where their Federal share is shown to be \$51,060 out of \$153,181, which is of course 33.33% of the administrative cost.

SUMMARY

In 1992 in Kentucky, we are engaged in a very active Federal Election year. We have a Presidential, a U.S. Senatorial, and 6 Congressional races on the ballot and the Respondents have not yet begun playing by the rules.

It appears that ALL of their 1991-92 cycle activities to date have

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been financed out of NON-FEDERAL funds. They have had virtually NO RECEIPTS OF FEDERAL FUNDS. Since Respondents have no federal funds, and have not had any federal funds to speak of during this entire election cycle, they should not be permitted to participate in this federal election. We respectfully urge the Commission to (1) promptly prohibit Respondents from ANY FURTHER PARTICIPATION WHATSOEVER, DIRECTLY OR INDIRECTLY, IN THE 1992 FEDERAL ELECTIONS, (2) determine the amount of federal funds which should have been expended so far by Respondents during this cycle, and require that Respondents reimburse their Non-Federal Account to that extent using funds hereafter to be received by the Federal Account, (3) bar Respondents from participating in ANY federal election(s) until the reimbursement required in (2) above is paid, and all other expenditures in the meantime are allocated properly, and (4) pay a substantial fine, using funds raised under federal rules.

Indeed, we urge the Commission to review its files and note all the other recent instances where the Respondent has ignored the Federal Election Laws.⁶ Then the FEC should "throw the book at them."

CERTIFICATION

I hereby certify that the facts set forth herein are correct to the best of my knowledge and belief.

Robert E. Gable

Robert E. Gable
Chairman
Republican Party of Kentucky

Signed and sworn to before me this 1 day of Oct, 1992.

Colleen D. Bell

Notary Public, State at Large

My commission expires: 9-23-1995

⁶ Special attention is invited to FEC's case: MUR 3145, describing Respondent's illegal use of approximately \$350,000 of non-federal funds in 1990 to assist their federal candidates, especially Harvey Sloane for U.S. Senate. Inexplicably, the FEC has not yet ruled in that matter. Also see MUR's: 2530, 2702, 2710, 2812, and 3163.

SCHEDULE OF EXHIBITS

EXHIBIT	EXCERPTS FROM RESPONDENTS' REPORT DATED	REPORT COVERS THESE DATES	FEDERAL RECEIPTS
A	FEC 7/26/91	1/1/91 through 6/30/91	\$1,000.00
B	FEC 1/23/91(sic)	7/1/91 through 12/31/91	5,000.00
C-1	FEC 4/15/92	1/1/92 through 3/31/92	0.00
C-2	FEC 6/17/92 (???)	1/1/92 through 3/31/92	158.50
D	FEC 7/15/92	4/1/92 through 6/30/92	7.50
FEDERAL SUB-TOTAL:			\$6,166.00
			NON-FEDERAL RECEIPTS
E	KREF ⁷ 6/10/91	12/1/90 through 5/31/91	\$125,091.76
F	KREF 12/9/91	6/1/91 through 11/30/91	242,133.40
G	KREF 6/26/92	12/1/91 through 5/31/92	406,675.83
NON-FEDERAL SUB-TOTAL:			\$773,900.99

⁷ KREF: Kentucky Registry of Election Finance - the State regulatory and enforcement agency, where filings are made regarding the Non-Federal Account

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REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)



USE PRE-PAID MAILING LABEL OR TYPE OR PRINT

NAME OF COMMITTEE (Full)
Kentucky State Democratic Central Executive Committee
 ADDRESS (number and street) Check if different than previously reported
Democrat Dr. Millville Rd. P.O. Box 694
 CITY, STATE AND ZIP CODE
Frankfort, Kentucky 40602

2. FEC IDENTIFICATION NUMBER
C 000111 97
 3. This committee qualified as a multicandidate committee DuRite/G Tr-S Reporting Period 9/1/91
 (Date)

4. TYPE OF REPORT

(a) April 15 Quarterly Report Monthly Report Due On
 July 15 Quarterly Report February 20 June 20 October 20
 October 15 Quarterly Report March 20 July 20 November 20
 January 31 Year End Report April 20 August 20 December 20
 May 20 September 20 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 _____
 Termination Report

(b) Is this Report an Amendment? YES NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>1-1-91</u> through <u>6-30-91</u>		
6. (a) Cash on Hand January 1, 19 <u>91</u>		\$ 1,478.92
(b) Cash on Hand at Beginning of Reporting Period	\$ 1,478.92	
(c) Total Receipts (from Line 19)	\$ 1,000.00	\$ 1,000.00
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 2,478.92	\$ 2,478.92
7. Total Disbursements (from Line 30)	\$ 2,406.81	\$ 2,406.81
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 72.11	\$ 72.11
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)	\$ 2,990.25	

For further information contact:
 Federal Election Commission
 999 E Street, NW
 Washington, DC 20463
 Toll Free 800-424-9530
 Local 202-376-3120

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
William G. Johnson
 Signature of Treasurer *Wm. G. Johnson CPA* **Treasurer**
 Date **7-26-91**

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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**DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X**

(rev. 8-81)

NAME OF COMMITTEE	REPORT COVERING PERIOD	
Kentucky State Democratic Central Executive Committee	FROM 1-1-91	TO 6-30-91
	COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts		
11. Contributions (other than loans) From:		
a. Individual Persons Other Than Political Committees		
i. Itemized (use Schedule A)	1,000.00	1,000.00
ii. Unitemized		
iii. Total (add i and ii) >		
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contributions (add a ii, b and c) >	1,000.00	1,000.00
12. Transfers From Affiliated/Other Party Committees		
13. All Loans Received		
14. Loan Repayments Received		
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)		
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17. Other Federal Receipts (Dividends, Interest, etc.)		
18. Transfers from Nonfederal Account for Joint Activity		
19. Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) >	1,000.00	1,000.00
20. Total Federal Receipts (subtract line 18 from line 19) >	1,000.00	1,000.00
II. Disbursements		
21. Operating Expenditures:		
a. Shared Federal/Non-Federal Activity (from Schedule H4)		
i. Federal Share		
ii. Non-Federal Share		
b. Other Federal Operating Expenditures		
c. Total Operating Expenditures (Add a i, a ii, and b) >		
22. Transfers to Affiliated/Other Party Committees	2,406.81	2,406.81
23. Contributions to Federal Candidates/Committees and Other Political Committees		
24. Independent Expenditures (use Schedule E)		
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)		
26. Loan Repayments Made		
27. Loans Made		
28. Refunds of Contributions To:		
a. Individuals/Persons Other Than Political Committees		
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contribution Refunds (Add a, b and c) >		
29. Other Disbursements		
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >	2,406.81	2,406.81
31. Total Federal Disbursements (subtract line 21 a d from line 30) >	2,406.81	2,406.81
III. Net Contributions/Operating Expenditures		
32. Total Contributions (other than loans)(from line 11d)	1,000.00	1,000.00
33. Total Contribution Refunds (from line 28d)		
34. Net Contributions (other than loans)(subtract line 33 from 32)	1,000.00	1,000.00
35. Total Federal Operating Expenditures (add 21 a i and 21 b) >		
36. Offsets to Operating Expenditures (from line 15)		
37. Net Operating Expenditures (subtract line 36 from 35) >		

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REPORT OF RECEIPTS AND DISBURSEMENTS

Other Than An Authorized Committee
(Summary Page)

EXHIBIT

B

USE FEC MAILING LABELS OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Kentucky State Democratic Party Central Executive		2. FEC IDENTIFICATION NUMBER C00011197
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported Committee		
P.O. Box 694 (Democrat Drive)		3. <input type="checkbox"/> This committee qualified as a multicandidate committee DURING THIS Reporting Period on (date). <input type="checkbox"/>
CITY, STATE and ZIP CODE Frankfort, Kentucky		

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 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

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
<u>7/1/91</u> through <u>12/31/91</u>		
6. (a) Cash on Hand January 1, 19__		\$ 1,479
(b) Cash on Hand at Beginning of Reporting Period	\$ 72	
(c) Total Receipts (from Line 19)	\$ 158,181	\$ 159,181
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 158,253	\$ 160,660
7. Total Disbursements (from Line 30)	\$ 153,180	\$ 155,587
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 5,072	\$ 5,072
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 999 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)	\$ 2,990	

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
Wm. G. Johnson

Signature of Treasurer
Wm. G. Johnson CPA

Date
1/23/91

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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FEC FORM 3X
revised 1/1/91

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FEB 21 1991 3:40 PM '91

DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X

(revised 1/1/91)

NAME OF COMMITTEE	REPORT COVERING PERIOD	
	FROM	TO
Kentucky State Democratic Party Central Executive Committee	7/1/91	6/30/91
I. Receipts	COLUMN A	COLUMN B
	Total This Period	Calendar Year
11. Contributions (other than loans) From:		
a. Individual/Persons Other Than Political Committees		
i. Itemized (use Schedule A)		1,000
ii. Unitemized		
iii. Total (add i and ii) >		
b. Political Party Committees		
c. Other Political Committees (such as PACs) Documentation Attached	5,000	5,000
d. Total Contributions (add a iii, b and c) >	5,000	6,000
12. Transfers From Affiliated/Other Party Committees		
13. All Loans Received		
14. Loan Repayments Received		
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)		
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17. Other Federal Receipts (Dividends, Interest, etc.)		
18. Transfers from Nonfederal Account for Joint Activity	153,181	153,181
19. Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) >	158,181	159,181
20. Total Federal Receipts (subtract line 18 from line 19) >	5,000	6,000
II. Disbursements		
21. Operating Expenditures:		
a. Shared Federal/Non-Federal Activity (from Schedule H4)		
i. Federal Share	51,060	51,060
ii. Non-Federal Share	102,120	102,120
b. Other Federal Operating Expenditures		
c. Total Operating Expenditures (Add a i, a ii, and b) >	153,180	153,180
22. Transfers to Affiliated/Other Party Committees	-	2,407
23. Contributions to Federal Candidates/Committees and Other Political Committees	-	
24. Independent Expenditures (use Schedule E)	-	
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)	-	
26. Loan Repayments Made	-	
27. Loans Made	-	
28. Refunds of Contributions To:		
a. Individuals/Persons Other Than Political Committees	-	
b. Political Party Committees	-	
c. Other Political Committees (such as PACs)	-	
d. Total Contribution Refunds (Add a, b and c) >	-	
29. Other Disbursements	-	
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >	153,180	155,187
31. Total Federal Disbursements (subtract line 21 a ii from line 30) >	-	2,407
III. Net Contributions/Operating Expenditures		
32. Total Contributions (other than loans)(from line 11d)	5,000	6,000
33. Total Contribution Refunds (from line 28d)		
34. Net Contributions (other than loans)(subtract line 33 from 32)	5,000	6,000
35. Total Federal Operating Expenditures (add 21 a i and 21 b) >	51,060	51,060
36. Offsets to Operating Expenditures (from line 15)	-	-
37. Net Operating Expenditures (subtract line 36 from 35) >	51,060	51,060

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1-23-1992

73-81/835
44

Pay to the order of Kentucky Democratic Party - Non-Federal Account \$ 51060.00
FIFTY ONE THOUSAND & SIXTY DOLLARS & 00/100 Dollars



TWO SIGNATURES REQUIRED

REMIN EXPENSES

FOR REIMBURSEMENT FOR FEOL SHARE

Wm. G. Johnson
Pat Green

KENTUCKY DEMOCRATIC PARTY
FEDERAL ACCOUNT

12-91

0102

P.O. BOX 694
FRANKFORT, KY 40602

1-23-1992

73-81/835
44

Pay to the order of Kentucky Democratic Party Non-FEOL Account \$ 102021.00
ONE HUNDRED & TWO THOUSAND & TWENTY ONE & 00/100 Dollars



TWO SIGNATURES REQUIRED

FOR REIMB Non-FEOL SHARE

Wm. G. Johnson
Pat Green

KENTUCKY DEMOCRATIC PARTY
FEDERAL ACCOUNT

12-91

0103

P.O. BOX 694
FRANKFORT, KY 40602

1-23-1992

73-81/835
44

Pay to the order of KENTUCKY DEMOCRATIC PARTY Non-FEDERAL \$ 100.00
ONE HUNDRED & 00/100 Dollars



TWO SIGNATURES REQUIRED

FOR REIMB Non-FED SHARE

Wm. G. Johnson CPA
Pat Green

KENTUCKY DEMOCRATIC PARTY
VICTORY '91
NON-FEDERAL ACCOUNT

10-91

0183

P.O. BOX 694
FRANKFORT, KY 40602

1/23/1992

73-81/835
44

Pay to the order of Ky Democratic Party FEDERAL Account \$ 153191.00
ONE HUNDRED & FIFTY THREE THOUSAND & ONE HUNDRED & EIGHTY ONE & 00/100 Dollars



Wm. G. Johnson CPA

**METHOD OF ALLOCATION FOR SHARED FEDERAL
AND NON-FEDERAL ADMINISTRATIVE EXPENSES
AND GENERIC VOTER DRIVE COSTS**

NAME OF COMMITTEE

Kentucky Central Democratic Executive Committee

NATIONAL PARTY COMMITTEES

FIXED FEDERAL PERCENTAGE (CHECK THE APPROPRIATE LINE AND ENTER % IN BOX TO RIGHT) _____ %
 PRESIDENTIAL YEAR (65%)
 ALL OTHER YEARS (60%)

HOUSE AND SENATE PARTY CAMPAIGN COMMITTEES

MINIMUM FEDERAL PERCENTAGE (65%) (IF CHECKED, ENTER 65% IN BOX TO RIGHT) _____ %
 OR
 FUNDS EXPENDED:
 • ESTIMATED DIRECT CANDIDATE SUPPORT — FEDERAL _____ %
 • ESTIMATED DIRECT CANDIDATE SUPPORT — NON-FEDERAL _____ %
 ADJUSTMENTS TO FUNDS EXPENDED:
 ACTUAL DIRECT CANDIDATE SUPPORT — FEDERAL \$ _____ %
 ACTUAL DIRECT CANDIDATE SUPPORT — NON-FEDERAL \$ _____ %

NOTE: FUNDS EXPENDED MUST BE USED IF THE FEDERAL PROPORTION IS GREATER THAN 65% IN ANY YEAR.

SEPARATE SEGREGATED FUNDS AND NON-CONNECTED COMMITTEES

FUNDS EXPENDED:
 • ESTIMATED DIRECT CANDIDATE SUPPORT — FEDERAL _____ %
 • ESTIMATED DIRECT CANDIDATE SUPPORT — NON-FEDERAL _____ %
 ADJUSTMENTS TO FUNDS EXPENDED:
 ACTUAL DIRECT CANDIDATE SUPPORT — FEDERAL \$ _____ %
 ACTUAL DIRECT CANDIDATE SUPPORT — NON-FEDERAL \$ _____ %

STATE AND LOCAL PARTY COMMITTEES

BALLOT COMPOSITION

CHECK ALL OFFICES APPEARING ON THE NEXT GENERAL ELECTION BALLOT:

	NUMBER OF POINTS
1. PRESIDENT _____ <input type="checkbox"/> (1 POINT)	1
2. U.S. SENATE _____ <input type="checkbox"/> (1 POINT)	1
3. U.S. CONGRESS _____ <input type="checkbox"/> (1 POINT)	1
4. SUBTOTAL — FEDERAL (ADD 1, 2, AND 3)	3
5. GOVERNOR _____ <input type="checkbox"/> (1 POINT)	1
6. OTHER STATEWIDE OFFICE(S) _____ <input type="checkbox"/> (1 OR 2 POINTS)	2
7. STATE SENATE _____ <input type="checkbox"/> (1 POINT)	1
8. STATE REPRESENTATIVE _____ <input type="checkbox"/> (1 POINT)	1
9. LOCAL CANDIDATES _____ <input type="checkbox"/> (1 OR 2 POINTS)	1
10. SUBTOTAL — NON-FEDERAL (ADD 5, 6, 7, 8, AND 9)	6
11. TOTAL POINTS (LINE 4 PLUS LINE 10)	9

FEDERAL ALLOCATION — LINE 4 DIVIDED BY LINE 11

66 2/3 %

97043780312

Charles T. Mitchell Company

Certified Public Accountants
2000 North 1st Street, N.W.
Washington, D.C. 20001
1988-1989

RECEIVED
FEDERAL ELECTION
COMMISSION

APR 20 12 12 PM '92

CTM

WILLIAMSON, MISSOURI
WILLIAMSON, MISSOURI
WILLIAMSON, MISSOURI
WILLIAMSON, MISSOURI
WILLIAMSON, MISSOURI
WILLIAMSON, MISSOURI
WILLIAMSON, MISSOURI

April 15, 1992

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

Dear Sir:

Please find enclosed following information.

Report of Receipts and Disbursements.

Kentucky Democratic Party Exe Committee .

Please initial one copy of the letter and return it in the enclosed envelope. Power of attorney on hand.

Thank you.

Charles T. Mitchell Co.

Charles T. Mitchell Company

97043780313
2237503227

92 OCT -2 PM 3:41

FEDERAL ELECTION COMMISSION

REPORT OF RECEIPTS AND DISBURSEMENTS RECEIVED

For Other Than An Authorized Committee
(Summary Page)

FEDERAL ELECTION COMMISSION
MAY 1992

Apr 20 9 12 AM '92

USE FEC MAILING LABEL OR TYPE ON FRONT

1 NAME OF COMMITTEE (in full)
Kentucky Democratic Party Central Exe Committee
ALPHANUMERIC Number and Street Check if different than previously reported
P O Box 694 Democrat Drive
 CITY STATE and ZIP CODE
Frankfort, KY 40601

2 FEC IDENTIFICATION NUMBER
C 000 111 97
 3 This committee qualified as a multisubordinate committee DURING THIS Reporting Period on _____ (Date)

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 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>1/1/92</u> through <u>3/31/92</u>		
6 (a) Cash on Hand January 1, 19 <u>92</u>		\$ 5,072
(b) Cash on Hand at Beginning of Reporting Period	\$ 5,072	
(c) Total Receipts (from Line 19)	\$ 84,460	\$ 84,460
(d) Subtotal (add Lines 6(b) and (c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 89,532	\$ 89,532
7 Total Disbursements (from Line 30)	\$ 88,622	\$ 88,622
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 910	\$ 910
9 Debts and Obligations Owed TO the Committee (itemize all on Schedule C and/or Schedule D)	\$	
10 Debts and Obligations Owed BY the Committee <u>DEBT FOR FEEL</u> (itemize all on Schedule C and/or Schedule D) <u>2,990.00</u>	\$ 2,990.00	

For further information contact:
 Federal Election Commission
 990 E Street NW
 Washington, DC 20463
 Toll Free: 800-424-9530
 Local: 202-376-3120

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
WILLIAM G. JOHNSON, C.P.A., TREASURER
 Signature of Treasurer
W. G. Johnson CPA

Date:
 4/15/92

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 4437g.

27043780314
 92J37503223

**DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 28**

(REVISED 1/1/81)

NAME OF COMMITTEE Kentucky Dem Party Central Execut. COMMITTEE		REPORT COVERED PERIOD FROM 01/01/92 TO 03/31/92	
		COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts			
11	Contributions (other than loans) From:		
a	Individual Persons Other Than Political Committees		
i	Itemized (see Schedule A)		
ii	Unitemized		
iii	Total (add i, ii & iii) >		
b	Political Party Committees		
c	Other Political Committees (such as PACs)		
d	Total Contributions (add a, b and c) >		
12	Transfers From Affiliated/Other Party Committees		
13	All Loans Received		
14	Loan Repayments Received		
15	Offsets To Operating Expenditures (Refunds, Rebates, etc.)		
16	Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17	Other Federal Receipts (Dividends, Interest, etc.)		
18	Transfers from Nonfederal Account for Joint Activity	84,460	84,460
19	Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) >	84,460	84,460
20	Total Federal Receipts (subtract line 18 from line 19) >	-0-	-0-
II. Disbursements			
21	Operating Expenditures:		
a	Shared Federal/Non-Federal Activity (from Schedule H4)		
i	Federal Share 84,460 X 33%	28,153	28,153
ii	Non-Federal Share 84,460 X 67%	56,307	56,307
b	Other Federal Operating Expenditures		
c	Total Operating Expenditures (Add a, i, ii, and b) >		
22	Transfers to Affiliated/Other Party Committees		
23	Contributions to Federal Candidates/Committees and Other Political Committees ATTN. CK-COPY	4,000	4,000
24	Independent Expenditures (see Schedule E)		
25	Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (see Schedule F)		
26	Loan Repayments Made		
27	Loans Made		
28	Refunds of Contributions To:		
a	Individuals/Persons Other Than Political Committees		
b	Political Party Committees		
c	Other Political Committees (such as PACs)		
d	Total Contribution Refunds (Add a, b and c) >		
29	Other Disbursements BANK CHARGES & ADJUSTMENTS	162	162
30	Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >		
31	Total Federal Disbursements (subtract line 21 a from line 30) >	88,622	88,622
III. Net Contributions/Operating Expenditures			
32	Total Contributions (other than loans) (from line 11d)		
33	Total Contribution Refunds (from line 28d)		
34	Net Contributions (other than loans) (subtract line 33 from 32)		
35	Total Federal Operating Expenditures (add 21 a, i, and 21 b) >		
36	Offsets to Operating Expenditures (from line 15)		
37	Net Federal Operating Expenditures (subtract line 36 from 35) >		

97043780315
92037503229



OR
TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Kentucky State Democratic Central Executive Committee
 ADDRESS (number and street) Check if different than previously reported
Democrat Drive, Millville Rd. P.O. Box 694
 CITY, STATE and ZIP CODE
Frankfort, Kentucky 40602

2. FEC IDENTIFICATION
Jan 03 11:00 PM '92
 3. This committee qualified as a multicandidate committee DURING THIS Reporting Period on (date).
RECEIVED
K.R.E.F.

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 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>1-1-92</u> through <u>3-31-92</u>		
6. (a) Cash on Hand January 1, 19 <u>92</u>			\$ 71,306.75
(b) Cash on Hand at Beginning of Reporting Period		\$ 71,306.75	
(c) Total Receipts (from Line 19)		\$ 67,348.99	\$ 67,348.99
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)		\$ 138,655.74	\$ 138,655.74
7. Total Disbursements (from Line 30)		\$ 106,561.85	\$ 106,561.85
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))		\$ 32,093.89	\$ 32,093.89
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule G and/or Schedule D)		\$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)		\$ 15,986.92	

For further information contact:
 Federal Election Commission
 999 E Street, NW
 Washington, DC 20463
 Toll Free 800-424-9530
 Local 202-376-3120

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:
William G. Johnson, CPA
 Signature of Treasurer: *Wm. G. Johnson CPA* TREASURER Date: 6/17/92

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

97043780316

**DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X**

(revised 1/1/81)

NAME OF COMMITTEE

Kentucky State Democratic Central Executive Committee

REPORT COVERING PERIOD

FROM 1-1-92

TO: 3-31-92

COLUMN A
Total This Period

COLUMN B
Calendar Year

I. Receipts

11. Contributions (other than loans) From:

a. Individual/Persons Other Than Political Committees

i. Itemized (use Schedule A) _____

ii. Unitemized _____

iii. Total _____ (add i and ii) >

b. Political Party Committees _____

c. Other Political Committees (such as PACs) _____

d. Total Contributions _____ (add a ii, b and c) >

12. Transfers From Affiliated/Other Party Committees _____

13. All Loans Received _____

14. Loan Repayments Received _____

15. Offsets To Operating Expenditures (Refunds, Rebates, etc.) _____

16. Refunds of Contributions Made to Federal Candidates and Other Political Committees _____

17. Other Federal Receipts (Dividends, Interest, etc.) _____

18. Transfers from Nonfederal Account for Joint Activity _____

19. Total Receipts _____ (add 11d, 12, 13, 14, 15, 16, 17, and 18) >

20. Total Federal Receipts _____ (subtract line 18 from line 19) >

158.50
67,190.49
~~67,348.99~~
158.50

158.50
67,190.49
~~67,348.99~~
158.50

II. Disbursements

21. Operating Expenditures:

a. Shared Federal/Non-Federal Activity (from Schedule H4)

i. Federal Share _____

ii. Non-Federal Share _____

b. Other Federal Operating Expenditures _____

c. Total Operating Expenditures _____ (Add a i, a ii, and b) >

22. Transfers to Affiliated/Other Party Committees _____

23. Contributions to Federal Candidates/Committees and Other Political Committees _____

24. Independent Expenditures (use Schedule E) _____

25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F) _____

26. Loan Repayments Made _____

27. Loans Made _____

28. Refunds of Contributions To:

a. Individuals/Persons Other Than Political Committees _____

b. Political Party Committees _____

c. Other Political Committees (such as PACs) _____

d. Total Contribution Refunds _____ (Add a, b and c) >

29. Other Disbursements _____

30. Total Disbursements _____ (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >

31. Total Federal Disbursements _____ (subtract line 21 a ii from line 30) >

33,983.12
67,966.25

33,983.12
67,966.25

101,949.37

101,949.37

4,000.00

4,000.00

612.48

612.48

106,561.85
38,595.60

106,561.85
38,595.60

III. Net Contributions/Operating Expenditures

32. Total Contributions (other than loans)(from line 11d) _____

0

33. Total Contribution Refunds (from line 28d) _____

0

34. Net Contributions (other than loans)(subtract line 33 from 32) _____

35. Total Federal Operating Expenditures _____ (add 21 a i and 21 b) >

33,983.12

33,983.12

36. Offsets to Operating Expenditures (from line 15) _____

37. Net Operating Expenditures _____ (subtract line 36 from 35) >

33,983.12

33,983.12

97043780317

REPORT OF RECEIPTS AND DISBURSEMENT

For Other than An Authorized Committee

(Summary Page)

EXHIBIT

D

RECEIVED

JUL 20 12 03 PM '92

NAME OF COMMITTEE (in full)
 Kentucky State Democratic Central Executive Committee

ADDRESS (number and street) Check if different than previously reported
 Democrat Drive, Millville Rd., P.O. Box 694

CITY, STATE and ZIP CODE
 Frankfort, Kentucky 40602

2. FEC IDENTIFICATION NUMBER
 C 00011197

3. This committee qualified as a multicandidate committee DURING THIS Reporting Period on K.R.L. (date).

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)

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 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 _____

Termination Report

(b) Is this Report an Amendment? YES NO

SUMMARY

Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
4/1/92 through 6/30/92		
(a) Cash on Hand January 1, 1992		\$ 71,306.75
(b) Cash on Hand at Beginning of Reporting Period	\$ 32,093.89	
(c) Total Receipts (from Line 19)	\$151,059.92	\$218,408.91
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$183,153.81	\$289,715.66
Total Disbursements (from Line 30)	\$177,495.14	\$284,056.99
Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 5,658.67	\$ 5,658.67
Debits and Obligations Owed TO the Committee (Remize all on Schedule C and/or Schedule D)	\$	
Debits and Obligations Owed BY the Committee (Remize all on Schedule C and/or Schedule D)	\$ 49,583.90	

For further information contact:
 Federal Election Commission
 999 E Street, NW
 Washington, DC 20463
 Toll Free 800-424-9530
 Local 202-376-3120

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

Name or Print Name of Treasurer
 William G. Johnson, CPA

Signature of Treasurer
William G. Johnson CPA

Date ORIG FILED TOTAL
 7/20/92

00
 91
 91
 00

.34
 .69
 .03
 .00
 .96
 6.99
 2.30
 77.34
 77.34

**DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X**

(revised 1/1/91)

NAME OF COMMITTEE Kentucky State Democratic Central Executive Committee		REPORT COVERING PERIOD FROM 4/1/92 TO 6/30/92	
		COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts			
11. Contributions (other than loans) From:			
a. Individual/Persons Other Than Political Committees			
I. Itemized (use Schedule A)			
II. Unitemized			
III. Total (add I and II) >			
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contributions (add a III, b and c) >			
12. Transfers From Affiliated/Other Party Committees			
13. All Loans Received			
14. Loan Repayments Received			
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)			
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees			
17. Other Federal Receipts (Dividends, Interest, etc.) 7.50 166.00			
18. Transfers from Nonfederal Account for Joint Activity 151,052.42 218,242.91			
19. Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) > 151,059.92 218,408.91			
20. Total Federal Receipts (subtract line 18 from line 19) > 7.50 166.00			
II. Disbursements			
21. Operating Expenditures:			
a. Shared Federal/Non-Federal Activity (from Schedule H4)			
I. Federal Share 58,294.22 92,277.34			
II. Non-Federal Share 116,588.44 184,554.69			
b. Other Federal Operating Expenditures			
c. Total Operating Expenditures (Add a I, a II, and b) > 174,882.66 276,832.03			
22. Transfers to Affiliated/Other Party Committees			
23. Contributions to Federal Candidates/Committees and Other Political Committees 2,000.00 6,000.00			
24. Independent Expenditures (use Schedule E)			
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)			
26. Loan Repayments Made 612.48 1,224.96			
27. Loans Made			
28. Refunds of Contributions To:			
a. Individuals/Persons Other Than Political Committees			
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contribution Refunds (Add a, b and c) >			
29. Other Disbursements			
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) > 177,495.14 284,056.99			
31. Total Federal Disbursements (subtract line 21 a II from line 30) > 60,906.70 99,502.30			
III. Net Contributions/Operating Expenditures			
32. Total Contributions (other than loans)(from line 11d)			
33. Total Contribution Refunds (from line 28d)			
34. Net Contributions (other than loans)(subtract line 33 from 32)			
35. Total Federal Operating Expenditures (add 21 a I and 21 b) > 58,294.22 92,277.34			
36. Offsets to Operating Expenditures (from line 15)			
37. Net Operating Expenditures (subtract line 36 from 35) > 58,294.22 92,277.34			

97043780319



Kentucky Registry of Election Finance
1604 Louisville Road
Frankfort, Kentucky 40601
(502) 564-2226

ELECTION FINANCE STATEMENT

COVER PAGE

9 7 0 4 3 7 8 0 3 0 0

OFFICE USE ONLY

1. Candidate Name
Office Sought/Dist. No.
County of Residence
Political Party

2. Committee Name
Supporting
Office Sought/Dist. No.

RECEIVED
K.R.E.F.
Jun 11 8 29 AM '91

3. Candidate/Committee Mailing Address
Kentucky Democratic Party
P.O. Box 694
Frankfort, Kentucky 40602
Area Code/Phone 502-695-4828

4. Treasurer's Name and Mailing Address
Asst. Treasurer
Pat Goins
P.O. Box 694, Frankfort, Kentucky 40602
Area Code/Phone 502-695-4828

5. This Statement Covers
From 12 1 90
Mo. Day Yr.
To 5 31 91
Mo. Day Yr.

TYPE OF STATEMENT

- 6a. Pre-election (Quarterly Preceding)
- b. Pre-election (32nd day preceding)
- c. Pre-election (12th day preceding)
- d. Post Election (30th day following)
- e. Post Election Supplemental (60th day following)
- f. Quarterly (Permanent Committee)
- g. Semi-annual Supplemental (Opposed candidate in last election)
- h. Annual Supplemental (Unopposed candidate in last election)
- i. Termination _____ Mo. _____ Day _____ Yr.
- j. Amendment - check one of the items above to indicate which statement is being amended.

Pre-election, Post Election or Supplemental statement relates to:
 Primary General Special

Date of Election
5 28 91
Mo. Day Yr.

7. Verification: Certify that all reasonable diligence was used in the preparation of this Statement and attached schedule (if any) and to the best of my/our knowledge and belief the contents are true, accurate and complete.

Treasurer _____ Type or Print Name
Signature *Pat Goins*
Date 6 10 91
Mo. Day Yr.



SUMMARY PAGE

Candidate/Committee Kentucky Democratic Party

Period From 12-1-90 To 5-31-91

	COLUMN I THIS PERIOD	COLUMN II CUMULATIVE THIS ELECTION
RECEIPTS		
1. CONTRIBUTIONS:		
a. Itemized by check or written instrument (Schedule 1, Item 7a)	+ \$ <u>118,680.23</u>	
b. Other receipts (Schedule 1, Item 7b)	+ \$ _____	
c. Receipts in currency (Number of people _____) Individual cash contribution limit is \$100	+ \$ _____	\$ _____
d. Unitemized contributions (Number of people <u>124</u>) Contributions by check of \$300 or less.	+ \$ <u>6,411.53</u>	
2. TOTAL RECEIPTS	- \$ <u>125,091.76</u>	\$ _____
DISBURSEMENTS		
3. TOTAL DISBURSEMENTS (Schedule 2, Item 7)	\$ <u>144,478.69</u>	\$ _____
BALANCE STATEMENT		
4. Ending balance of last report (Enter (-0-) if no report has been filed)	+ \$ <u>19,732.98</u>	
5. Amount received during reporting period (Line 2, Column 1)	+ \$ <u>+ 591.17 State chs. added back. reflected on bank stat +241.33 Clerical error corrected</u>	
6. Sub-Total (Add Lines 4 and 5)	+ \$ <u>125,091.76</u>	
7. Amount disbursed during reporting period (Line 3, Column 1)	- \$ <u>145,657.24</u>	
8. ENDING BALANCE (Subtract Line 7 from Line 6)	- \$ <u>1,178.55</u>	
9. Debts and Obligations owed BY: (Schedule 5, Item 11)	\$ <u>46,400.28</u>	
10. Debts and Obligations owed TO: (Schedule 5, Item 11)	\$ <u>-0-</u>	
	THIS PERIOD	CUMULATIVE THIS ELECTION
11. In-Kind Contributions Received (Schedule 3, Item 7)	\$ <u>192.60</u>	\$ _____
12. Fund Raisers (Schedule 4, Item 10)	\$ <u>4,638.92</u>	

Candidate/Committee Kentucky Democratic Party

Period From June 1, 1991 To November 30, 1991

	COLUMN I THIS PERIOD	COLUMN II CUMULATIVE THIS ELECTION
RECEIPTS		
1. CONTRIBUTIONS:		
a. Itemized by check or written instrument (Schedule 1, Item 7a)	+ \$ <u>184,031.18</u>	
b. Other receipts (Schedule 1, Item 7b)	+ \$ <u>0</u>	
c. Receipts in currency (Number of people <u>89</u>) Individual cash contribution limit is \$100	+ \$ <u>8,570.00</u>	\$ _____
d. Unitemized contributions (Number of people <u>423</u>) Contributions by check of \$300 or less.	+ \$ <u>49,532.22</u>	
2. TOTAL RECEIPTS	= \$ <u>242,133.40</u>	\$ _____
DISBURSEMENTS		
3. TOTAL DISBURSEMENTS (Schedule 2, Item 7)	\$ _____	\$ _____
BALANCE STATEMENT		
4. Ending balance of last report (Enter (-0-) if no report has been filed)	+ \$ <u>1,178.55</u>	
5. Amount received during reporting period (Line 2, Column 1)	+ \$ <u>242,133.40</u>	
6. Sub-Total (Add Lines 4 and 5)	= \$ <u>243,311.95</u>	
7. Amount disbursed during reporting period (Line 3, Column 1)	- \$ <u>221,181.39</u>	
8. ENDING BALANCE (Subtract Line 7 from Line 6)	= \$ <u>22,130.56</u>	
9. Debts and Obligations owed BY: (Schedule 5, Item 11)	\$ <u>40,001.49</u>	
10. Debts and Obligations owed TO: (Schedule 5, Item 11)	\$ <u>-0-</u>	
	THIS PERIOD	CUMULATIVE THIS ELECTION
11. In-Kind Contributions Received (Schedule 3, Item 7)	\$ <u>3,108.20</u>	\$ _____
12. Fund Raisers (Schedule 4, Item 10)	\$ <u>79,205.00</u>	

9 7 0 4 3 7 8 0 3 2 4



Kentucky Registry of Election Finance
 1804 Louisville Road
 Frankfort, Kentucky 40601
 (502) 684-2228
 FAX # (502) 684-5822

**ELECTION FINANCE STATEMENT
 COVER PAGE**

1. Candidate Name
 Social Security No.
 Office Sought/Dist. No.
 County of Residence
 Political Party

2. Committee Name
 Supporting
 Office Sought/Dist. No.

OFFICE USE ONLY
RECEIVED
 Jun 29 7 59 AM '92
K.R.E.F.

3. Candidate/Committee Mailing Address
 Kentucky Democratic Party
 P.O. Box 694
 Frankfort, Kentucky 40602
 Area Code/Phone No.
 502-695-4828

4. Treasurer's Name and Mailing Address
 William G. Johnson
 P.O. Box 698
 Frankfort, Kentucky 40602

5. This Statement Covers

From	12	1	1991
	Month	Day	Year
To	5	31	1992
	Month	Day	Year

TYPE OF STATEMENT

6a. Pre-election (Quarterly Preceding - Future Year)
 b. Pre-election (32nd day preceding)
 c. Pre-election (12th day preceding)
 d. Post Election (30th day following)
 e. Post Election Supplemental (60th day following)
 f. Semi-annual Supplemental (Opposed candidate in previous election)
 g. Annual Supplemental (Unopposed candidate in previous election)
 h. Executive Committees of Political Parties
 i. Quarterly (Permanent Committees)
 j. Termination _____
 k. Amendment- Check one of the items above to indicate which statement is being amended.

Pre-election, Post Election or Supplemental Statement relates to:
 Primary General Special

Date of Election

 (Month Day Year)

NOTE: USE ONLY THOSE PAGES WHICH APPLY TO YOUR INDIVIDUAL CAMPAIGN.

If you have had no activity between reporting periods, complete Cover Page and Summary Page. Enter -0- in receipts, enter -0- in expenditures and ending balance from last report.

G

EXHIBIT

7. Verification: I certify that this Election Finance Statement is prepared with all reasonable diligence and to the best of my knowledge the contents are true, accurate and complete.

Candidate/
 Treasurer William G. Johnson
 Type or Print Name

William G. Johnson
 Authorized Signature

Date 6-26-92
 (Month Day Year)



SUMMARY PAGE

Candidate/Committee Kentucky Democratic PartyPeriod From December 1, 1992To May 31, 1992

RECEIPTS	COLUMN I THIS PERIOD	COLUMN II CUMULATIVE THIS ELECTION
1. CONTRIBUTIONS:		
a. Itemized by check or written instrument (Schedule 1, Item 7a)	\$ 398,948.38	
b. Other receipts (Schedule 1, Item 7b)	+ \$ _____	
c. Receipts in currency (Number of people <u>277</u>) (Individual cash contribution limit is \$100)	+ \$ 2,770.00	
d. Unitemized contributions (Number of people <u>132</u>) (Contributions by check of \$300 or less)	+ \$ 4,957.45	
2. TOTAL RECEIPTS	- \$ 406,675.83	\$ _____
DISBURSEMENTS		
3. TOTAL DISBURSEMENTS (Schedule 2, Item 7)	\$ 378,021.74	\$ _____
BALANCE STATEMENT		
4. Ending balance of last report (Enter -0- if no previous report)	\$ 22,130.56	
5. Amount received during reporting period (Line 2, Column 1)	+ \$ 406,675.83	
6. Sub-Total (Add lines 4 and 5)	= \$ 428,806.39	
7. Amount disbursed during reporting period (Line 3, Column 1)	- \$ 378,021.74	
8. ENDING BALANCE (Subtract Line 7 from Line 6)	= \$ 50,784.65	
9. Unpaid Bills or Other Obligations owed BY: (Schedule 5, Item 11)	\$ 38,502.03	
10. Debts and Obligations owed TO: (Schedule 5, Item 11)	\$ 0	
	THIS PERIOD	CUMULATIVE THIS ELECTION
11. In-kind Contributions Received (Schedule 3, Item 7)	\$ -0-	
12. Fund Raisers (Schedule 4, Item 8)	\$ 11,700.00	



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1992

Robert E. Gable, Chairman
Republican Party of Kentucky
P.O. Box 1068
Frankfort, KY 40602

RE: MUR 3637

Dear Mr. Gable:

This letter acknowledges receipt on October 2, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the Kentucky State Democratic Central Executive Committee, William Johnson, as treasurer, and the Kentucky Democratic Party (Non-Federal). The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3637. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anne Weissenborn".

Anne Weissenborn
Acting Assistant General Counsel

Enclosure
Procedures

97043780326



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 7, 1992

William Johnson, Treasurer
Kentucky State Democratic
Central Executive Committee
P.O. Box 694
Frankfort, KY 40602

RE: MUR 3637

Dear Mr. Johnson:

The Federal Election Commission received a complaint which indicates that the Kentucky State Democratic Central Executive Committee ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3637. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

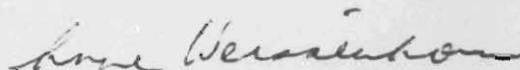
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed 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.

9704380327

William Johnson, Treasurer
Kentucky State Democratic Central Executive Committee
Page 2

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Anne Weissenborn
Acting Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

97043780328



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 7, 1992

Kentucky Democratic Party (Non-Federal)
P.O. Box 694
Frankfort, KY 40602

RE: MUR 3637

Dear Gentlemen:

The Federal Election Commission received a complaint which indicates that the Kentucky Democratic Party (Non-Federal) may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3637. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Kentucky Democratic Party (Non-Federal) in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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 matter to be made public. 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.

9704380309

Kentucky Democratic Party (Non-Federal)
Page 2

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Anne Weissenborn
Acting Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

970438037C



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 11, 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William Johnson, Treasurer
Kentucky State Democratic
Central Executive Committee
P.O. Box 694
Frankfort, Kentucky 40602

RE: MUR 3637

Dear Mr. Johnson:

The Federal Election Commission received a complaint that alleges that the Kentucky State Democratic Central Executive Committee ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). On October 7, 1992, the Commission mailed copies of the complaint to the above address. You have not responded to the complaint; therefore, another copy is enclosed. We have numbered this matter MUR 3637. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

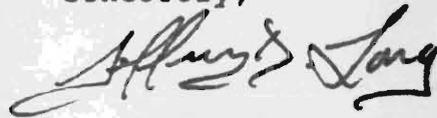
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed 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.

97043780371

William Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
Page 2

If you have any questions, please contact me in the Office of the General Counsel at (202) 219-3690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jeffrey D. Long
Paralegal Specialist

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

97043780372



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 11, 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kentucky Democratic Party (Non-Federal)
P.O. Box 694
Democrat Drive
Frankfort, Kentucky 40602

RE: MUR 3637

Dear Gentlemen:

The Federal Election Commission received a complaint that alleges that the Kentucky Democratic Party (Non-Federal) ("Committee") may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). On October 7, 1992, the Commission mailed copies of the complaint to the above address. You have not responded to the complaint; therefore, another copy is enclosed. We have numbered this matter MUR 3637. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

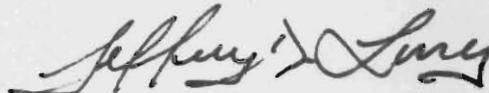
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed 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.

9704380373

Kentucky Democratic Party (Non-Federal)
Page 2

If you have any questions, please contact me in the Office of the General Counsel at (202) 219-3690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jeffrey D. Long
Paralegal Specialist

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

27043780374

FEDERAL ELECTION COMMISSION
MUR 3637

RECEIVED
93 APR 22 PM 3:30

RESPONSE TO MUR 3637

KENTUCKY DEMOCRATIC PARTY (Non-Federal)
AND WILLIAM JOHNSON, AS TREASURER

RESPONDENTS

* * * * *

This Response to MUR 3637 is filed on behalf of the Kentucky Democratic Party and William Johnson, as Treasurer.

The complaint filed by the Republican Party of Kentucky refers to several elements of the Report of Receipts and Distributions for a quarterly period as originally filed with the FEC by the Kentucky State Democratic Party State Central Executive Committee. It would appear that the complainant may not have had the benefit of the amendment filed May 20, 1992 and accompanied by a letter of transmittal from William Johnson, Treasurer. Additionally, there was filed with Mr. David J. Weidman, a reports analyst with the FEC, under date of September 3, 1992, an amended report wherein additional detail is provided regarding the transfer of funds including the financial spread sheet. Mr. Weidman was apparently satisfied with this amendment and response.

The only other issue which was raised in the complaint is complainant's reference in footnote 3 to an apparent miscalculation of a percentage. However, complainant resolves this issue on page 2 of the complaint wherein complainant indicates that "Respondent has

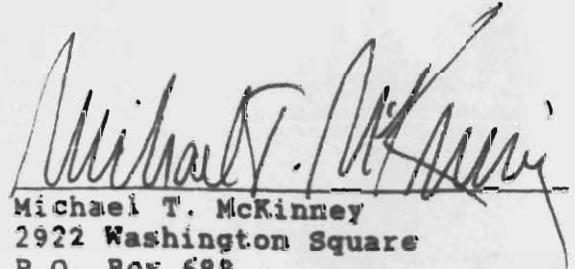
MICHAEL T. MCKINNEY

Attorney at Law

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apparently used the correct figure ... in their computations". A typing error resulted in the wrong number being identified as the percentage; however, the correct percentage number was actually used to figure the percentage spoken of.

In summary, there appears to be no issue remaining with regard to the matters raised in the complaint initiating MUR 3637.



Michael T. McKinney
2922 Washington Square
P.O. Box 688
Burlington, Kentucky 41005
(606) 586-9955

General Counsel
Kentucky Democratic Party

97043780376

MICHAEL T. MCKINNEY

Attorney at Law

Charles T. Mitchell Company

Certified Public Accountants

201 WEST MAIN, P.O. BOX 104
FRANKFORT, KENTUCKY 40622-0104
FRANKFORT - (502) 227-1300
TELECOPIER - (502) 227-6055

|| C T M

CHARLES T. MITCHELL, C.P.A.
DON C. GILES, C.P.A.
WILLIAM G. JOHNSON, JR., C.P.A.
GARY L. HARRIS, C.P.A.
LARRY T. WILLIAMS, C.P.A.
JAMES E. CLOUSE, C.P.A.
CHARLES F. WHELAN, C.P.A.

September 3, 1992

Mr. David J. Weidman, Reports Analyst
Federal Election Commission
999 E Street NW
Washington, DC 20463

Reference: Amended April Quarterly Report (1/1/92-3/31/92),
dated 6/17/92

Dear Dave:

I apologize for not getting back to you sooner with my response. As in my previous letter, I will attempt to answer your questions in the order they were stated in your letter dated 6/29/92.

The entry of \$612.48 on Line 26 of the Detail Summary Page represents 1/3 of the total loan payments made during the period, \$1,837.44. The loan is a combined Federal/non-federal loan which I began reporting in the 1991 mid-year report. It seemed only logical to report the Federal share only on the Detailed Summary Page.

The line totals on the Summary and Detailed Summary Pages of the amended report and the original report differ significantly primarily because the original report was not right. It did not include all the accounts or activity. I think that the true activities and balances can be explained by a working paper I have labeled "Combined Cash Revenues and Expenses" (enclosed). I believe the amounts on this working paper can easily be traced to the Summary and Detailed Summary Pages. As shown in the working paper also, approximately 2/3s of the administrative expenses were paid from the non-federal bank accounts. There were never any actual transfers between bank accounts. The \$67,190.49 is merely a forced number which makes the ending cash in the Federal bank accounts correct. Perhaps the following will demonstrate:

Beginning Federal Cash	\$71,306.75
Federal Receipts	158.50
Non-federal Requirement	67,190.49
Total	138,655.74
Total Disbursements	106,561.85
Ending Federal Cash	\$32,093.89

970438037

If I understand the intent of the law, there must be adequate Federal resources to cover Federal expenditures. Although the Committee's staff did not follow the proper administrative procedures and make actual bank account transfers, I do not think the intent of the law was violated, and may be demonstrated thusly:

Beginning Federal Cash	\$71,306.75
Federal Receipts	<u>158.50</u>
Total Federal Resources	71,465.25
Federal Expenditures/Report	<u>38,595.60</u>
Excess of Resources over Exp.	\$32,869.65

(The excess of resources over expenditures does not equal cash because expenditures/report do not equal actual bank disbursements. The bank balance is slightly lower, indicating that the Federal "account" actually paid more than its required share of the administrative expenses.) If we reported only the activity that occurred in the Federal bank accounts, actual administrative expenses would be wildly distorted. I believe that the amended report is an accurate reflection of what actually happened as is possible, given the facts that the FEC's forms leave much to be desired, and the Committee's staff do not have adequate accounting procedures.

The checks which were attached to the original Year End Report represented sham transactions. A worthless check was written from one account and deposited into a second account to cover two checks written on the second account and deposited into the first account (bank statements enclosed). I think the original logic behind doing this was to show the required non-federal transfer into the Federal "account" and repayment to the non-federal "account" for 1/3 of the total administrative expenses for the period ended 12/31/91. In any event, the transactions did not reflect any economic reality, so I eliminated them in my analyses of the bank accounts (working papers enclosed).

I hope this letter helps clarify what was done and why. Please call if you have questions.

Sincerely,

Andy Naff, CPA

Enclosures: Working Papers (3)
Bank Statements (2)
Summary Page of Original 12/31/91 Report

9704380378

Approved By _____

Approved By _____

KY DEMOCRATS
 COMBINED CASH REVENUES & EXPENSE
 1/1/92 - 3/31/92

WILSON JONES COMPANY

71,306.75

MADE IN U.S.A.

	NON-FED VICTORIA	NON-FED VICEN	FEDERAL FUND	FEDERAL FUND	W. Vic- FEDERAL	FEDERAL 097	FEDERAL 010	TOTAL OF ALL
BALANCE, 1/1/92	19564 ⁶³	40855	3350 ⁴⁵	5000 ⁰⁰	-0-	60884 ¹⁹	72 ¹¹	94956 ⁹³
RECEIPTS	-	211715 ⁰⁰				158 ⁵⁰		211873 ⁵⁰
ADMIN EXPENSE	101111 ⁶⁵	57691 ¹²		89 ⁷³		34056 ⁶⁷		101949 ³⁷
LOAN PAYMENTS		612 ⁷⁸				1224 ⁹⁶		1837 ⁷⁴
CANDIDATE SUPPORT				4000 ⁰⁰				4000 ⁰⁰
BALANCE, 3/31/92	9452 ⁷⁸	157497 ¹⁰	5350 ⁴⁵	910 ²⁷	-0-	25761 ⁰⁶	72 ¹¹	158044 ⁰⁷
<p>32,093.89</p>								



FARMERS BANK & CAPITAL TRUST CO

P. O. BOX 309, FRANKFORT, KENTUCKY 40602 (502) 227-1600

KENTUCKY DEMOCRATIC PARTY
VICTORY '91
NON-FEDERAL ACCOUNT
PO BOX 694
FRANKFORT KY 40602-0694

730-0
0
4

REGULAR ACCOUNT:

12/31/91 THRU 01/31/92
DOCUMENT COUNT: 4
PAGE 1

Depositor insured to \$100,000
MEMBER FDIC
FEDERAL DEPOSIT INSURANCE CORP

227-1601 - THAT'S THE PHONE NUMBER TO
CALL IF YOU HAVE ANY BANKING QUESTIONS.
OUR F A C T (FRIENDLY-ASSISTANCE-CUSTOMER-TEAM)
WILL BE HAPPY TO HELP YOU!

* THANKS FOR CARING
THE UNITED WAY

=====

REGULAR ACCOUNT

=====

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			12/31/91	19,585.88
HECK # 185	958.44		01/15/92	18,627.44
HECK # 187	2,500.00		01/17/92	16,127.44
DEPOSIT		153,181.00	01/23/92	169,308.44
HECK # 183	153,181.00		01/23/92	16,127.44
HECK # 186	2,500.00		01/28/92	13,627.44
BALANCE THIS STATEMENT			01/31/92	13,627.44
TOTAL CREDITS	(1)	153,181.00	MINIMUM BALANCE	13,627.44
TOTAL DEBITS	(4)	159,139.44	AVG AVAILABLE BALANCE	17,269.96
TAX ID NUMBER			AVERAGE BALANCE	17,528.02



FARMERS BANK & CAPITAL TRUST CO

P. O. BOX 309, FRANKFORT, KENTUCKY 40602 (502) 227-1600

KENTUCKY DEMOCRATIC PARTY
FEDERAL ACCOUNT
PO BOX 594
FRANKFORT KY 40602-0694

730-0
0
3

REGULAR ACCOUNT:

12/31/91 THRU 01/31/92
DOCUMENT COUNT: 3
PAGE 1

Member FDIC
FEDERAL DEPOSIT INSURANCE CORP

227-1601 - THAT'S THE PHONE NUMBER TO
CALL IF YOU HAVE ANY BANKING QUESTIONS.
OUR F A C T (FRIENDLY-ASSISTANCE-CUSTOMER-TEAM)
WILL BE HAPPY TO HELP YOU!

★
THANKS FOR CARING
THE UNITED WAY
★

REGULAR ACCOUNT

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			12/31/91	5,000.00
CLARKE CHECKS CHK ORDERS	E92192380311600 29.73		01/06/92	4,910.27
DEPOSIT		153,181.00	01/23/92	158,091.27
CHECK # 103	100.00		01/23/92	157,991.27
CHECK # 101	51,060.00		01/23/92	106,931.27
CHECK # 102	102,021.00		01/23/92	4,910.27
BALANCE THIS STATEMENT			01/31/92	4,910.27
TOTAL CREDITS	(1) 153,181.00	MINIMUM BALANCE		4,910.27
TOTAL DEBITS	(4) 153,270.73	AVG AVAILABLE BALANCE		4,924.74
TAX ID NUMBER		AVERAGE BALANCE		4,924.74

REPORT OF RECEIPTS AND DISBURSEMENTS

Other Than An Authorized Committee

(Summary Page)

TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Kentucky State Democratic Party Central Executive ADDRESS (number and street) <small>Check if different than previously reported</small> Committee P.O. Box 694 (Democrat Drive) CITY, STATE and ZIP CODE Frankfort, Kentucky	2. FED IDENTIFICATION NUMBER C00011197 3. <input type="checkbox"/> This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).
---	---

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:

<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 checked="" 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 _____

Original

(b) Is this Report an Amendment? YES NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>7/1/91</u> through <u>12/31/91</u>		
6. (a) Cash on Hand January 1, 19__		\$ 1,479
(b) Cash on Hand at Beginning of Reporting Period	\$ 72	
(c) Total Receipts (from Line 19)	\$ 158,181	\$ 159,181
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 158,253	\$ 160,660
7. Total Disbursements (from Line 30)	\$ 153,180	\$ 155,587
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 5,072	\$ 5,072
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)	\$ 2,990	

For further information contact:
 Federa Election Commission
 999 E Street, NW
 Washington, DC 20463
 Toll Free 800-424-9530
 Local 202-376-3120

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 _____

Signature of Treasurer _____ Date _____

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

9704380312

DEMOCRATS

PROOF OF CASH

1/1/92 - 3/31/92

	BANK BEGINNING BALANCE	DEPOSITS	CHECKS	BALANCE END OF MONTH
1/1/92	19585 ⁵⁸	* 153181 ⁰⁰	* 159139 ⁴⁴	13627 ⁴⁴
1/31 - 2/28/92		-	4155 ²¹	9474 ⁰³
2/28 - 3/31/92		-	-	9474 ⁰³
	19585 ⁸⁸	153181 ⁰⁰	163292 ⁶⁵	9474 ⁰³
			O/S #137	< 21 ²⁵
			BAL/BOOKS 3/31/92	9452 ⁷⁵

3
1
3
8
4
7
2

1/1/92	BAL/BANK	19585 ⁵⁸
	LESS: O/S CK @ 1/1/92	< 21 ²⁵
1/1/92	BAL/BOOKS	19564 ³³
	PLUS: DEPOSITS	① - 0 -
	LESS: CHECKS	② 10111 ³⁵
	BAL/BOOKS 3/31/92	9452 ⁷⁵

* INCLUDES BILL JOHNSON'S HORSECHECKS
 ① HORSE CHECKS OMITTED

TYPE OF PRINTING

1. NAME OF COMMITTEE (in full) Kentucky State Democratic Central Executive Committee	2. FEC IDENTIFICATION NUMBER C00011197
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported Democrat Drive, Millville Rd. P.O. Box 694	3. <input type="checkbox"/> This committee qualified as a multicandidate committee DURING THIS Reporting Period on (date).
CITY, STATE and ZIP CODE Frankfort, Kentucky 40602	

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:
- | | | |
|--------------------------------------|---------------------------------------|--------------------------------------|
| <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>7/1/91</u> through <u>12/31/91</u>		
6. (a) Cash on Hand January 1, 19 <u>91</u>		\$ 28,297.44
(b) Cash on Hand at Beginning of Reporting Period	\$ 470.41	
(c) Total Receipts (from Line 19)	\$ 352,468.48	\$ 508,909.22
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 352,938.89	\$ 537,206.66
7. Total Disbursements (from Line 30)	\$ 281,632.14	\$ 465,899.91
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 71,306.75	\$ 71,306.75
9. Debts and Obligations Owed TO the Committee (itemize all on Schedule C and/or Schedule D)	\$	For further information contact: Federal Election Commission 999 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)	\$ 16,237.37	

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
 William G. Johnson, CPA

Signature of Treasurer Date
Wm. G. Johnson CPA TREASURER 5/20/92

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

97043780345



Kentucky Democratic Party

P.O. Box 694 • Frankfort, Kentucky 40602 • 695-4828

Grady Stumbo
Chairman

Gayle R. Rogers
Vice-Chair

May 18, 1992

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

Dear Sirs:

This letter is an addendum to and an explanation of Schedule A (Itemized Receipts) for FEC Form 3X (Report of Receipts and Disbursements) for the period covering 7/1/92 - 12/31/92.

Kentucky has a political party "Tax Check-Off" law whereby taxpayers may designate on their state tax returns that \$2.00 be given to the party of their choice. These funds are considered to be contributions for federal election administrative/generic voter drive expenses in accordance with Advisory Opinion 1991-14.

Of each designated \$2.00, \$1.50 goes to the state political party organization and \$0.50 goes to the county party organization of the taxpayer's residence. Because of the small dollar amounts and legalities involved, some county organizations choose to donate their "Check-Off" funds to the state party organization. Receipts on Schedule A from county parties represent these funds. These monies are actually contributions from individuals and are permissible under the Federal Election Campaign Act.

Yours very truly,

William G. Johnson CPA TREASURER

William G. Johnson
Treasurer

97043780346

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: February 18, 1994

ANALYST: AMY SUZANNE REYNOLDS

I. COMMITTEE:

Kentucky State Democratic Central
Executive Committee (C00011197)
William Johnson, Treasurer
(July 26, 1991 - Present) ^{1/}
Richard Rankin, Treasurer
(March 15, 1988 - July 26, 1991)
P.O. Box 694
Frankfort, KY 40602

II. RELEVANT STATUTE: A. 2 U.S.C. §434(b) & 11 CFR §104.3(a)(1)
B. 11 CFR §106.5

III. BACKGROUND:

A. Failure to Reconcile Cash-on-Hand Figures

The Kentucky State Democratic Central Executive Committee ("the Committee") filed its 1991 Mid-Year Report on July 31, 1991 disclosing its cash-on-hand as of January 1, 1991 to be \$1,478.92 (Attachment 2). This figure matched the closing cash-on-hand figure disclosed on the 1990 Year End Report (Attachment 3).

On May 13, 1992, the Committee filed an Amended 1991 Mid-Year Report which disclosed the January 1, 1991 cash-on-hand figure to be \$28,297.44 and added over \$330,000 in receipts and disbursements. A letter from the treasurer was

^{1/} The 1991 Mid-Year Report filed on July 31, 1991, is the first report signed by William Johnson. The Commission never received any written notification of his appointment as treasurer. Mr. Johnson resigned in September of 1992; however, the Committee has not apprised the Commission of his replacement. The assistant treasurer of the Committee, Pat Goins, has signed the reports in the interim. Furthermore, Clayton Patrick signed the 1993 Year End Report; however, the Committee has yet to file an amended Statement of Organization or letter naming him as treasurer.

9704378037

attached to the amendment explaining that the addition of receipts and cash-on-hand was caused by the inclusion of the funds in a "Check-Off" account which had to be reported per Advisory Opinion 1991-14 (Attachment 4).

The Reports Analysis Division ("RAD") analyst sent a Request for Additional Information ("RFAI") to the Committee on July 29, 1992 asking for supporting documentation to reconcile the difference in cash-on-hand figures between the 1990 Year End and the Amended 1991 Mid-Year Reports (Attachment 5).

A Second Notice was mailed to the Committee on August 20, 1992 for failure to respond to the RFAI (Attachment 6).

The Commission received a written response regarding the cash discrepancy on the Amended 1991 Mid-Year Report on August 24, 1992. In this letter, an accountant working on the Committee's reports, Mr. Andy Naff, stated the cash discrepancy existed because "the 1990 year end report did not include all the bank accounts" and that the original 1991 Mid-Year Report omitted the "General Fund" and the "Check-Off" accounts (Attachment 7).

While the Committee's August 24th response gave the reason for the greater cash-on-hand figure disclosed on the Amended 1991 Mid-Year Report, the letter failed to reconcile the \$26,818.52 difference between the 1990 Year End and Amended 1991 Mid-Year cash-on-hand figures in report form. Thus on October 28, 1992, the Committee was sent another RFAI regarding the Amended 1991 Mid-Year Report (Attachment 8). This letter asked the Committee to clarify the cash discrepancy and provide amendments for any previous report which might have omitted additional federal funds.

A Second Notice was sent to the Committee on November 19, 1992 for failure to respond to the RFAI (Attachment 9).

On December 15, 1992, the Commission received a written response filed by the assistant treasurer of the Committee which basically restated that the cash discrepancy in question resulted from the newly included "Dollar Check-Off" funds which had not been previously considered as reportable federal funds (Attachment 10). The response included the written responses filed in May and August discussing the addition of "check-off" funds as per Advisory Opinion 1991-14. Copies of the Summary Pages were filed for each reporting period between 11/20/90 and 11/23/92; however, none of this information provided a reconciliation of the cash discrepancy. To date, the Committee has not filed any comprehensive amendments to rectify this situation.

9704380318

B. Failure to Comply with the Allocation Regulations

The Committee filed its 1991 Mid-Year Report on July 31, 1991 but disclosed no administrative expenses among its \$2,406.81 of disbursements (Attachment 11).

The analyst sent an RFAI to the Committee on December 18, 1991 regarding the lack of administrative expenditures recorded on the 1991 Mid-Year Report and informing the Committee that the federal account should repay the non-federal account if any administrative expenses were paid with non-federal funds (Attachment 12).

As no amendment was received by the Commission, a Second Notice was mailed to the Committee on January 9, 1992 for failure to respond to the RFAI (Attachment 13).

The treasurer of the Committee, Mr. Bill Johnson, called the analyst on January 22, 1992 and stated that the Committee would be responding to the RFAI soon (Attachment 14).

On February 3, 1992, the Committee filed its 1991 Year End Report which disclosed \$153,180.00 in shared federal/non-federal expenditures. Even though the non-federal share was disclosed to be \$102,120.00, the Committee disclosed a single transfer-in from the non-federal account of \$153,181.00. The Committee failed to provide a date of receipt for this transfer which was described as a "booked transfer" on Schedule H3. The Committee also provided photocopies of three (3) checks totalling \$153,181.00 drawn on the federal account to the non-federal account and a single check drawn on the non-federal account to the federal account in the amount of \$153,181.00 "To Provide For All Shared Expenses Thru Fedl. Account." All checks were dated January 23, 1992. The treasurer included a letter with the report explaining that the transfer for allocable activity disclosed on Schedule H3 was made outside the window for such transactions. The letter also assured the Commission that all "proper cash transfers have been made" and that the Committee intends to comply with the allocation regulations in the future (Attachment 15).

On March 16, 1992, the analyst and Mr. Johnson discussed the Committee's administrative expenses with regards to the 1991 Mid-Year Report RFAI. The treasurer informed the analyst that while the Committee did pay all of its expenses from the non-federal account and then ran all funds into the federal account and back out, all funds used were permissible under federal laws (Attachment 14).

The analyst sent an RFAI to the Committee on April 8, 1992 regarding the 1991 Year End Report to inquire about the \$153,181.00 transfer-in from the non-federal account and to

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urge the Committee to take steps to insure that the federal account paid its share of allocable expenses (Attachment 16).

On April 20, 1992, the Committee filed its 1992 April Quarterly Report. This report disclosed \$84,460.00 in shared expenses on Schedule H4 and a single \$84,460.00 transfer-in from the non-federal account. Again, no date of receipt was provided for the "booked" transfer which covered the full amount of the shared expenditures during the period rather than only the non-federal portion. The Schedule H4 provided only one lump sum for the total of all allocable expenses with the notation that details would follow (Attachment 17).

On April 29, 1992, an accountant for the Committee, Mr. Andy Naff, and the analyst discussed the RFAIs regarding the Committee's 1991 Reports over the telephone. Mr. Naff stated that the Committee had transferred non-federal funds into the federal account and then back out to pay for its administrative expenses; however, he felt that the addition of federal accounts previously excluded from FEC reports would illustrate that there was sufficient federal money to cover the federal share of allocated expenditures (Attachment 18).

A Second Notice was sent to the Committee on April 30, 1992 for failure to respond to the RFAI referencing the 1991 Year End Report (Attachment 19).

The Committee filed an Amended 1991 Mid-Year Report on May 13, 1992 disclosing a much greater amount of financial activity than previously disclosed. Whereas the original Mid-Year Report disclosed no shared disbursements and only \$2,406.81 in total disbursements, the amended report disclosed \$178,696.98 in joint expenditures on Schedule H4. In addition, Schedule H3 disclosed a \$99,905.74 transfer-in from the non-federal account occurring on June 30, 1991 (Attachment 20). Because this transfer covered the full non-federal share for disbursements occurring in the first six months of 1991, it appeared impossible that the full amount of this transfer could fall within the appropriate forty day transfer window.

On May 26, 1992, the Committee filed an Amended 1991 Year End Report which again disclosed a much greater amount of financial activity than reported on the original report. Schedule H4 disclosed a total of \$225,119.43 in shared expenses. While the non-federal share of these expenditures was only \$150,079.62, Schedule H3 disclosed a transfer-in of \$206,138.98 occurring on December 31, 1991 (Attachment 21). Once again, it seemed clear that the Committee's federal account had received transfers-in outside the allocation window and that these transfers were now in excess of permissible amounts.

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An RFAI was mailed to the Committee on May 27, 1992 requesting clarification regarding the \$84,460 transfer-in from the non-federal account found on the 1992 April Quarterly Report and reminding the Committee of the importance of correcting any non-compliance with the allocation regulations (Attachment 22).

Upon receiving no amendment to the 1992 April Quarterly Report, a Second Notice was sent to the Committee on June 18, 1992 for failure to respond to the RFAI (Attachment 23).

The Committee filed an Amended 1992 April Quarterly Report on June 22, 1992. The receipts and disbursements again were radically different from those found on the original report. The amendment disclosed \$101,949.37 in shared expenses on Schedule H4 for which a \$67,190.49 transfer-in from the non-federal account was received on March 31, 1992 according to Schedule H3 (Attachment 24). Although it appeared that the total amount transferred from the non-federal account nearly equaled the non-federal share of expenses, subsequent information provided by the Committee suggested that the report did not accurately reflect the financial activity of the Committee during this reporting period.

On June 25, 1992, the treasurer, Mr. Johnson, and the analyst had a telephone discussion regarding the transfers reported on the 1991 and 1992 amendments. Mr. Johnson confirmed that the transfers were assigned dates of receipt for the 1991 reports even though most transfers were made in January 1992 and therefore had been made outside the transfer windows. While Mr. Johnson acknowledged the improper allocation and indeed the misrepresentation of the Committee's financial activity, he stated that he did not want to talk about correct or incorrect activity because the process was just a game (Attachment 25).

In a phone conversation on June 30, 1992, the analyst and Mr. Naff, the accountant, discussed the Committee's reporting errors. Mr. Naff stated that the depiction of shared expenses and transfers-in disclosed on the H Schedules were made up to show in part how allocation should have occurred. Mr. Naff contended that even though the Committee did not pay their administrative expenses properly, it still had sufficient federal funds to cover its share of joint expenditures with the true amount of federal receipts fully disclosed on its amended reports (Attachment 25).

On July 15, 1992, the analyst and Mr. Naff discussed the 1992 July Quarterly reporting period. Mr. Naff explained that the Committee had made transfers-in from the non-federal account because the federal account had insufficient funds to cover its expenses during the second quarter of the year. He stated that the federal account would declare a debt to the

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non-federal account for the amount of underpayment by the federal account (Attachment 26).

Also on July 15, 1992, the Committee filed the Summary and the Detailed Summary Pages of the 1992 July Quarterly Report with the intent of timely filing the Report. The accompanying cover letter alluded to the fact that the Committee's accounting methods were unsatisfactory (Attachment 27).

A complete 1992 July Quarterly Report was filed on July 23, 1992 disclosing \$174,882.66 in shared expenses. Schedule H3 disclosed \$151,052.42 in transfers-in from the non-federal account, while the non-federal share of joint expenditures for the period was only \$116,588.44. In addition, the report disclosed a \$33,854.22 debt owed to the non-federal account. A ledger sheet was attached to illustrate the derivation of the debt (Attachment 28). It appears that the Committee continued to transfer-in impermissible amounts of non-federal funds, and that the declared debt does not represent the full amount of money owed back to the non-federal account.

On July 29, 1992, the Committee was sent RFAIs referencing the Amended 1991 Mid-Year and Amended 1991 Year End Report and the Amended 1992 April Quarterly Report. The RFAI regarding the Amended 1991 Mid-Year Report requested further clarification concerning the vast cash differences between the original and amended reports for the period and the procedure used by the Committee to pay its administrative expenses. The RFAI also stated that the Committee must explain the adequacy of federal funds to cover the joint expenditures and file reports to reflect the true financial activity of the period (Attachment 29). The RFAI concerning the Amended 1991 Year End Report requested this same information for the end of 1991 (Attachment 30). The Amended 1992 April Quarterly Report's RFAI likewise requested clarification of the procedures for payment of administrative expenses and of the source of additional funds. It also questioned the omission of checks dated January 23, 1992 from this report which were included with the Amended 1991 Year End Report (Attachment 31).

As no amendments were received, a Second Notice was mailed to the Committee on August 20, 1992 for failure to respond to the RFAIs (Attachment 32).

On August 24, 1992, the Commission received amendments to the 1991 Mid-Year and Year End Reports in response to the RFAIs. The letter regarding the 1991 Mid-Year Report addressed the discrepancies in the shared expenditures. The Committee stated that administrative expenses were handled improperly. The response provided an elaborate explanation (with a supporting ledger sheet) to justify the additional receipts and disbursements and thus adequacy of federal funds

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to cover its share of the joint expenditures. In doing so, the Committee stated that the transfer reported on the May 13th amendment "was purely fictitious" and that the Committee basically "paid their bills out of whichever account had money in it" (Attachment 33).

The August 24th response to the questions regarding the 1991 Year End Report further describes the reason for the Committee's inflated receipts and disbursements and justification of the adequacy of federal funds to pay for their expenses (again supported by a ledger sheet of figures). Once again, the Committee confirmed that their reports did not represent actual activity in the way it occurred and further that the reported transfers "were not made between the accounts" (Attachment 34).

On September 8, 1992, the analyst and Mr. Naff discussed over the telephone the non-federal transfers disclosed on the Committee's reports. Mr. Naff admitted the transfers were not an accurate portrayal of their financial activity but still contended that the Committee had sufficient funds to cover the federal share of joint expenditures (Attachment 35).

Also on September 8, 1992, the Commission received another piece of written correspondence serving as the Amended 1992 April Quarterly Report and providing further information regarding the 1991 Year End Report (Attachment 36). This letter explained further the discrepancy between the original and amended reports' financial activity. The Committee again made it clear that there were never any actual transfers between bank accounts; however, they still failed to provide a report to remove the transfers, disclose the appropriate activity and then take any corrective action needed. The portion of the letter dedicated to the 1991 Year End Report revealed that the photocopies of checks attached to the original 1991 Year End Report represented "sham transactions". The accountant preparing the letter noted this in explaining how he arrived at the figures disclosed in the Amended 1991 Year End Report; yet, the Committee provided no new report to disclose the actual activity for the period.

On September 21, 1992, the assistant treasurer of the Committee, Ms. Pat Goins, and the analyst had a telephone conversation regarding future compliance with the allocation regulations. Ms. Goins stated that the Committee was aware of the need to pay off the debt to the non-federal account as soon as possible (Attachment 37).

An RFAI regarding the 1992 July Quarterly Report was sent to the Committee on October 14, 1992. It recommended that the Committee immediately repay the debt declared to its non-federal account and rectify any non-compliance with the allocation regulations (Attachment 38).

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The Committee filed its 1992 October Quarterly Report on October 15, 1992. The report disclosed \$267,149.56 in shared expenditures. While the total of all transfers-in from the non-federal account is less than the non-federal share during the period, the year-to-date figures disclosed that there was still overpayment of joint expenses by the non-federal account. The Committee disclosed the full payment of the debt owed to the non-federal account but omitted this debt activity from its Schedule D (Attachment 39).

A Second Notice was sent to the Committee on November 5, 1992 for failure to provide a response to the RFAI referencing the 1992 July Quarterly Report (Attachment 40).

The Committee filed an Amended 1992 July Quarterly Report on November 23, 1992 which stated that the debt to the non-federal account had been repaid and disclosed on the 1992 October Quarterly Report in order to compensate for transfer miscalculations (Attachment 41). The Committee did not indicate that additional action would be taken in the future; yet, it still appears that the full amount of impermissible activity has not been taken into account.

On April 21, 1993, the analyst sent an RFAI regarding the 1992 October Quarterly Report to the Committee for omission of the debt owed to the non-federal account from Schedule D (Attachment 42).

The Commission received an Amended 1992 October Quarterly Report on May 12, 1993 which disclosed the payment of the debt owed to the non-federal account on the appropriate Schedule D (Attachment 43). The Committee, however, made no reference to further attempts to rectify previous non-compliance with the allocation regulations in 1991 and 1992, nor have they done so to date.

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COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		

KENTUCKY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE			ID #C00011197 PARTY QUALIFIED			
CONNECTED ORGANIZATION: CAMPBELL CO DEN CLUB (AFFL)						
1993 MID-YEAR REPORT	149,171	174,885	1JAN93 -30JUN93	43	93FEC/855/4449	
REQUEST FOR ADDITIONAL INFORMATION			1JAN93 -30JUN93	3	94FEC/883/4355	
YEAR-END	251,568	245,071	1JUL93 -31DEC93	70	94FEC/882/3166	
TOTAL	400,739	0 419,956	0	116	TOTAL PAGES	

The 1993 Year End Report has not been reviewed.
 Ending Cash on Hand as of 12/31/93: \$8255.82
 Debts and Obligations owed by the Committee: \$8727.85
 Debts and Obligations owed to the Committee: \$ 0.00

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COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		

KENTUCKY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE
CONNECTED ORGANIZATION: CAMPBELL CO DEN CLUB (AFFL)

ID 8C00011197 PARTY QUALIFIED

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1991	MID-YEAR REPORT	1,000	2,406	1JAN91 -30JUN91	10	91FEC/705/2613
	MID-YEAR REPORT - AMENDMENT	156,440	104,267	1JAN91 -30JUN91	37	92FEC/754/3572
	MID-YEAR REPORT - AMENDMENT	-	-	1JAN91 -30JUN91	10	92FEC/776/4702
	MID-YEAR REPORT - AMENDMENT	-	-	1JAN91 -30JUN91	3	92FEC/816/0013
	MID-YEAR REPORT - AMENDMENT	156,440	104,267	1JAN91 -30JUN91	2	92FEC/816/0820
	MID-YEAR REPORT - AMENDMENT	1,000	2,406	1JAN91 -30JUN91	2	92FEC/816/0810
	REQUEST FOR ADDITIONAL INFORMATION			1JAN91 -30JUN91	2	91FEC/723/3307
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN91 -30JUN91	3	92FEC/726/3070
	REQUEST FOR ADDITIONAL INFORMATION			1JAN91 -30JUN91	3	92FEC/771/4372
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN91 -30JUN91	4	92FEC/776/0127
	REQUEST FOR ADDITIONAL INFORMATION			1JAN91 -30JUN91	1	92FEC/800/1439
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN91 -30JUN91	2	92FEC/803/1816
	YEAR-END	150,181	153,180	1JUL91 -31DEC91	63	92FEC/736/0261
	YEAR-END - AMENDMENT	352,468	201,632	1JUL91 -31DEC91	64	92FEC/756/4710
	YEAR-END - AMENDMENT	-	-	1JUL91 -31DEC91	12	92FEC/776/3747
	YEAR-END - AMENDMENT	150,181	153,180	1JUL91 -31DEC91	4	92FEC/777/4254
	YEAR-END - AMENDMENT	150,181	153,180	1JUL91 -31DEC91	2	92FEC/816/0824
	YEAR-END - AMENDMENT	352,468	201,632	1JUL91 -31DEC91	2	92FEC/816/0822
	REQUEST FOR ADDITIONAL INFORMATION			1JUL91 -31DEC91	2	92FEC/746/1371
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL91 -31DEC91	3	92FEC/753/3866
	REQUEST FOR ADDITIONAL INFORMATION			1JUL91 -31DEC91	2	92FEC/771/4369
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL91 -31DEC91	3	92FEC/776/0124
1992	STATEMENT OF ORGANIZATION - AMENDMENT			19OCT92	2	92FEC/798/1507
	APRIL QUARTERLY	84,460	88,622	1JAN92 -31MAR92	8	92FEC/750/3227
	APRIL QUARTERLY - AMENDMENT	67,348	106,561	1JAN92 -31MAR92	36	92FEC/761/2208
	APRIL QUARTERLY - AMENDMENT	-	-	1JAN92 -31MAR92	5	92FEC/777/4249
	APRIL QUARTERLY - AMENDMENT	67,348	106,561	1JAN92 -31MAR92	2	92FEC/816/0826
	REQUEST FOR ADDITIONAL INFORMATION			1JAN92 -31MAR92	2	92FEC/757/1483
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN92 -31MAR92	3	92FEC/761/2666
	REQUEST FOR ADDITIONAL INFORMATION			1JAN92 -31MAR92	2	92FEC/771/4366
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN92 -31MAR92	3	92FEC/776/0121
	JULY QUARTERLY	151,059	177,495	1APR92 -30JUN92	4	92FEC/770/2527
	JULY QUARTERLY - AMENDMENT	151,059	177,495	1APR92 -30JUN92	54	92FEC/771/0134
	JULY QUARTERLY - AMENDMENT	-	-	1APR92 -30JUN92	5	92FEC/803/4565
	JULY QUARTERLY - AMENDMENT	-	-	1APR92 -30JUN92	5	92FEC/803/4931
	JULY QUARTERLY - AMENDMENT	151,059	177,495	1APR92 -30JUN92	2	92FEC/816/0828
	REQUEST FOR ADDITIONAL INFORMATION			1APR92 -30JUN92	2	92FEC/785/2593
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1APR92 -30JUN92	3	92FEC/802/0893
	OCTOBER QUARTERLY	406,223	327,736	1JUL92 -30SEP92	80	92FEC/786/0570
	OCTOBER QUARTERLY - AMENDMENT	406,223	327,736	1JUL92 -30SEP92	2	92FEC/816/0830
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL92 -30SEP92	4	93FEC/838/3774
	REQUEST FOR ADDITIONAL INFORMATION			1JUL92 -30SEP92	4	93FEC/836/1312
	PRE-GENERAL	150,574	58,457	10CT92 -14OCT92	75	92FEC/795/1967
	PRE-GENERAL - AMENDMENT	150,574	58,457	10CT92 -14OCT92	2	92FEC/816/0832

FEDERAL ELECTION COMMISSION
1991-1992
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
						TYPE OF FILER
PRE-GENERAL	- AMENDMENT	-	-	10CT92 -140CT92	1	93FEC/838/3771
	REQUEST FOR ADDITIONAL INFORMATION			10CT92 -140CT92	5	93FEC/836/1306
POST-GENERAL		370,413	507,793	150CT92 -23NOV92	110	92FEC/806/2943
POST-GENERAL	- AMENDMENT	370,413	507,793	150CT92 -23NOV92	2	92FEC/816/0834
POST-GENERAL	- AMENDMENT	-	-	150CT92 -23NOV92	2	93FEC/838/3772
	REQUEST FOR ADDITIONAL INFORMATION			150CT92 -23NOV92	4	93FEC/836/1301
YEAR-END		45,009	64,418	24NOV92 -31DEC92	86	93FEC/823/2379
YEAR-END	- AMENDMENT	-	-	24NOV92 -31DEC92	3	93FEC/838/3768
YEAR-END	- AMENDMENT	-	-	24NOV92 -31DEC92	7	93FEC/841/5245
	REQUEST FOR ADDITIONAL INFORMATION			24NOV92 -31DEC92	3	93FEC/836/1297
	REQUEST FOR ADDITIONAL INFORMATION 2ND			24NOV92 -31DEC92	1	93FEC/841/0538
TOTAL		1,552,094	0 1,526,490		0	765 TOTAL PAGES

All reports listed have been reviewed.
 Ending Cash on Hand as of 12/31/92: \$27473.55
 Debts and obligations owed by the Committee: \$14852.65
 Debts and obligations owed to the Committee: \$ 0.00

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COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF MICROFILM	
					PAGES	LOCATION
				TYPE OF FILER		
KENTUCKY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE				ID #C00011197 PARTY QUALIFIED		
CONNECTED ORGANIZATION: CAMPBELL CO DEN CLUB (AFFL)						
1989 STATEMENT OF ORGANIZATION - AMENDMENT				17JAN89	1	89FEC/578/0599
	MID-YEAR REPORT	36,867	40,816	1JAN89 -30JUN89	13	89FEC/602/1825
	YEAR-END	0	744	1JUL89 -31DEC89	8	90FEC/622/4255
1990	APRIL QUARTERLY	0	0	1JAN90 -31MAR90	8	90FEC/632/2495
	JULY QUARTERLY	0	0	1APR90 -30JUN90	8	90FEC/644/5221
	OCTOBER QUARTERLY	48,100	38,850	1JUL90 -30SEP90	30	90FEC/660/3111
	OCTOBER QUARTERLY - AMENDMENT	48,100	38,850	1JUL90 -30SEP90	10	90FEC/668/2597
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL90 -30SEP90	2	91FEC/682/2474
	REQUEST FOR ADDITIONAL INFORMATION			1JUL90 -30SEP90	2	91FEC/679/3913
	PRE-GENERAL	20,000	26,458	10CT90 -17OCT90	9	90FEC/668/2608
	POST-GENERAL	75,000	71,217	18OCT90 -30NOV90	12	90FEC/674/0352
	POST-GENERAL - AMENDMENT	-	-	18OCT90 -30NOV90	6	91FEC/691/2474
	REQUEST FOR ADDITIONAL INFORMATION			18OCT90 -30NOV90	3	91FEC/689/3690
	YEAR-END	140	5,305	20NOV90 -31DEC90	8	91FEC/684/2370
	YEAR-END - AMENDMENT	140	5,305	20NOV90 -31DEC90	2	92FEC/816/0816
	TOTAL	180,107	0 183,390	0	122	TOTAL PAGES

All reports listed, with the exception of the Amended 1990 Year End Report, have been reviewed.

Ending Cash on Hand as of 12/31/90: \$1478.92

Debts and obligations owed by the Committee: \$2990.25

Debts and obligations owed to the Committee: \$ 0.00

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REPORT OF RECEIPTS AND DISBURSEMENTS DELIVERED

For Other Than An Authorized Committee
(Summary Page)

GENERAL ELECTRIC CORPORATION

91 JUL 31 MID-13

1 NAME OF COMMITTEE (Full)
 Kentucky State Democratic Central Executive Committee
ADDRESS number and street Check if different than previously reported
 Vincent Dr. Hillville Bld. P.O. Box 604
 CITY STATE and ZIP CODE
 Frankfort, Kentucky 40602

2 FEC IDENTIFICATION NUMBER
 C 00011 97
 3 This committee qualified as a multicandidate committee DURING THIS Reporting Period on (date)

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 31
- Twelfth day report preceding election or _____ 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 1-1-91 through 6-30-91		
6 a Cash on hand January 1, 19 91		\$ 1,478.92 <i>False</i>
b Cash on hand at Beginning of Reporting Period	\$ 1,478.92	
c Total Receipts from Line 15	\$ 1,000.00	\$ 1,000.00
d Subtract: add Lines 6 b and 6 c to Column A and Lines 6 a and 6 c for Column B	\$ 2,478.92	\$ 2,478.92
e Total Disbursements from Line 30	\$ 2,406.81	\$ 2,406.81
f Cash on hand at Close of Reporting Period: subtract Line 7 from Line 6 d	\$ 72.11	\$ 72.11
g Debts and Obligations Owed TO the Committee (net of a, or Schedule C and/or Schedule D)	\$ -0-	
h Debts and Obligations Owed BY the Committee (net of a, or Schedule C and/or Schedule D)	\$ 2,990.25	

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
William C. Johnson
Treasurer

Wm & Johnson Co Treasurer

7-26-91

NOTE: Submit this file promptly for complete information regarding the law.

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REPORT OF CONTRIBUTIONS AND EXPENDITURES

For Candidates for Federal Office (Continued)
Summary Page

91 JAN 31 AM 06

1 NAME OF COMMITTEE (Print) Kentucky State Democratic Central Executive Committee ADDRESS (Number and Street) <input type="checkbox"/> Check if different than previously reported Millville Road, P.O. Box 694 CITY, STATE and ZIP CODE Frankfort, Kentucky 40602	2 FEC COMMITTEE NUMBER C 000111 97 3 <input type="checkbox"/> This committee qualified as a multicandidate committee during this Reporting Period
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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)
- Monthly Report Due On:
 February 28 June 30 October 30
 March 31 July 31 November 30
 April 30 August 31 December 31
 May 31 September 30 January 31
- Twelfth day report preceding _____ (Type of Election)
 election on _____ in the State of _____
- Twelfth day report following the General Election on _____ in the State of _____
- Termination Report

(b) Is this Report an Amendment? YES NO

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6	Covering Period <u>11-20-90</u> through <u>12-31-90</u>		
6	(a) Cash on Hand January 1, 19 <u>90</u>		\$ 72.11
	(b) Cash on Hand at Beginning of Reporting Period	\$ 6,644.87	
	(c) Total Receipts (from Line 1b)	\$ 140.00	\$ 143,240.00
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 6,784.87	\$ 143,312.11
7	Total Disbursements (from Line 2b)	\$ 5,305.95	\$ 141,813.19
8	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 1,478.92	\$ 1,478.92
9	Debits and Obligations Owed TO the Committee (Reported on Schedule C and/or Schedule D)	\$ -0-	
10	Debits and Obligations Owed BY the Committee (Reported on Schedule C and/or Schedule D)	\$ 2,990.25	

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
Richard R. Rankin
 Signature of Treasurer

Art Green

Date
 1-18-91

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing the Report to the penalties of 2 U.S.C. 6427g

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Mar 13 8 41 AM '92

1. NAME OF CANDIDATE
2. POLITICAL PARTY
3. ADDRESS
 1111 W. G. Johnson, Jr.
 1111 W. G. Johnson, Jr.

4. FID IDENTIFICATION NUMBER
 00001187
 This candidate qualified as a non-candidate committee DURING THIS Reporting Period on _____

4. TYPE OF REPORT

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

- Monthly Report Due On:**
- February 28
 - March 31
 - April 30
 - May 31
 - June 30
 - July 31
 - August 31
 - September 30
 - October 31
 - November 30
 - December 31
 - January 31
- Twelve day report preceding _____ (Type of Month) _____ in the State of _____
- Twelve day report following the General Election on _____ in the State of _____

Is this Report an Amendment Yes No

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
1. Reporting Period 1/1/92 through 6/30/92		
2. Cash on Hand January 1, 1992		\$ 28,297.44
3. Cash on Hand at Beginning of Reporting Period	\$ 28,297.44	
4. Total Receipts (from Line 10)	\$156,440.74	\$156,440.74
5. Subtotal (add) Lines 3 and 4 for Column A and Lines 3 and 4 for Column B	\$184,736.18	\$184,738.18
6. Total Disbursements (from Line 11)	\$184,267.77	\$184,267.77
7. Cash on Hand at Close of Reporting Period (subtract Line 6 from Line 5)	\$ 470.41	\$ 470.41
8. Fees and Charges Owed TO the Committee (include all on Schedule C and/or Schedule D)	\$	
9. Fees and Charges Owed BY the Committee (include all on Schedule C and/or Schedule D)	\$ 18,711.71	

I hereby declare that I have prepared this report and its contents to the best of my knowledge and belief and that it is true, correct and complete.

Type of Print Name of Treasurer
 1111 W. G. Johnson, Jr.
Signature of Treasurer
 [Signature] Treasurer
Date
 5/8/92

NOTE: Submission of this document, or receipt of information may subject the person signing this report to the penalties of 2 U.S.C. 1903.

92057543573

Name of Candidate		REPORT COVERING PERIOD	
Mantua, State Representative, District 10		FROM 1/1/91	TO 6/30/91
I. Receipts		COLUMN A	COLUMN B
		Total This Period	Calendar Year
11. Contributions (other than Loans) From			
a. Individuals/Persons Other Than Political Committees			
1. Restricted (see Schedule G)		1,000.00	1,000.00
2. Unrestricted			
3. Total	(part of 1 and 2) >		
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contributions	(part of 1, 2 and 3) >	1,000.00	1,000.00
12. Transfers From Affiliated/Other Party Committees			
13. All Loans Received		4,000.00	4,000.00
14. Loan Repayments Received			
15. Gifts To Operating Expenses (Political, Political, etc)			
16. Refunds of Contributions Made to Political Committees and Other Political Committees			
17. Other Political Receipts (Gifts, Interest, etc)		51,535.00	51,535.00
18. Transfers From Restricted Account for Joint Activity		89,905.76	89,905.76
19. Total Receipts	(part 11a, 12, 13, 14, 15, 16, 17, and 18) >	156,440.76	156,440.76
20. Total Political Receipts	(part of 11 from line 19) >	56,535.00	56,535.00
II. Disbursements			
21. Operating Expenses			
a. Shared Political/Non-Political Activity (from Schedule H)			
1. Political Share		59,265.66	59,265.66
2. Non-Political Share		129,131.92	129,131.92
b. Other Political Operating Expenses			
c. Total Operating Expenses	(part of 1, 2, and 3) >	178,397.58	178,397.58
22. Transfers to Affiliated/Other Party Committees			
23. Contributions to Political Committees/Committees and Other Political Committees			
24. Independent Expenses (see Schedule I)			
25. Coordinated Expenses Made by Party Committees (2 U.S.C. 60402) (see Schedule F)			
26. Loan Repayments Made		5,570.79	5,570.79
27. Loans Made			
28. Refunds of Contributions To:			
a. Individuals/Persons Other Than Political Committees			
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contribution Refunds	(part of 1, 2 and 3) >		
29. Other Disbursements			
30. Total Disbursements	(part 21, 22, 23, 24, 25, 26, 27, 28, and 29) >	184,267.77	184,267.77
31. Total Political Disbursements	(part of 21 & 28 from line 30) >	65,136.45	65,136.45
III. Net Contributions/Operating Expenses			
32. Total Contributions (other than Loans) (line 11a)		1,000.00	1,000.00
33. Total Contribution Refunds (from line 28)			
34. Net Contributions (other than Loans) (part of 32 from line 33)		1,000.00	1,000.00
35. Total Political Operating Expenses	(part 21 of and 21 of) >	59,265.66	59,265.66
36. Gifts to Operating Expenses (from line 15)			
37. Net Operating Expenses	(part of 35 from line 36) >	59,265.66	59,265.66

92037543574



Kentucky Democratic Party

P.O. Box 694 • Frankfort, Kentucky 40602 • 695-4828

Gayle R. Rogers
Chairman

Gayle R. Rogers
Exec. Chair

May 8, 1992

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

Dear Sirs:

This letter is an addendum to and an explanation of Schedule A (Itemized Receipts) for FEC Form 28 (Report of Receipts and Disbursements) for the period covering 1/1/92 - 6/30/92.

Kentucky has a political party "Tax Check-Off" law whereby taxpayers may designate on their state tax returns that \$2.00 be given to the party of their choice. These funds are considered to be contributions for federal election administrative/generic voter drive expenses in accordance with Advisory Opinion 1991-14.

Of each designated \$2.00, \$1.50 goes to the state political party organization and \$0.50 goes to the county party organization of the taxpayer's residence. Because of the small dollar amounts and legalities involved, some county organizations choose to donate their "Check-Off" funds to the state party organization. Receipts on Schedule A from county parties represent these funds. These monies are actually contributions from individuals and are permissible under the Federal Election Campaign Act.

Yours very truly,

William G. Johnson CPA Treasurer

William G. Johnson
Treasurer

7 2 0 3 7 5 4 3 5 7 7



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20541

AO-2

William G. Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

JUL 29 1992

Identification Number: C00011197

Reference: Amended Mid-Year Report (1/1/91-6/30/91), dated May 8, 1992

Dear Mr. Johnson:

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:

92037714372

add { -The beginning cash balance of this report should equal the ending balance of your 1990 Year End report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction. } *add*

-Please provide the total for Line 11(a)(iii), Columns A and B of the Detailed Summary Page.

-Please provide a Schedule A to support the entry reported on Line 13 of the Detailed Summary Page. All loans and loan repayments received by your committee must be itemized on Schedule A, regardless of the amount loaned or repaid. 2 U.S.C. §434(b)(3)(E)

-Your report discloses a \$4,000 loan repayment received on Line 13 of the Detailed Summary Page. The original amount of the loan, as well as any loan repayments, must be reflected on Schedule C. 2 U.S.C. §434(b)(3)(E)

-Schedule C discloses loans from Powell County Bank and Farmers Bank and Trust in the amounts of \$4,135 and \$14,821. In instances where loans have endorsers or guarantors, the following information must be supplied: (1) the identification of each endorser or guarantor; and (2) the amount of endorsement or guarantee outstanding at the close of the reporting period. The term "identification" means (a) in the case of an individual, his or her full name, mailing address,

occupation, and name of employer; and (b) in the case of any other person, the person's full name and address. 11 CFR §§100.7(a)(1)(i)(C) and 106.3(a)(4)(iv)

-Schedule C of your report indicates a cumulative payment to date of \$92 to Farmers Bank and Trust on an outstanding loan. Schedule H4 of your report discloses \$5,036 in loan repayments to Farmers Bank and Trust this period. Please clarify this discrepancy.

-Your original 1991 Mid-Year Report discloses \$2,406 in transfers to your non-federal account. Your amended 1991 Mid-Year Report, however, omits these transactions. Please clarify this discrepancy.

-Line 26 of the Detailed Summary Page of your report discloses a total of \$5,570 in loan repayments made. The sum of the entries itemized on Schedule H4, however, indicates the total to be \$16,712. Please amend your report to clarify this discrepancy.

-The loans from Powell County Bank and Farmers Bank and Trust, incurred on December 22, 1988 and February 9, 1990, have not been disclosed previously. Please amend all affected reports from the dates the loans were incurred and include any loan repayments on Schedule B.

-The Summary and Detailed Summary Pages of this report disclose line number totals which differ substantially from the totals disclosed on the committee's original 1991 Mid-Year Report. The amended report discloses receipt and disbursement totals which are \$155,440 and \$182,332 more, respectively, than originally disclosed on the committee's initial report. The committee also disclosed \$178,696 in allocable disbursements made for administrative expenses during this reporting period, while the original report failed to show any administrative expenses.

Additionally, the cash flow, as reported, indicates that the federal account would not have had adequate funds to pay disbursements totalling \$184,267. Since the \$99,905 non-federal transfer-in was received on the last day of the reporting period and over \$49,000 of the check-off funds were received during the last two months of the reporting period, the committee must explain how these expenses were paid.

The committee must immediately describe the sources of the figures disclosed on the 1991 Amended Mid-Year Report, clarify the accounting procedures used to pay the committee's administrative expenses for this period, and provide clarifying information for the apparent

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discrepancies in the financial transactions between the original and amended reports. If the activity listed in this report did not actually occur in the federal account, the committee must file an amended report to accurately reflect only the activity that was transacted through the federal account.

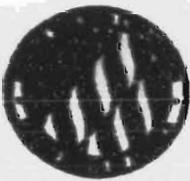
A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



David J. Waldman
Reports Analyst
Reports Analysis Division

9/043080340
9203714374



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

EQ-3

August 30, 1992

William G. Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C00011197

Reference: ~~Amended Mid-Year (1/1/91-6/30/91, dated 5/8/92),~~
~~Amended Year End (7/1/91-12/31/91, dated 5/26/92) and~~
Amended April Quarterly (1/1/92-3/31/92, dated
6/17/92) Reports

Dear Mr. Johnson:

This letter is to inform you that as of August 19, 1992, the Commission has not received your response to our requests for additional information dated July 29, 1992. These notices 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). Copies of our original requests are enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (202) 219-3500.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

9204380357
92037760127.

Charles F. Mitchell Company

Chartered Public Accountants
20 WEST MAIN, P.O. BOX 60
BOSTON, MASSACHUSETTS 02111
TELEPHONE (617) 552-1100
FAX (617) 552-1101
TELETYPE (617) 552-1102

CPA
WILLIAM J. HARRIS, C.P.A.
DANIEL E. HARRIS, C.P.A.
DANIEL L. HARRIS, C.P.A.
CHARLES F. MITCHELL, C.P.A.
CHARLES F. MITCHELL, C.P.A.
CONSULTANTS

August 18, 1992

Mr. David J. Weidman, Reports Analyst
Federal Election Commission
999 E Street NW
Washington, DC 20463

Dear Dave:

There is no easy way to approach this, so I will try to
reply in the chronological order of the reports and in the
order of paragraphs in your letters:

Amended Mid-Year Report (1/1/91-6/30/91)

The beginning cash balance on the amended report (26,297.44)
does not equal the 1990 ending cash (1,478.92) because the
1990 year end report did not include all the bank accounts.
Please refer to the attached working paper, "Summary of
Receipts, Disbursements, & Bank Balances," which I have
labeled Exhibit 1. The numbers marked in yellow are the
ones used for the 1990 Year End report. When I amended the
report, I included the beginning balance in the "Check-Off"
account, which may be designated as Federal money under the
Federal Election Campaign Act.

Line 11(a)(iii) of the Detail Summary Page should have
contained the number, "1,000.00". I apologize for this
typographical error.

I have enclosed Schedule A for Line 13 of the Detail Summary
Page. At the time, I simply was not aware that it was
necessary to file Schedule A for loans received.
The total amount of the loan was 12,000.00. It was a short
term loan for the purpose of paying administrative expenses,
so my reasoning was that one-third of the loan should be
reported as the Federal share. The loan was fully repaid
during this reporting period. The repayment is reflected on
Line 26 of the Detail Summary Page which is supported by
Schedule B4.

The 4,000.00 was not a loan repayment received, but a loan
incurred by the Committee. I originally did not report it
on Schedule C, because it had a zero balance on 6/30/91.
However, I have enclosed an additional page for Schedule C
to comply with your request.

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The loans from Powell County Bank and Farmers Bank reported on Schedule C do not have any endorsers or guarantors. I have enclosed copies of the notes for your inspection.

The cumulative payment of \$92 to Farmers Bank and Trust reported on Schedule C is correct. Of the \$5,036 payments to Farmers Bank, only \$1,012 applied to this loan, which includes principal and interest. \$4,016 was the repayment of the \$4,000 Federal share of the short term loan discussed above. The \$92 principal repayment may seem low, but this is a ten year note. For any note that long, the first payments are almost all interest. The outstanding balance of the loan was figured using an accounting technique known as "Present Value Theory." I have enclosed my working paper, "Loans/Loan Payments" for your examination.

The \$1,406 in transfers to the non-federal account represent checks written from two accounts which were designated as Federal to the non-federal (General Fund) account. On Exhibit 1 I have circled these numbers in green. Since both Federal and non-federal administrative expenses were paid out of the General Fund account, these transfers were meaningless. I will discuss this situation in more detail in a following paragraph.

On Line 26 of the Detailed Summary Page, \$5,570 represents one-third of the total payments made toward combined Federal/non-federal loans. Total loan repayments were \$16,712. I was not sure how to report this, but it seemed logical to report only the Federal share on Line 26. If this not the proper way to report, please advise me.

I am sure you are correct that the loans from Powell County Bank and Farmers Bank have not previously been reported, but I have never seen any previous reports, and I cannot verify that they exist. Also, I doubt that records exist from which these previous reports could be constructed. I will investigate this, but it may not be physically possible to comply with your request to amend previous reports.

The vast differences in receipt and disbursement totals between the original and amended 1991 Mid-Year reports are, I think, very easily explained. The original report simply did not include the activity in all of the accounts. As shown in Exhibit 1, the transactions in the General Fund and Check-Off accounts were omitted. All administrative expenses were paid from these two accounts. Hence, the original report failed to show them.

You are correct that the Federal account did not have adequate fund to pay disbursements totalling \$184,267. In reality this is not what happened. Both Federal and non-federal administrative expenses were paid from both the

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Federal and non-federal accounts. What I have tried to do is demonstrate that Federal resources were adequate to pay for Federal expenses. As I think I mentioned to you, I think I'm an accountant, and if the cash ain't right, it ain't right. If you will notice on the Summary Page, beginning and ending cash are traceable to Exhibit 1, which is traceable to the bank statements of those bank accounts that I believe to be Federal bank accounts. I don't know of any other way to make the thing auditable. The \$99,903 transfer was purely fictitious. It represents the amount that would have had to have transferred from the non-federal account in order to pay total expenses of \$104,267, and make the ending cash in the Federal bank accounts correct. Perhaps the following will demonstrate:

Beginning Federal Cash	\$28,297.44
Federal Receipts	\$6,535.00
Non-federal Requirement	\$9,903.74
Total	\$44,735.18
Total Disbursements	<u>(104,267.77)</u>
Ending Federal Cash	\$70.71

Another way of looking at the thing is that the Federal "account" used \$27,027.03 of available cash (beginning cash less ending cash from the Summary Page) and had \$16,535.00 of receipts (Detail Summary Page, Line 20) for a total of \$44,262.02. Federal disbursements were only \$65,136.45 (Detail Summary Page, Line 31). Obviously, Federal resources were more than adequate to cover Federal disbursements, regardless of the fact that actual transfers between bank accounts were not made.

I hope this letter helps explain the sources of the figures disclosed in the 1991 Amended Mid-Year Report. I cannot clarify the committee's accounting procedures, because they didn't have any. They paid their bills out of whichever account had money in it. To prepare the report, I had to start from scratch and perform a quasi-audit, and use my best judgement.

Please call if you have questions about the contents of this letter, as you surely will have. I will get responses on the other reports in the mail shortly.

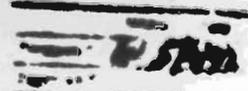
Sincerely,

Andy

Andy Huff, CPA

Enclosures: Working Papers(2)
Bank Notes(2)
Schedules A and C

92037764704



NY DEMOCRATS
SUMMARY OF RECEIPTS, DISBURSEMENTS, & BANK BALANCES
1/1/91 - 6/30/91

(700) FEDERAL UNIDED GENERAL (700)
VICTORY TRANSFER FUND CHECKS-
097

	72"	789 ⁰¹	617 ⁰¹	2233 ⁰¹	26818 ⁰²	30531 ⁰⁶
Bal, 1/1/91						
RECEIPTS (incl TRANSFERS)		1000 ⁰⁰		115438 ⁰⁶	51535 ⁰⁰	167973 ⁰⁶
DISBURSEMENTS (incl TRANS)		(1789 ⁰¹)	(617 ⁰¹)	117454 ⁰⁵	(71955 ⁰²)	197516 ⁷⁵
BALANCE, 6/30/91	72"	-0-	-0-	217 ⁰¹	399 ⁰⁰	688 ⁰⁵
RECEIPTS, TRANSFERS, & ADMINISTRATIVE EXPENSES						
RECEIPTS		1000 ⁰⁰		115438 ⁰⁶	51535 ⁰⁰	
LOAN PAYMENTS (Pacell Co) / 7 Bank				1202 ²²	1209 ⁷⁵	
TRANSFERS		1789 ⁰¹		232 ⁵⁰		
LOAN PAYMENTS (FRANKS)				2449 ⁷²	612 ⁷⁵	
OTHER ADMIN EXPENSE				11385 ⁰⁷	4894 ⁷⁷	
				117454 ⁰⁵	7798 ²²	

Σ ADMIN EXP = 177,696.98

Exhibit 1



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20541

HQ-2

William Johnson, Treasurer
 Kentucky State Democratic Central
 Executive Committee
 P.O. Box 694
 Frankfort, KY 40602

OCT 28 1992

Identification Number: C00011197

Reference: Amended Mid-Year Report (1/1/91-6/30/91), dated May 13, 1992

Dear Mr. Johnson:

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 1990 Year End Report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

If the cash discrepancy resulted from the committee's omission of additional federal accounts not previously included in the committee's cash totals, comprehensive amendments for those years affected by these omissions must be filed.

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) 219-1500.

Sincerely,

David J. Weidman
 Reports Analyst
 Reports Analysis Division

02034780372
 02034780372



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20003

RQ-3

November 19, 1992

William Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C00011197

Reference: Amended Mid-Year Report (1/1/91-6/30/91), dated May
13, 1992

Dear Mr. Johnson:

This letter is to inform you that as of November 18, 1992, the Commission has not received your response to our request for additional information, dated October 28, 1992. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

97643-80373
0235031816



Kentucky Democratic Party

P.O. Box 694 • Frankfort, Kentucky 40602 • 695-4828

Crady Bunker
Chairman

December 14, 1992

LS 15 313 K'SI
Gayle S. Rogers
Vice-Chair

Mr. John D. Gibson
Assistant Staff Director
Reports Analysis Division
Federal Election Commission
Washington DC 20463

Reference Mid-Year Report
(1/1/91-6/30/92) Dated May 13, 1992

Dear Mr. Gibson:

200 In response to your letter dated November 19, 1992 requesting information concerning the ending balance of the 1990 year end report and referenced to amendment of May 13, 1992, I have reviewed the response of the CPA at that time and the corresponding reports and find that the above was amended due to omission of additional federal account and the reason for the omission was that we did not realize until early in the year that "Dollar Check Off" money was considered federal monies. That only being because the Republican Party Chairman of Kentucky asked the FEC for a ruling as to whether or not this account was to be considered federal money. As the FEC ruled it was federal money, the CPA had to amend the reports to reflect this additional balance of accounts.

I have attached a copy of each "Report of Receipts and Disbursements" of each report that was filed starting with 11/20/90 - 12/31/90 thru 10/15/92 - 11/23/92 reflecting this. Also a copy of a letter dated July 15, 1992 (addendum) explaining the Dollar Check Off program and a copy of a letter dated August 18, 1992 addressing the same subject in the first paragraph. Both of these letters were answered by the CPA.

If I can be of further help, please do not hesitate to contact me.

Sincerely,

Pat Goins
Assistant Treasurer

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32030160013

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

Amnd. 1991 MY
(Orig. 1990 YE)

USE FEC MAILING LABEL OR PRINT

NAME OF COMMITTEE (in full) Kentucky State Democratic Central Executive Committee		FEC IDENTIFICATION NUMBER C 000111 97
ADDRESS (number and street) <small>Check if different than previously reported</small> Millville Road, P.O. Box 694		<input type="checkbox"/> This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (1990)
CITY, STATE and ZIP CODE Frankfort, Kentucky 40602		

4. TYPE OF REPORT

- April - 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"/> January 30 | <input type="checkbox"/> June 30 | <input type="checkbox"/> October 31 |
| <input type="checkbox"/> March 30 | <input type="checkbox"/> July 30 | <input type="checkbox"/> November 30 |
| <input type="checkbox"/> April 30 | <input type="checkbox"/> August 30 | <input type="checkbox"/> December 30 |
| <input type="checkbox"/> May 30 | <input type="checkbox"/> September 30 | <input type="checkbox"/> January 31 |
- Tenth day report preceding _____ (Type of Election)
election on _____ in the State of _____
- Tenth day report following the General Election on _____ in the State of _____
- 20 Is this Report an Amendment? YES NO

97043880375
203816J316

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
5.	Covering Period <u>11-20-90</u> through <u>12-31-90</u>		
6.	(a) Cash on Hand January 1, 19 <u>90</u>		\$ 72.11
	(b) Cash on Hand at Beginning of Reporting Period	\$ 6,644.87	
	(c) Total Receipts (from Line 10)	\$ 140.00	\$ 143,240.00
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 6,784.87	\$ 143,312.11
7.	Total Disbursements (from Line 20)	\$ 5,305.95	\$ 141,833.19
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$1,478.92	\$ 1,478.92
9.	Debit and Obligations Owed TO the Committee (reference all on Schedule C and/or Schedule D)	\$ -0-	
10.	Debit and Obligations Owed BY the Committee (reference all on Schedule C and/or Schedule D)	\$ 2,990.25	

For further information contact:
Federal Election Commission
900 E Street, NW
Washington, DC 20460
Toll Free 800 424-9630
Local 202 376-3120

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: Richard R. Rankin Signature of Treasurer	Date: 1-17-91
--	-------------------------

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §407b.

--	--	--	--

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)

Amnd. 1991 KY
(Orig. KY)

SEE FEC HANGING LABEL
TYPE ON PAGE

Kentucky State Democratic Central Executive Committee
ADDRESS number and street Check if different than previously reported
Democrat Dr. Millville Rd. P.O. Box 696
CITY, STATE, and ZIP CODE
Frankfort, Kentucky 40602

PEC IDENTIFICATION NUMBER
C 000111 97
3 The committee qualified as a non-union club committee during this reporting period or date

4. TYPE OF REPORT

- 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 31

Territory, District, or Precinct _____
Type of Election _____
election on _____ in the State of _____
Thorough day report following the General Election on _____ in the State of _____

10- Is this Report an Amendment? YES NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5 Covering Period <u>1-1-91</u> through <u>6-30-91</u>		
6 (a) Cash on Hand January 1, 19 <u>91</u>		\$ 1,478.92
(b) Cash on Hand at Beginning of Reporting Period	\$ 1,478.92	
(c) Total Receipts (from Line 19)	\$ 1,000.00	\$ 1,000.00
(d) Subtotal (add Lines 6(b) and (c) for Column A and Lines 6(a) and (c) for Column B)	\$ 2,478.92	\$ 2,478.92
7 Total Disbursements (from Line 30)	\$ 2,406.81	\$ 2,406.81
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 72.11	\$ 72.11
9 Debts and Obligations Owed TO the Committee (Remove all on Schedule C and/or Schedule D)	\$ -0-	
10 Debts and Obligations Owed BY the Committee (Remove all on Schedule C and/or Schedule D)	\$ 2,970.25	

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
William C. Johnson
Signature of Treasurer

William C. Johnson Treasurer

Date
7-25-91

NOTE: Submission of false, incorrect, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. (1017)

32038160618

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Candidate
(Summary Page)

Amnd. 1991 NY
(Amnd. NY)

1. NAME OF COMMITTEE (or ID)
 Kentucky State Democratic Central Executive Committee
 ADDRESS (number and street) Check if address for primary reports
 Democrat Dr. Millville Rd., P. O. Box 696
 CITY, STATE and ZIP CODE
 Frankfort, Kentucky 40602

2. FEC IDENTIFICATION NUMBER
 C00011197

This committee qualified as a multicandidate committee DURING THIS Reporting Period on (date)

4. TYPE OF REPORT

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 28 June 30 October 30
 March 31 July 31 November 30
 April 30 August 31 December 31
 May 31 September 30 January 31

Tenth day report preceding _____ (Type of Election)
 election on _____ in the State of _____

Tenth day report following the General Election on _____
 in the State of _____

3. Is this Report an Amendment? YES NO

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Covering Period <u>1/1/91</u> through <u>6/30/91</u>			
6. (a)	Cash on Hand January 1, 19 <u>91</u>		\$ 28,297.44
6. (b)	Cash on Hand at Beginning of Reporting Period	\$ 28,297.44	
6. (c)	Total Receipts (from Line 10)	\$156,440.74	\$156,440.74
6. (d)	Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$184,738.18	\$184,738.18
7.	Total Disbursements (from Line 20)	\$184,267.77	\$184,267.77
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 470.41	\$ 470.41
9.	Debits and Obligations Owed TO the Committee (provide all on Schedule C and/or Schedule D)	\$	
10.	Debits and Obligations Owed BY the Committee (provide all on Schedule C and/or Schedule D)	\$ 18,733.71	

For further information contact:
 Federal Election Commission
 400 E Street, NE
 Washington, DC 20543
 Tel Fax: 202-461-6000
 Local: 202-476-0100

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
 William C. Johnson, CPA

Signature of Treasurer _____ Date _____

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 9507.

92035160920
 07043780377

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
 (Summary Form)

FED 03 00 00

1. NAME OF COMMITTEE (Print)
 Kentucky State Democratic Party Central Executive
 ADDRESS (Print and street) Check if different than previously reported
 Committee
 P.O. Box 694 (Democrat Drive)
 CITY, STATE and ZIP CODE
 Frankfort, Kentucky

2. FEC IDENTIFICATION NUMBER
 C00011187
 3. This committee qualified as a noncandidate
 committee DURING THIS Reporting Period on
 (date)

4. TYPE OF REPORT

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

Monthly Report Due On:
 February 28 June 30 October 30
 March 31 July 31 November 30
 April 30 August 31 December 31
 May 31 September 30 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 _____

Original

10 Is this Report an Amendment? YES NO

97043780374
 22J3816J344

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
1. Covering Period	7/1/91 through 12/31/91		
2. Cash on Hand January 1, 19__			\$ 1,479
3. Cash on Hand at Beginning of Reporting Period		\$ 72	
4. Total Receipts (from Line 10)		\$ 158,181	\$ 159,181
5. Subtotal (add Lines 3) and 4) for Column A and Lines 3) and 4) for Column B)		\$ 158,253	\$ 160,660
6. Total Disbursements (from Line 11)		\$ 153,180	\$ 155,587
7. Cash on Hand at Close of Reporting Period (subtract Line 6 from Line 5)		\$ 5,072	\$ 5,072
8. Debt and Obligations Owed TO the Committee (Report all on Schedule C and/or Schedule D)		\$ -0-	
9. Debt and Obligations Owed BY the Committee (Report all on Schedule C and/or Schedule D)		\$ 2,990	

For further information contact:
 Federal Election Commission
 990 E Street, NE
 Washington, DC 20463
 Tel Free 800-424-9600
 Local 202 375-9600

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 _____
 Signature of Treasurer _____ Date _____

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

For Other Than An Authorized Committee
 Summary Period

1. NAME OF COMMITTEE OR CANDIDATE
 Kentucky State Democratic Central Executive Committee
 Democratic Drive, Millville Rd. P.O. Box 694
 Frankfort, Kentucky 40602

2. FEC IDENTIFICATION NUMBER
 C00011197

3. Was candidate qualified as a noncandidate on committee during this reporting period or during any other reporting period.

4. TYPE OF REPORT

- 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 28 June 30 October 31
 March 31 July 31 November 30
 April 30 August 31 December 31
 May 31 September 30 January 31
- Twelfth day report preceding _____ (Type of Election)
 election on _____ in the State of _____
- Twelfth day report following the General Election on
 _____ in the State of _____
- 5.** Is this Report an Amendment? Yes No

32038160922

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Covering Period	<u>7/1/91</u> through <u>12/31/91</u>		
7. (a) Cash on Hand January 1, 19 <u>91</u>			\$ 28,297.46
(b) Cash on Hand at Beginning of Reporting Period		\$ 470.41	
(c) Total Receipts (from Line 10)		\$ 352,468.48	\$ 508,909.22
(d) Disbursements (from Lines 8(a) and 8(b) for Column A and Lines 8(a) and 8(b) for Column B)		\$ 352,938.89	\$ 537,206.66
7. Total Disbursements (from Line 8)		\$ 281,632.14	\$ 465,899.91
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(a))		\$ 71,306.75	\$ 71,306.75
9. Debts and Obligations Owed TO the Committee (Report all on Schedule C and/or Schedule D)		\$	
10. Debts and Obligations Owed BY the Committee (Report all on Schedule C and/or Schedule D)		\$ 16,237.37	

For further information contact
 Federal Election Commission
 110 E Street, NW
 Washington, DC 20543
 Toll Free 800-424-9540
 Local 202-595-9100

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
William G. Johnson, CPA

Signature of Treasurer
W.G. Johnson, CPA Treasurer

Date
5/20/92

Summary Report

1. NAME OF COMMITTEE (Print)
 Kentucky State Democratic Central Executive Committee
 Democrat Drive, Millville W. P.O. Box 694
 FRANKFORT, KENTUCKY 40602

2. FEC IDENTIFICATION NUMBER
 C 00011197
 This committee qualified as a non-federally financed committee DURING THIS Reporting Period on _____

4. TYPE OF REPORT

- 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 28 June 30 October 31
 March 31 July 31 November 30
 April 30 August 31 December 31
 May 31 September 30 January 31
- Twelfth day report preceding _____ (Type of Election)
 election on _____ in the State of _____
- Twelfth day report following the General Election on _____ in the State of _____

3. Is this Report an Amendment? YES NO

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Covering Period <u>1-1-92</u> through <u>3-31-92</u>			
6a	(a) Cash on Hand January 1, 19 <u>92</u>		\$ 71,306.75
	(b) Cash on Hand at Beginning of Reporting Period	\$ 71,306.75	
	(c) Total Receipts (from Line 10)	\$ 67,348.99	\$ 67,348.99
	(d) Disbursements (add Lines 6b) and 6c) for Column A and Lines 6b) and 6c) for Column B)	\$ 138,655.74	\$ 138,655.74
7.	Total Disbursements (from Line 6d)	\$ 106,561.85	\$ 106,561.85
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6b)	\$ 32,093.89	\$ 32,093.89
9.	Debits and Obligations: Owed TO the Committee (Report on on Schedule C and/or Schedule D)	\$	
10.	Debits and Obligations: Owed BY the Committee (Report on on Schedule C and/or Schedule D)	\$ 15,906.92	

For further information contact
 Federal Election Commission
 435 E Street, NE
 Washington, DC 20543
 Tel Fax 202-456-4800
 Telex 202-456-4800

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
 William G. Johnson, CPA

Signature of Treasurer
William G. Johnson *Treasurer*

NOTE: Submission of false, incorrect, or incomplete information may subject the person signing this Report to the penalties of 18 U.S.C. (1001)

10000000

32036160926

T. TITLE OF CONTRIBUTOR
Kentucky State Democratic Central Executive Committee
 ADDRESS (Include Zip Code) Check if address has previously reported
Democrat Drive, Millville M., P.O. Box 694
OFF. PHONE and ZIP CODE
Frankfort, Kentucky 40602

F. FEC IDENTIFICATION NUMBER
C 00011197

This committee qualified as a multicandidate committee DURING THIS Reporting Period on (Date)

4. TYPE OF REPORT

- 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 28 June 30 October 31
 - March 31 July 31 November 30
 - April 30 August 31 December 31
 - May 31 September 30 January 31

- Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
- Twelfth day report following the General Election on _____ in the State of _____

6. Is this Report an Amendment? Yes No

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
1. Starting Period	4/1/92 through 6/30/92		
2. (a) Cash on Hand January 1, 1992			\$ 71,306.75
(b) Cash on Hand at Beginning of Reporting Period		\$ 32,093.89	
(c) Total Receipts (from Line 10)		\$151,059.92	\$218,408.91
(d) Disbursements (add Lines 6(b) and 6(c) for Column A and Lines 6(b) and 6(c) for Column B)		\$183,153.81	\$289,715.66
7. Total Disbursements (from Line 2(d))		\$177,495.14	\$284,056.99
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))		\$ 5,658.67	\$ 5,658.67
9. Debts and Obligations Owed TO the Committee (Report all on Schedule C and/or Schedule D)		\$	
10. Debts and Obligations Owed BY the Committee (Report all on Schedule C and/or Schedule D)		\$ 49,583.90	

For further information contact:
 Federal Election Commission
 999 E Street, NE
 Washington, DC 20003
 Toll Free 800-424-9549
 Local 202-696-9400

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

Name or Print Name of Treasurer
William G. Johnson, CPA
 Signature of Treasurer _____ Date _____

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 6407g.

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REPORT OF RECEIPTS AND DISBURSEMENTS

Attachment 10
page 9 of 11
Amnd. 1991 MY
(Orig. 1992 Q3)

For Other Than An Act Specific Committee
(Summary Form)

USE PREC DRUGS LINE TYPE ON FORM

1. NAME OF COMMITTEE (Full)
 Kentucky State Democratic Central Executive Committee
ADDRESS (number and street) (Check if different than previously reported)
 Democrat Drive, Millville M., P. O. Box 694
CITY, STATE and ZIP CODE
 Frankfort, Kentucky 40602

3. FEC IDENTIFICATION NUMBER
 C00011197
2. The committee qualified as a Political committee **STARTED** 1992 **Reporting Period on** (date)

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)
 Treasurer 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 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>7-01-92</u> through <u>9-30-92</u>		
6. (a) Cash on Hand January 1, 19 <u>92</u>		\$ 71,306.75
(b) Cash on Hand at Beginning of Reporting Period	\$ 5,658.67	
(c) Total Receipts (from Line 19)	\$ 406,223.11	\$ 624,632.02
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 411,881.78	\$ 695,938.77
7. Total Disbursements (from Line 20)	\$ 327,736.58	\$ 611,793.57
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 84,145.20	\$ 84,145.20
9. Debt and Obligations Owed TO the Committee (Report all on Schedule C and/or Schedule D)	\$	
10. Debt and Obligations Owed BY the Committee (Report all on Schedule C and/or Schedule D)	\$ 15,465.13	

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: Pat Moore

Signature of Treasurer: _____ Date: _____

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §407g

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REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)

Attachment 10
page 10 of 11
Amnd. 1991 MY
(Orig. 1992 12G)

USE FEC MAILING LABEL OR TYPE ON FRONT

1. NAME OF COMMITTEE (in full)
Kentucky State Democratic Central Executive Committee

ADDRESS (number and street) Check if different than previously reported
Democrat Drive, Millville Rd., P. O. Box 694

CITY, STATE and ZIP CODE
Frankfort, Kentucky 40602

2. FEC IDENTIFICATION NUMBER
 C00011197

3. The committee qualified as a multicandidate committee DURING THIS Reporting Period on (date)

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

<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>10-01-92</u> through <u>10-14-92</u>		
6. (a) Cash on Hand January 1, 1992		\$ 71,306.75
(b) Cash on Hand at Beginning of Reporting Period	\$ 84,145.20	
(c) Total Receipts (from Line 19)	\$ 158,574.36	\$ 783,206.38
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 242,719.56	\$ 854,513.13
7. Total Disbursements (from Line 20)	\$ 58,457.58	\$ 670,251.15
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 184,261.98	\$ 184,261.98
9. Debts and Obligations (Owed) TO the Committee (Items all on Schedule C and/or Schedule D)	\$ -0-	
10. Debts and Obligations (Owed) BY the Committee (Items all on Schedule C and/or Schedule D)	\$ 15,465.13	

For further information contact:
Federal Election Commission
989 F Street, NW
Washington, DC 20463
Tel: (202) 453-3437
Local: (202) 453-3128

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

Type of Rec: None of Treasury

Signature of Treasurer: Pat Goins Date: 10-20-92

Pat Goins Assistant Treasurer

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. § 537g.

FEC FORM 3X

(revised 1/1/92)

97043180333

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)

DELIVERED
GENERAL ELECTRIC CORPORATION

91 JUL 31 AM: 13

2025 REC 11/10/91 LAD: TYPED BY: [unclear]

1 NAME OF COMMITTEE IN FULL
Kentucky State Democratic Central Executive Committee
ADDRESS (number and street) Check if different than previously reported
Democrat Dr. Hillville Bld. P.O. Box 684
CITY STATE and ZIP CODE
Frankfort, Kentucky 40602

2 FEC IDENTIFICATION NUMBER
C 60011 97
3 The committee qualified as a multicandidate committee DURING THIS Reporting Period on (date):

4. TYPE OF REPORT

- (a) April 15 Quarterly Report
 July 15 Quarterly Report
 October 15 Quarterly Report
 January 31 Year End Report
 (b) July 31 Mid Year Report (Non-election Year Only)
- 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 31
- Twelfth day report preceding election on _____ in the State of _____
 Type of Election _____
- Thirtieth day report following the General Election on _____ in the State of _____

Is this Report an Amendment? YES NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5 Covering Period 1-1-91 through 6-30-91		
6 a Cash on Hand January 1, 19 91		\$ 1,478.92
b Cash on Hand at Beginning of Reporting Period	\$ 1,478.92	
c Total Receipts from Line 19	\$ 1,000.00	\$ 1,000.00
d Subtotal (add Lines 6-b and 6-c for Column A and Lines 6-a and 6-c for Column B)	\$ 2,478.92	\$ 2,478.92
7 Total Disbursements from Line 30	\$ 2,406.81	\$ 2,406.81
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6-d)	\$ 72.11	\$ 72.11
9 Debts and Obligations Owed TO the Committee (itemize on Schedule C and/or Schedule D)	\$ -0-	
10 Debts and Obligations Owed BY the Committee (itemize on Schedule C and/or Schedule D)	\$ 2,990.25	

For further information contact:
 Federal Election Commission
 Washington, D.C. 20543
 Telephone: (202) 453-3437

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:
William C. Johnson
 Signature of Treasurer:

William C. Johnson

Treasurer

7-26-91

NOTE: Submission of false, erroneous, or incomplete information may subject the filer to penalties.

97043780325
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**DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 28**

(Revised 1-1-91)

NAME OF COMMITTEE		REPORT COVERING PERIOD	
Bundling State Democratic Central Executive Committee		FROM 1-1-91	TO 6-30-91
		COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts			
11	Contributions (other than loans) from:		
a	Individual/Persons Other Than Political Committees		
i	Itemized (see Schedule A)	1,000.00	1,000.00
e	Unitemized		
n	Total (add i and e) ▶		
b	Political Party Committees		
c	Other Political Committees (such as PACs)		
d	Total Contributions (add a, b and c) ▶	1,000.00	1,000.00
12	Transfers From Affiliated Other Party Committees		
13	All Loans Received		
14	Loan Repayments Received		
15	Offsets To Operating Expenditures (Refunds, Rebates, etc.)		
16	Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17	Other Federal Receipts (Dividends, Interest, etc.)		
18	Transfers from Nonfederal (Account for Joint Activity)		
19	Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) ▶	1,000.00	1,000.00
20	Total Federal Receipts (subtract line 18 from line 19) ▶	1,000.00	1,000.00
II. Disbursements			
21	Operating Expenditures		
a	Shared Federal Non-Federal Activity (from Schedule H4):		
	Federal (Share)		
	Non-Federal Share		
b	Other Federal Operating Expenditures		
c	Total Operating Expenditures (Add a, a+ and b) ▶		
22	Transfers to Affiliated Other Party Committees	2,406.81	2,406.81
23	Contributions to Federal Candidates Committees and Other Political Committees		
24	Independent Expenditures (use Schedule E)		
25	Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)		
26	Loan Repayments Made		
27	Loans Made		
28	Refunds of Contributions To:		
a	Individuals/Persons Other Than Political Committees		
b	Political Party Committees		
c	Other Political Committees (such as PACs)		
d	Total Contribution Refunds (Add a, b, and c) ▶		
29	Other Disbursements		
30	Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) ▶	2,406.81	2,406.81
31	Total Federal Disbursements (subtract line 21g from line 30) ▶	2,406.81	2,401.81
III. Net Contributions Operating Expenditures			
32	Total Contributions other than loans (from line 11d)	1,000.00	1,000.00
33	Total Contribution Refunds (from line 28d)		
34	Net Contributions other than loans (subtract line 33 from 32)	1,000.00	1,000.00
35	Total Federal Operating Expenditures (add 21a and 21b) ▶		
36	Offsets to Operating Expenditures (from line 15)		
37	Net Operating Expenditures (subtract line 36 from 35) ▶		

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base

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

80-3

Richard Rankin, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

DEC 16 1991

Identification Number: C00011197

Reference: Mid-Year Report (1/1/91-6/30/91)

Dear Mr. Rankin:

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

-Your report discloses no payments for administrative expenses. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION derived from PFC Schedule III. See 11 CFR §106.5(d).

(By checking the appropriate boxes on the Method of Allocation Schedule III, committees calculate a federal allocation percentage based on the ratio of federal offices expected on the ballot to total federal and non-federal offices expected on the ballot in the next general election. The Schedule III must be filed with the first PFC FORM 1X submitted each year.)

In addition, Schedules III and IV must be filed to properly allocate administrative costs between accounts on reports filed during the year. Please refer to 11 CFR §§106.5 and 104.10(b)(2).

Note: If the non-federal account has paid for the federal account's share of administrative expenses, then the federal account should make a transfer of funds to the non-federal account as soon as possible.

-Please provide the total for Line 11(a)(iii), Columns A and B of the Detailed Summary Page.

-Your report does not include a Schedule III to allocate administrative expenses/generic voter drive costs.

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1173723307

add

add

State and local party committees must allocate their administrative and generic voter drive costs according to the ballot composition method. This ratio is determined at the beginning of each two-year federal election cycle. All administrative and generic voter drive costs incurred during the two-year cycle must be allocated according to this ratio. 11 CFA §106.5(d)(1)

Note: In states that hold federal and non-federal elections in different years, committees must complete an additional Schedule H1 to calculate the allocation ratio for generic voter drive costs. While the ballot composition remains the same for administrative expenses throughout the two year election cycle, the generic voter drive allocation would be different from year to year; therefore, two Schedule H1s are necessary to account for this difference.

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) 219-3500.

Sincerely,

David J. Weidman
Reports Analyst
Reports Analysis Division

97047780380
21737233306



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

EQ-3

January 9, 1992

Richard Rankin, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C00011197

Reference: Mid-Year Report (1/1/91-6/30/91)

Dear Mr. Rankin:

This letter is to inform you that as of January 8, 1992, the Commission has not received your response to our request for additional information, dated December 18, 1991. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

ANALYST: David J. Weidman

CONVERSATION WITH: Bill Johnson, Treasurer

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: January 22, 1992

SUBJECT(S): RFAI regarding the 1991 Mid-Year Report

The treasurer stated that the Committee would be complying soon with the issues raised in the letter.

ANALYST: David J. Weidman

CONVERSATION WITH: Bill Johnson, Treasurer

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: March 16, 1992

SUBJECT(S): Payment of Administrative Expenses

The analyst and the treasurer discussed the payment of administrative expenses by the Committee. Mr. Johnson stated that the Committee's non-federal account paid everything first and then the Committee ran the expenses through the federal account and back out again. He also informed the analyst that while he was not saying what the Committee did was correct, he did want to note that Kentuckians care about state candidates and not the federal process. Mr. Johnson also stressed that no corporate or union money was involved and that all money was permissible under the FECA.

97043780300C

1-21-92
FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20543

CONTENTS:

ENCLOSED IS OUR ANNUAL REPORT (FORM 1-21-92) FOR 1991, WHICH COVERS THE PERIOD 7-1-91 THROUGH 12-31-91. THIS REPORT INCLUDES 90 DIRECT EXPENDITURES OR INDIRECT EXPENDITURES RELATED TO FEDERAL CAMPAIGN OR DIRECT OR INDIRECT EXPENDITURES ON BEHALF OF FEDERAL CANDIDATES. FURTHER, THERE HAVE BEEN NO DIRECT OR INDIRECT CONTRIBUTIONS TO CANDIDATES OR COMMITTEES FOR CANDIDATES FOR FEDERAL OFFICE.

TOTAL ADMINISTRATIVE EXPENSES HAVE BEEN DETAILED AND LISTED IN THIS REPORT. THE ADMINISTRATIVE EXPENSES HAVE BEEN ALLOCATED BETWEEN FEDERAL AND NONFEDERAL IN ACCORDANCE WITH THE BALLOT COMPOSITION METHOD.

THIS ALLOCATION METHOD GREATLY INFLATES THE EXPENDITURES ASSIGNED TO THE FEDERAL PORTION OF SHARED ACTIVITIES. IN FACT, THERE SHOULD BE NO EXPENSES ASSIGNED TO FEDERAL ACTIVITY, SINCE THERE WAS NO FEDERAL ACTIVITY.

I AM AFRAID THE WINDOW FOR CASH TRANSFER TRANSACTIONS BETWEEN FEDERAL AND NON FEDERAL ACCOUNTS WAS CLOSED BY THE TIME I WAS ABLE TO CONFINE THE STAFF TO MAKE THE TRANSFER TO THE FEDERAL ACCOUNT FOR EXPENSES BELIEVED TO BE SHARED BY THE FEC. HOWEVER, THE TRANSFERS HAVE NOT BEEN MADE AND COPIES OF THE CHECKS ARE ENCLOSED. IT IS MY INTENTION TO HAVE ALL EXPENSES FROM THIS POINT FORWARDED PAID THROUGH THE FEDERAL ACCOUNT AND REIMBURSEMENT MADE BACK TO THE FEDERAL ACCOUNT FOR THE NON FEDERAL PORTION.

ALTHOUGH THE WINDOW WAS CLOSED WE HAVE GIVEN COMPLETE ACCOUNTING TO THE COMMISSION OF ALL EXPENSES REQUIRED TO BE REPORTED UNDER THE CURRENT REQUIREMENTS, AND PROPER CASH TRANSFERS HAVE BEEN MADE.

ALL ADMINISTRATIVE ACTIVITY HAS BEEN REPORTED AND DETAILED IN THIS REPORT. WE ARE PRESENTLY REVISING OUR 1-1-91 THROUGH 6-30-91, AND CORRESPONDENCE IS BEING MADE THROUGH MR. DAVID J. WEINER.

I BELIEVE THAT THE REPORT FILED BY THIS COMMITTEE EXPRESSLY FOCUSES TO THE INEQUITY DETAILED BY THE DEMOCRATIC CHAIRS IN THEIR POSITION STATEMENTS. WE INTEND TO COMPLY WITH THE FEC WHILE CONTINUING TO ARGUE FOR MORE EQUITABLE ALLOCATIONS OF REPORTABLE ACTIVITY.

RESPECTFULLY SUBMITTED:

Wm. H. Johnson CPA

WM. H. JOHNSON CPA
TREASURER, KENTUCKY DEMOCRATIC PARTY

92J37360323

add

add

PH

FINANCIAL STATEMENTS AND DISBURSEMENTS

For Committees That Are Authorized Committees
Summary (Form)

RECEIVED
OFFICE OF THE CLERK OF THE HOUSE OF REPRESENTATIVES

92 FEB -3 AM 10:17

1. NAME OF COMMITTEE
 Kentucky State Democratic Party Central Executive
 Committee
 P.O. Box 684 (Democrat Drive)
 Frankfort, Kentucky

2. FEC IDENTIFICATION NUMBER
 C00011197
 This committee qualified as a noncandidate committee DURING THIS Reporting Period on _____ (date)

4. TYPE OF REPORT

- 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)

- 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 checked="" type="checkbox"/> September 20 | <input type="checkbox"/> January 21 |

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 _____

Termination Report

3. Is this Report an Amendment? YES

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Covering Period <u>7/1/91</u> through <u>12/31/91</u>		
(a) Cash on Hand January 1, 19__		\$ 1,479
(b) Cash on Hand at Beginning of Reporting Period	\$ 72	
(c) Total Receipts (from Line 19)	\$ 158,181	\$ 159,181
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 158,253	\$ 160,660
7. Total Disbursements (from Line 30)	\$ 153,180	\$ 155,587
8. Cash on Hand at Close (if Reporting Period (subtract Line 7 from Line 6(d))	\$ 5,072	\$ 5,072
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)	\$ 2,990	

For further information contact:
 Federal Election Commission
 900 E Street, NW
 Washington, DC 20541
 Toll Free 800-424-9522
 Local 202-376-7420

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
Wm. G. Johnson
 Signature of Treasurer

Wm. G. Johnson CPA

Date
1/23/91

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. (452)

92037360261

PRIMARY PAGE
OF THE STATE AND LOCAL GOVERNMENTS
FINANCIAL STATEMENTS

(Revised 1/1/91)

NAME OF COMMITTEE	REPORT COVERING PERIOD	
	FROM 7/1/91	TO 6/30/91
Kentucky State Democratic Party Central Executive Committee	COLUMN A Fiscal Year Period	COLUMN B Calendar Year
I. Receipts		
11 Contributions (other than loans) Paid:		
a. Individuals/Persons Other Than Political Committees		
i. Limited (see Schedule A)		1,000
ii. Unlimited		
b. Total	(add i and ii) >	
b. Political Party Committees		
c. Other Political Committees (such as PACs)	5,000	5,000
Documentation Attached		
d. Total Contributions	(add a ii, b and c) >	6,000
12 Transfers From Affiliated/Other Party Committees		
13 All Loans Received		
14 Loan Repayments Received		
15 Offsets To Operating Expenditures (Refunds, Rebates, etc.)		
16 Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17 Other Federal Receipts (Dividends, Interest, etc.)		
18 Transfers from Nonfederal Account for Joint Activity	153,181	153,181
19 Total Receipts	(add 11d, 12, 13, 14, 15, 16, 17, and 18) >	159,181
20 Total Federal Receipts	(subtract line 18 from line 19) >	6,000
II. Disbursements		
21 Operating Expenditures:		
a. Shared Federal/Non-Federal Activity (from Schedule H4)		
i. Federal Share	51,060	51,060
ii. Non-Federal Share	102,120	102,120
b. Other Federal Operating Expenditures		
c. Total Operating Expenditures	(add a i, ii, and b) >	153,180
22 Transfers to Affiliated/Other Party Committees		2,407
23 Contributions to Federal Candidates/Committees and Other Political Committees		
24 Independent Expenditures (see Schedule E)		
25 Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (see Schedule F)		
26 Loan Repayments Made		
27 Loans Made		
28 Refunds of Contributions To:		
a. Individuals/Persons Other Than Political Committees		
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contribution Refunds	(add a, b and c) >	
29 Other Disbursements		
30 Total Disbursements	(add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >	155,187
31 Total Federal Disbursements	(subtract line 21 a ii from line 30) >	2,407
III. Net Contributions-Operating Expenditures		
32 Total Contributions (other than loans)(from line 11d)	5,000	6,000
33 Total Contribution Refunds (from line 28d)		
34 Net Contributions (other than loans)(subtract line 33 from 32)	5,000	6,000
35 Total Federal Operating Expenditures	(add 21 a i and 21 b) >	51,060
36 Offsets to Operating Expenditures (from line 15)		
37 Net Operating Expenditures	(subtract line 36 from line 35) >	51,060

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 92J3736026

Base

add

**TRANSFERS FROM
NON-FEDERAL ACCOUNTS**

PAGE	OF
1	1
FOR LINE 18	

NAME OF DONOR Madison Central Democratic Executive Committee		TOTAL AMOUNT TRANSFERRED
DATE OF RECEIPT Dec-20-91		Booked Transfer 153,181

	BREAKDOWN OF TRANSFER RECEIVED			
	ADMIN VOTER DRIVE AMOUNT	DIRECT FUND RAISING AMOUNT	EXEMPT ACTIVITY DIRECT CANDIDATE SUPPORT	
a) Total Administrative/Voter Drive	153,181			
b) Direct Fundraising (List Events-Amount for Each)				
b1				
b2				
b3				
b4				
c) Total Amount Transferred For Direct Fundraising				
d) Exempt Activity/Direct Candidate Support (List Events-Amount For Each)				
d1				
d2				
e) Total Amount Transferred For Exempt Activity/Direct Candidate Support				

	BREAKDOWN OF TRANSFER RECEIVED			
	ADMIN VOTER DRIVE AMOUNT	DIRECT FUND RAISING AMOUNT	EXEMPT ACTIVITY DIRECT CANDIDATE SUPPORT	
a) Total Administrative/Voter Drive				
b) Direct Fundraising (List Events-Amount for Each)				
b1				
b2				
b3				
b4				
c) Total Amount Transferred For Direct Fundraising				
d) Exempt Activity/Direct Candidate Support (List Events-Amount For Each)				
d1				
d2				
e) Total Amount Transferred For Exempt Activity Direct Candidate Support				

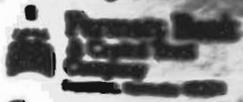
TOTALS FOR BREAKDOWN OF TRANSFER RECEIVED			
ADMIN VOTER DRIVE AMOUNT	DIRECT FUND RAISING AMOUNT	EXEMPT ACTIVITY DIRECT CANDIDATE SUPPORT	
SUBTOTAL THIS PAGE			
TOTAL THIS PERIOD			

97043780304
74031360270

1-21-89

Double entry Kentucky Democratic Party - Non-Federal Account \$ 51,000.00

One Hundred & Fifty Dollars Dollars



For Balance For Pen Space

W. G. Johnson

Pat Harris

KENTUCKY DEMOCRATIC PARTY
FEDERAL ACCOUNT
P.O. BOX 684
FRANKFORT, KY 40601

1001

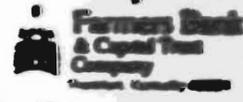
0102



1-21-89

Double entry Kentucky Democratic Party - Non-Federal Account \$ 102,021.00

One Hundred & Twenty Two Dollars & Twenty One Cents Dollars



For Rent for Pen Space

W. G. Johnson

Pat Harris

KENTUCKY DEMOCRATIC PARTY
FEDERAL ACCOUNT
P.O. BOX 684
FRANKFORT, KY 40601

1001

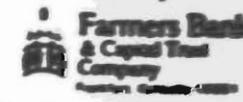
0103



1-23-89

Double entry Kentucky Democratic Party - Non-Federal Account \$ 100.00

One Hundred & No/100 Dollars



For Rent for Pen Space

W. G. Johnson

KENTUCKY DEMOCRATIC PARTY
VICTORY '91
NON-FEDERAL ACCOUNT
P.O. BOX 684
FRANKFORT, KY 40601

1001

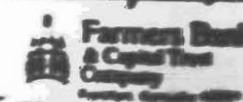
0183



1/23/89

Double entry Ky Democratic Party - Federal Account \$ 153,191.00

One Hundred & Fifty Three Thousand & One Hundred & Ninety One Cents Dollars



For To Account For the Success Proceeds For Pen Space

W. G. Johnson

Pat Harris

07043136J21

PAGE 22 OF
FOR LINE 21a

NAME OF ORGANIZATION
National Control Democratic Executive Committee

97043780326
2037360292

A. FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
First Ball Box P.O. Box 65860 Washington, DC 20565	Travel	Schul	1,165	388	777
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/VOTER DRIVE <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> EXEMPT EVENT YEAR-TO-DATE: _____ <input type="checkbox"/> DIRECT CANDIDATE SUPPORT					
B. FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/VOTER DRIVE <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> EXEMPT EVENT YEAR-TO-DATE: _____ <input type="checkbox"/> DIRECT CANDIDATE SUPPORT					
C. FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/VOTER DRIVE <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> EXEMPT EVENT YEAR-TO-DATE: _____ <input type="checkbox"/> DIRECT CANDIDATE SUPPORT					
D. FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/VOTER DRIVE <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> EXEMPT EVENT YEAR-TO-DATE: _____ <input type="checkbox"/> DIRECT CANDIDATE SUPPORT					
E. FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/VOTER DRIVE <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> EXEMPT EVENT YEAR-TO-DATE: _____ <input type="checkbox"/> DIRECT CANDIDATE SUPPORT					
F. FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE/VOTER DRIVE <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> EXEMPT EVENT YEAR-TO-DATE: _____ <input type="checkbox"/> DIRECT CANDIDATE SUPPORT					
SUBTOTAL OF JOINT FEDERAL AND NON-FEDERAL ACTIVITY THIS PAGE			1,165	388	777
TOTAL THIS PERIOD (last page for each line only/Fed share to 21 a + and non-Fed share to 21 a +)			153181	51069	
TOTAL THIS PERIOD FOR THE NON-FEDERAL SHARE (based for line 31 of the detailed summary page)					102021



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

EO-3

APR 8 1992

Richard Rankin, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C00011197

Reference: Year End Report (7/1/91-12/31/91)

Dear Mr. Rankin:

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

-Schedule H1 of your report discloses a 66.66% federal allocation ratio, FDC calculations disclose this ratio to be 33.33%. Please submit an amended Schedule H1 to correct this discrepancy. In the event that it is necessary to adjust your allocation ratio, be advised that all disbursements for administrative costs/generic voter drives and associated transfers in from your non-federal account will be affected.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the dates of payment made to vendors. Please amend your report to include these missing dates.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include aggregate year-to-date totals for administrative expenses. Please amend your report to include the missing year-to-date totals.

-Your committee's report includes computerized supporting schedules. Pursuant to 11 CFR §104.2(d), computer produced schedules may be used contingent upon prior approval of the Commission. Please submit a separate request (including an example of the proposed format) for consideration. Until your format has been approved, FDC supporting schedules should be used.

-On Schedule H1 of your report, it appears that the \$153,151 transfer-in from the non-federal account to the

as per

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add

federal account covers 100% of the Committee's federal share of allocable administrative expenses. Please be advised that as of January 1, 1991, new regulations governing federal and non-federal accounts changed significantly the manner in which party committees pay for administrative expenses and other shared federal and non-federal activities.

The Commission recommends that the federal account immediately repay its allocable share of administrative expenses by transferring-out the appropriate amount to its non-federal account. Alternatively, if the Committee is unable to make such a transfer at this time, the Committee must show the allocable federal share as an outstanding debt on Schedule D. The Commission recommends that the Committee establish procedures to comply with the provisions of the new allocation regulations and immediately take steps to correct any non-compliance.

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) 219-3800.

Sincerely,

David J. Weidman

David J. Weidman
Reports Analyst
Reports Analysis Division

97043780328
92037461372

REPORT OF RECEIPTS AND DISBURSEMENTS
For Other Than An Authorized Candidate
(General Form)

FEDERAL ELECTION COMMISSION
MAIL ROOM

Apr 28 9 12 AM '92

1. NAME OF COMMITTEE (or Club)
Kentucky Democratic Party Central Exe Committee
Check if different than previously reported

P O Box 684 Democrat Drive
CITY, STATE and ZIP CODE
Frankfort, KY 40601

2. FEC IDENTIFICATION NUMBER
C 000 111 97

This committee qualified as a multistate committee during this Reporting Period on (date)

4. TYPE OF REPORT

- 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)

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 31

Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

Twelfth day report following the General Election on _____ in the State of _____

(a) Is this Report an Amendment? YES NO

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Covering Period	1/1/92 through 3/31/92		
8. (a) Cash on Hand January 1, 1992			\$ 5,072
(b) Cash on Hand at Beginning of Reporting Period		\$ 5,072	
(c) Total Receipts (from Line 2)		\$ 84,460	\$ 84,460
(d) Subtotal (add Lines 8(b) and 8(c) for Column A and Lines 8(a) and 8(c) for Column B)		\$ 89,532	\$ 89,532
7. Total Disbursements (from Line 3)		\$ 88,622	\$ 88,622
9. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 8(d))		\$ 910	\$ 910
10. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)		\$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	3187 April 1992 2999.00	\$ 2,990.00	

For further information contact:
Federal Election Commission
989 E Street, NW
Washington, DC 20543
Toll Free 800-424-9520
Local 202-576-9120

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
WILLIAM G. JOHNSON, C.P.A., TREASURER

Signature of Treasurer
William G. Johnson CPA

Date
4/15/92

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

92037503226

**DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PLAN & PMS FORMS**

(REVISED 1/1/91)

NAME OF COMMITTEE Indevco Sun Party Control Execut. COMMITTEE	REPORT COVERED PERIOD	
	FROM 01/01/92	TO 03/31/92
	COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts		
11. Contributions (other than loans) From:		
a. Individual/Persons Other Than Political Committees		
1. Identified (see Schedule A)		
2. Unidentified		
3. Total	(add 1 and 2) >	
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contributions	(add a 1, b and c) >	
12. Transfers from Affiliated/Other Party Committees		
13. All Loans Received		
14. Loan Repayments Received		
15. Offsets to Operating Expenditures (Refunds, Rebates, etc.)		
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17. Other Federal Receipts (Dividends, Interest, etc.)		
18. Transfers from Nonfederal Account for Joint Ability	84,460	84,460
19. Total Receipts	(add 11a, 12, 13, 14, 15, 16, 17, and 18) >	84,460
20. Total Federal Receipts	(subtract line 18 from line 19) >	-0-
II. Disbursements		
21. Operating Expenditures:		
a. Shared Political/Non-Political Activity (see Schedule H)		
1. Political Share	28,153	28,153
2. Non-Political Share	36,307	36,307
b. Other Federal Operating Expenditures		
c. Total Operating Expenditures	(add a 1, a 2, and b) >	
22. Transfers to Affiliated/Other Party Committees		
23. Contributions to Federal Candidates/Committees and Other Political Committees	4,000	4,000
24. Independent Expenditures (see Schedule E)		
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 4304(b)) (see Schedule F)		
26. Loan Repayments Made		
27. Loans Made		
28. Refunds of Contributions To:		
a. Individual/Persons Other Than Political Committees		
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contribution Refunds	(add a, b and c) >	
29. Other Disbursements BANK CHARGES & ADJUSTMENTS	162	162
30. Total Disbursements	(add 21a, 22, 23, 24, 25, 26, 27, 28d, and 29) >	
31. Total Federal Disbursements	(subtract line 21 d from line 30) >	88,622
III. Net Contributions/Operating Expenditures		
32. Total Contributions (other than loans)(from line 11d)		
33. Total Contribution Refunds (from line 28d)		
34. Net Contributions (other than loans)(subtract line 28 from line 32)		
35. Total Federal Operating Expenditures	(add 21 a 1 and 21 b) >	
36. Offsets to Operating Expenditures (from line 15)		
37. Net Operating Expenditures		

9 2 0 3 7 5 0 3 2 2 9

J...
J...

PER LINE 10

NAME OF ORGANIZATION
 NEW YORK STATE DEMOCRATIC PARTY EXECUTIVE COMMITTEE

TOTAL AMOUNT TRANSFERRED

DATE OF REPORT
 03-31-92
PERIOD FOR WHICH REPORT IS MADE
 4/15/92

04,400

	TYPE OF CONTRIBUTION		
	ADMINISTRATIVE EXPENSES	GROUP FUNDING	GROUP ACTIVITY-SUPPORT CANDIDATE SUPPORT
1 Total Administrative Year Date	04,400		
2 Group Fundraising (All Group Support by Bank)			
3 Group Activity-Support Candidate Support (All Bank Support by Bank)			
4 Total Amount Transferred For Group Activity-Support Candidate Support			

NAME OF ADDRESS _____ **NAME OF REPORT** _____

	TYPE OF CONTRIBUTION		
	ADMINISTRATIVE EXPENSES	GROUP FUNDING	GROUP ACTIVITY-SUPPORT CANDIDATE SUPPORT
1 Total Administrative Year Date			
2 Group Fundraising (All Group Support by Bank)			
3 Group Activity-Support Candidate Support (All Bank Support by Bank)			
4 Total Amount Transferred For Group Activity-Support Candidate Support			

(SUBTOTAL THIS PAGE) _____
TOTAL THIS PERIOD _____

9 2 0 3 7 5 0 3 2 3 2
 8 0 4 3 1

FOR LINE 24

DEMOCRATIC PARTY CENTRAL EXECUTIVE COMMITTEE

CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
& POL. MAIL, PHONE, ADDRESS & ZIP CODE TOTAL ADMINISTRATIVE SHARE - (FORMS & BILLS TO FOLLOW)	PURPOSE: _____ DATE: 1/1/92 2/21/92	TOTAL AMOUNT: 84,400	FEDERAL SHARE: 28,153	NON-FEDERAL SHARE: 56,307
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
CATEGORY: <input type="checkbox"/> ADMINISTRATIVE SHARE <input type="checkbox"/> POLITICAL SHARE NAME AND ADDRESS: _____ & POL. MAIL, PHONE, ADDRESS & ZIP CODE	PURPOSE: _____ DATE: _____	TOTAL AMOUNT: _____	FEDERAL SHARE: _____	NON-FEDERAL SHARE: _____
SUBTOTAL OF JOINT FEDERAL AND NON-FEDERAL ACTIVITY THIS PAGE: _____				
TOTAL THIS PERIOD (see page for each the original share to SI 61 and non-Pol. share to (SI 62)		84,400	28,153	
TOTAL THIS PERIOD FOR THE NON-FEDERAL SHARE (used for the SI of the dated summary page)				56,307

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

ANALYST: David J. Weidman

CONVERSATION WITH: Andy Naff, Accountant

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: April 29, 1992

SUBJECT(S): RFAI's sent on 1991 Reports

The analyst and Mr. Naff discussed the process for approval of computer schedules. Then Mr. Naff explained that the treasurer for the Committee had transferred non-federal money into the federal account and then back to the non-federal account. The two also discussed the existence of a general fund and a "check-off" fund which would now be reported on the 1991 reports and how these additional federal accounts would cover the federal share of the allocated expenses to be shown on the amendments.

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FEDERAL ELECTION COMMISSION

Washington, D.C. 20543

HQ-3

April 30, 1992

Richard Rankin, Treasurer
 Kentucky State Democratic Central
 Executive Committee
 P.O. Box 694
 Frankfort, KY 40602

Identification Number: C00011197

Reference: Year End Report (7/1/91-12/31/91)

Dear Mr. Rankin:

This letter is to inform you that as of April 30, 1992, the Commission has not received your response to our request for additional information, dated April 8, 1992. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (202) 219-3500.

Sincerely,

John D. Gibson
 Assistant Staff Director
 Reports Analysis Division

Enclosure

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 9 2 0 3 7 5 3 5 6 6

May 13 8 41

1. NAME OF CONTRIBUTOR
2. NAME OF REPORTING ENTITY
3. ADDRESS OF REPORTING ENTITY
4. TYPE OF REPORT

5. FED IDENTIFICATION NUMBER
6. THIS ENTITY QUALIFIES AS A NONPROFIT ORGANIZATION QUALIFIED TO BE REPORTING PERIOD ON

4. TYPE OF REPORT

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

- Monthly Report Due On:**
- February 28
 - March 31
 - April 30
 - May 31
 - June 30
 - July 31
 - August 31
 - September 30
 - October 31
 - November 30
 - December 31
 - January 31

- Twelve day report preceding _____ (Type of Meeting) election on _____ in the State of _____
- Twelve day report following the General Election on _____ in the State of _____

7. Is this Report an Amendment? Yes No

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SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6	Reporting Period <u>1/1/92</u> through <u>6/30/92</u>		
8	80 Cash on Hand January 1, 1992		\$ 28,297.44
8	80 Cash on Hand at Beginning of Reporting Period	\$ 28,297.44	
8	80 Total Receipts (from Line 10)	\$156,440.74	\$ 156,440.74
8	80 Deduct (from Lines 800 and 801 for Column A and Lines 801 and 802 for Column B)	\$184,738.18	\$ 184,738.18
7	Total Disbursements (from Line 80)	\$184,267.77	\$ 184,267.77
9	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 800) ...	\$ 470.41	\$ 470.41
10	Debits and Obligations Owed TO the Committee (Reported on Schedule C and/or Schedule D)	\$	
11	Debits and Obligations Owed BY the Committee (Reported on Schedule C and/or Schedule D)	\$ 18,733.71	

For further information contact:
 Federal Election Commission
 400 E Street, NE
 Washington, DC 20002
 Toll Free 1-800-424-9540
 Local 202-549-6000

12. 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
 William C. Johnson, CPA

Signature of Treasurer
William C. Johnson, CPA

Date
 5/8/92

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

STATE CAMPAIN FINANCE
STATEMENT OF RECEIPTS

(Section 17-101)

Kind of Receipt	REPORT COVERED PERIOD	
	FROM 1/1/91	TO 6/30/91
	COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts		
11. Contributions (other than loan) From		
a. Individual Persons Other Than Political Candidates		
1. Total (see Schedule B)	1,000.00	1,000.00
2. Subtotal		
3. Total		
b. Political Party Committees		
1. Other Political Committees (such as PADS)		
2. Total Contributions	1,000.00	1,000.00
12. Transfers From Affiliated Other Party Committees		
13. All Loans Received	4,000.00	4,000.00
14. Loan Repayments Received		
15. Gifts to Operating Expenditures (Political, Political, etc)		
16. Refunds of Contributions Made to Political Candidates and Other Political Candidates		
17. Other Political Receipts (Gifts, Interest, etc)	51,535.00	51,535.00
18. Transfers from Nonrelated Account for Joint Activity	88,885.76	88,885.76
19. Total Receipts (add 11a, 11b, 11c, 11d, 11e, 11f, 11g, 11h, 11i, 11j, 11k, 11l, 11m, 11n, 11o, 11p, 11q, 11r, 11s, 11t, 11u, 11v, 11w, 11x, 11y, 11z)	156,440.76	156,440.76
20. Total Political Receipts (add total 19 from line 19)	56,535.00	56,535.00
II. Disbursements		
21. Operating Expenditures		
a. Direct Political/Non-Political Activity (from Schedule B)		
1. Political Share	58,965.66	58,965.66
2. Non-Political Share	139,131.32	139,131.32
b. Other Political Operating Expenditures		
1. Total Operating Expenditures	178,096.98	178,096.98
22. Transfers to Affiliated Other Party Committees		
23. Contributions to Political Candidates/Committees and Other Political Candidates		
24. Independent Expenditures (see Schedule B)		
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 4312g) (see Schedule F)		
26. Loan Repayments Made	5,570.79	5,570.79
27. Loans Made		
28. Refunds of Contributions To:		
a. Individual Persons Other Than Political Candidates		
b. Political Party Committees		
c. Other Political Committees (such as PADS)		
d. Total Contributions Refunds		
29. Other Disbursements		
30. Total Disbursements (add 21a, 21b, 21c, 21d, 21e, 21f, 21g, 21h, 21i, 21j, 21k, 21l, 21m, 21n, 21o, 21p, 21q, 21r, 21s, 21t, 21u, 21v, 21w, 21x, 21y, 21z)	184,267.77	184,267.77
31. Total Political Disbursements (add total 21 a-f from line 21)	65,136.45	65,136.45
III. Net Contributions/Operating Expenditures		
32. Total Contributions (other than loan) from line 11a)	1,000.00	1,000.00
33. Total Contributions Refunds (from line 28)		
34. Net Contributions (other than loan) (add total 32 from line 32)	1,000.00	1,000.00
35. Total Political Operating Expenditures (add 21 a-f and 21 g)	58,965.66	58,965.66
36. Gifts to Operating Expenditures (from line 15)		
37. Net Gifts to Operating Expenditures (add total 36 from line 36)	59,965.66	59,965.66

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John

STATE OF MICHIGAN
 DEPARTMENT OF TREASURY
 NON-FEDERAL ACCOUNTS

PAGE 1 OF 1
 FOR LINE 18

NAME OF ACCOUNT Emergency State Economic Council Executive Committee		DATE OF RECEIPT 6/30/91		TOTAL AMOUNT TRANSFERRED \$ 99,905.74
NAME OF DONOR Non-Federal Account				
BREAKDOWN OF TRANSFER RECEIVED				
	ADESLAVER (DIVE AMOUNT)	DIRECT FUND RAISING AMOUNT	EXEMPT ACTIVITY/DIRECT CREDIT SUPPORT	
1	Total Administrative Costs	99,905.74		
2	State Funding (All State Account for State)			
3	Total Annual Transferred For State Funding			
4	Exempt Activities/Condition Support (All State Account for State)			
5	Total Annual Transferred For Exempt Activities/Condition Support			
TOTAL FOR BREAKDOWN OF TRANSFER RECEIVED				
SUBTOTAL THIS PAGE				99,905.74
TOTAL THIS PERIOD				99,905.74

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FEDERAL ELECTION COMMISSION

1. NAME OF COMMITTEE (Print)
 Kentucky State Democratic Central Executive Committee
 (Include number and street) Check if different than previously reported
 Democrat Drive, Millville Rd. P.O. Box 694
 Frankfort, Kentucky 40602

May 25 12 00 PM '92

2. FEC IDENTIFICATION NUMBER

000011197

This committee qualified as a non-federally financed committee (NFFC) during this reporting period on _____

3. TYPE OF REPORT

- April 15 Quarterly Report
- July 15 Quarterly Report
- October 15 Quarterly Report
- January 31 Year End Report
- July 31 600 Year Report (for election Year Only)
- Transition Report

Monthly Report Due On:

- February 28 June 30 October 31
- March 31 July 31 November 30
- April 30 August 31 December 31
- May 31 September 30 January 31

- Tenth day report preceding _____ (Type of Election)
 election on _____ in the State of _____
- Tenth day report following the General Election on _____
 in the State of _____

3b Is this Report an Amendment? Yes No

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6	Reporting Period <u>7/1/91</u> through <u>12/31/91</u>		
4	00 Cash on Hand January 1, 1991 _____		\$ 28,297.44
	01 Cash on Hand at Beginning of Reporting Period _____	\$ 470.41	
	02 Total Receipts (from Line 10) _____	\$ 352,468.48	\$ 908,909.22
	03 Subtotal (add Lines 01) and 02) for Column A and Lines 01) and 02) for Column B) _____	\$ 352,938.89	\$ 937,206.66
7	Total Disbursements (from Line 30) _____	\$ 281,632.14	\$ 465,899.91
8	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 03) _____	\$ 71,306.75	\$ 471,306.75
9	Debits and Obligations Owed TO the Committee (Parties all on Schedule C and/or Schedule D) _____	\$ _____	
10	Debits and Obligations Owed BY the Committee (Parties all on Schedule C and/or Schedule D) _____	\$ 16,237.37	

For further information contact:
Federal Election Commission
950 E Street, NW
Washington, DC 20543
Toll Free 800-424-9530
Local 202-548-9530

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
 William G. Johnson, CPA
 Signature of Treasurer *William G. Johnson CPA Treasurer* Date *5/20/92*

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. § 4370.

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DETAILED SUMMARY PAGE
ANNUAL REPORT

(ending 12/31)

NAME OF CONTRIBUTOR Inventory State Legislative Council Research Committee	REPORT COVERING PERIOD	
	PERIOD 7-1-91 COLUMN A Total This Period	PER 12-31-91 COLUMN B Calendar Year
I. Receipts		
16. Contributions (other than loans) from:		
a. Individuals/Persons Other Than Political Committees		1,000.00
i. Unrelated (see Schedule F)		
ii. Related		
iii. Total (add i and ii) >	70,000.00	70,000.00
b. Political Party Committees	5,000.00	5,000.00
c. Other Political Committees (such as PACs)	75,000.00	76,000.00
d. Total Contributions (add a, b and c) >		
17. Transfers from Affiliated/Other Party Committees		4,000.00
18. All Loans Received		
19. Loan Repayments Received		
20. Offsets to Operating Expenditures (Refunds, Returns, etc.)		
21. Refunds of Contributions Made to Political Committees and Other Political Committees		
22. Other Federal Receipts (Gifts, Grants, Interest, etc.)	71,529.50	122,864.30
23. Transfers from Unrelated Account for Joint Activity	206,138.98	306,044.72
24. Total Receipts (add 16, 17, 18, 19, 20, 21, 22, and 23) >	352,468.48	508,909.22
25. Total Federal Receipts (add 16, 22, 23, and 24) >	146,529.50	202,864.30
B. Disbursements		
26. Operating Expenditures:		
a. (Based on Unrelated Federal Activity (see Schedule H))	75,000.81	134,605.47
i. Federal Share	150,079.62	269,210.94
ii. Non-Federal Share		
b. Other Federal Operating Expenditures		
c. Total Operating Expenditures (add a, b, and c) >	225,119.43	403,816.41
27. Transfers to Affiliated/Other Party Committees		
28. Contributions to Political Committees/Committees and Other Political Committees		
29. Independent Expenditures (see Schedule H)		
30. Coordinated Expenditures Made by Party Committees (2 U.S.C. 4312(g) (see Schedule F))	504.00	504.00
31. Loan Payments Made	2,512.09	8,082.88
32. Loans Made		
33. Refunds of Contributions To:		
a. Individuals/Persons Other Than Political Committees		
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contribution Refunds (add a, b and c) >	53,496.62	53,496.62
34. Other Disbursements		
35. Total Disbursements (add 26, 27, 28, 29, 30, 31, 32, 33, and 34) >	281,632.14	465,899.91
36. Total Federal Disbursements (add 26, 30, 31, and 35) >	131,552.52	196,688.97
III. Net Contributions/Operating Expenditures		
37. Total Contributions (other than loans) (from line 16)	75,000.00	76,000.00
38. Total Contribution Refunds (from line 33)		
39. Net Contributions (other than loans) (subtract line 38 from line 37)	75,000.00	76,000.00
40. Total Federal Operating Expenditures (add 26 and 31) >	75,039.81	134,605.47
41. Offsets to Operating Expenditures (from line 19)		
42. Net Operating Expenditures (subtract line 40 from line 41) >	75,039.81	134,605.47

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TRANSACTIONS FROM
NON-FEDERAL ACCOUNTS

PAGE 1 OF 1
FOR LINE 18

NAME OF DONOR		DATE OF RECEIPT			TOTAL AMOUNT TRANSFERRED
Kentucky State Democratic Central Executive Committee		12-31-91			\$ 206,138.98
Name of Account		NAME OF TRANSFER			
		AMOUNT (SEE COL 2)	DIRECT PAYS (SEE COL 3)	EMPT ACTIVITY (SEE COL 4)	
1	The Administrator's Office	206,138.98			
2	Blank Payment (No Cash Amount for Cash)				
3					
4					
5					
6					
7	Emergency Activity (Candidate Support)				
8	(No Cash Amount for Cash)				
9					
0					
1					
2					
3					
4					
5					
6					
7					
8					
9					
0					
SUBTOTAL THIS PAGE					206,138.98
TOTAL THIS PERIOD					206,138.98

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20541

89-2

HW 27 882

William Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C00011197

Reference: April Quarterly Report (1/1/92-3/31/92)

Dear Mr. Johnson:

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

-Please provide a Schedule C or D, as appropriate, to support the entry of \$3,990 reported on Line 10 of the Summary Page. Loans and debts must be continuously reported until they are either repaid or settled. 11 CFR §104.3(d)

-Please provide the totals for Lines 20, 21(c), and 30, Columns A and B of the Detailed Summary Page.

-Please provide a Schedule B to support the entry reported on Line 23 of the Detailed Summary Page. Each contribution made to a federal candidate or committee must be itemized on Schedule B, regardless of the amount contributed. 11 CFR §104.3(b)(3)(v)

-Line 21 of the Detailed Summary Page discloses operating expenditures during the reporting period. If this figure includes any disbursements to payees that aggregate greater than \$200 in the calendar year, please amend your report(s) by itemizing the expenditures on Schedules B or B4, as appropriate. 11 CFR §104.3(b)(3)

Auth (-On Schedule B) of your report, it appears that the \$94,466 transfer-in from the non-federal account to the federal account covers 100% of the committee's federal share of allocable administrative expenses. Please be advised that as of January 1, 1991, new regulations governing federal and non-federal accounts changed significantly the manner in which party committees pay

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for administrative expenses and other shared Federal and non-Federal activities.

copy

The Commission recommends that the federal account immediately repay its allocable share of administrative expenses by transferring-out the appropriate amount to its non-federal account. Alternatively, if the committee is unable to make such a transfer at this time, the committee must show the allocable federal share as an outstanding debt on Schedule D. The Commission recommends that the committee establish procedures to comply with the provisions of the new allocation regulations and immediately take steps to correct any non-compliance.

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 us on our toll-free number, (800) 424-9530. My local number is (202) 219-3500.

Sincerely,

David J. Weidman

David J. Weidman
Reports Analyst
Reports Analysis Division

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

FD-3

June 18, 1992

William Johnson, Treasurer
 Kentucky State Democratic Central
 Executive Committee
 P.O. Box 694
 Frankfort, KY 40602

Identification Number: C00011197

Reference: April Quarterly Report (1/1/92-1/31/92)

Dear Mr. Johnson:

This letter is to inform you that as of June 17, 1992, the Commission has not received your response to our request for additional information, dated May 27, 1992. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (202) 219-3500.

Sincerely,

John D. Gibson
 Assistant Staff Director
 Reports Analysis Division

Enclosure

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FEDERAL ELECTION COMMISSION

Jul 22 1992

1. NAME OF COMMITTEE (Print)
 Kentucky State Democratic Central Executive Committee
 Democrat Drive, Millville Rd., P.O. Box 694
 Frankfort, Kentucky 40602

2. FEC IDENTIFICATION NUMBER
 C 00011197
 This committee qualified as a multicandidate committee pursuant to the Reporting Period on (Date)

4. TYPE OF REPORT

- 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)

- Monthly Report Due On:**
- February 20
 - March 20
 - April 20
 - May 20
 - June 20
 - July 20
 - August 20
 - September 20
 - October 20
 - November 20
 - December 20
 - January 31

- Tenth day report preceding _____ (Type of Election) election on _____ in the State of _____
- Tenth day report following the General Election on _____ in the State of _____

- Termination Report
- In this Report on Amended YES NO

32037612209

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6.	Covering Period <u>1-1-92</u> through <u>3-31-92</u>		
8.	(a) Cash on Hand January 1, 19 <u>92</u>		\$ 71,306.75
	(b) Cash on Hand at Beginning of Reporting Period	\$ 71,306.75	
	(c) Total Receipts (from Line 10)	\$ 67,348.99	\$ 67,348.99
	(d) Subtotal (add Lines 8(a) and 8(c) for Column A and Lines 8(b) and 8(c) for Column B)	\$ 138,655.74	\$ 138,655.74
7.	Total Disbursements (from Line 9)	\$ 106,561.85	\$ 106,561.85
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 32,093.89	\$ 32,093.89
9.	Debts and Obligations Owed TO the Committee (Report all on Schedule C and/or Schedule D)	\$	
10.	Debts and Obligations Owed BY the Committee (Report all on Schedule C and/or Schedule D)	\$ 15,986.92	

For further information contact
 Federal Election Commission
 999 E Street, NW
 Washington, DC 20543
 Toll Free 800-424-9529
 Local 202-548-4545

Tally Ball: 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: William G. Johnson, CPA

Signature of Treasurer: W.G. Johnson CPA Treasurer Date: 6/17/92

NAME OF CANDIDATE

Kentucky State Democratic Central Executive Committee

FORM 100-1

REPORT COVERING PERIOD

FROM 8-1-87

TO 9-30-87

COLUMN A
Total This Period

COLUMN B
Calendar Year

I. Receipts

11. Contributions (after San Juan) From		
a. Individuals/Persons Other Than Political Committees		
1. Stated (see Schedule A)		
2. Unstated		
3. Total (add 1 and 2) >		
b. Political Party Committees		
c. Other Political Committees (such as PDCs)		
d. Total Contributions (add a, b, and c) >		
12. Transfers From Affiliated/Other Party Committees		
13. All Loans Received		
14. Loan Repayments Received		
15. Offsets To Operating Expenditures (Refunds, Retains, etc.)		
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17. Other Federal Receipts (Gifts, Interest, etc.)		
18. Transfers from Nonfederal Account for Joint Activity		
19. Total Receipts (add 11a, 12, 13, 14, 15, 16, 17, and 18) >	158.50	158.50
20. Total Federal Receipts (subtract line 18 from line 19) >	158.50	158.50

II. Disbursements

21. Operating Expenditures		
a. Shared Federal/Non-Federal Activity (from Schedule H)		
1. Federal Share	33,983.12	33,983.12
2. Non-Federal Share	67,966.25	67,966.25
b. Other Federal Operating Expenditures		
c. Total Operating Expenditures (add a, 1, and 2) >	101,949.37	101,949.37
22. Transfers to Affiliated/Other Party Committees		
23. Contributions to Federal Candidates/Committees and Other Political Committees	4,000.00	4,000.00
24. Independent Expenditures (see Schedule E)		
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(4)) (see Schedule F)		
26. Loan Repayments Made	612.48	612.48
27. Loans Made		
28. Refunds of Contributions To:		
a. Individuals/Persons Other Than Political Committees		
b. Political Party Committees		
c. Other Political Committees (such as PDCs)		
d. Total Contribution Refunds (add a, b and c) >		
29. Other Disbursements		
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >	106,561.85	106,561.85
31. Total Federal Disbursements (subtract line 21 a ii from line 30) >	38,258.60	38,258.60

III. Net Contributions/Operating Expenditures

32. Total Contributions (after San Juan) (from line 11d)	0	
33. Total Contribution Refunds (from line 28d)		
34. Net Contributions (after San Juan) (subtract line 33 from line 32)	0	
35. Total Federal Operating Expenditures (add 21 a i and 21 b) >	33,983.12	33,983.12
36. Offsets to Operating Expenditures (from line 15)		
37. Net Operating Expenditures (subtract line 36 from line 35) >	33,983.12	33,983.12

27-43-80-415
 22037512210

NON-FEDERAL ACCOUNTS

FOR LINE 18

NAME OF DONOR Kentucky State Democratic Central Executive Committee		TOTAL AMOUNT TRANSFERRED
NAME OF ACCOUNT Non-Federal Account	DATE OF RECEIPT 3-31-92	\$67,190.49

	BREAKDOWN OF TRANSFER RECEIVED		
	EMPLOYER DRIVE AMOUNT	DIRECT FUND-RAISING AMOUNT	EXEMPT ACTIVITY/DIRECT CANDIDATE SUPPORT
● Total Administrative/Party Drive			
● Direct Fundraising (List Source Amount for Each)			
● Total Amount Transferred For Direct Fundraising			
● Exempt Activity/Event Candidate Support (List Source Amount for Each)			
● Total Amount Transferred For Exempt Activity/Event Candidate Support			

NAME OF ACCOUNT	DATE OF RECEIPT	\$
-----------------	-----------------	----

	BREAKDOWN OF TRANSFER RECEIVED		
	EMPLOYER DRIVE AMOUNT	DIRECT FUND-RAISING AMOUNT	EXEMPT ACTIVITY/DIRECT CANDIDATE SUPPORT
● Total Administrative/Party Drive			
● Direct Fundraising (List Source Amount for Each)			
● Total Amount Transferred For Direct Fundraising			
● Exempt Activity/Event Candidate Support (List Source Amount for Each)			
● Total Amount Transferred For Exempt Activity/Event Candidate Support			

	TOTALS AFTER BREAKDOWN OF TRANSFER RECEIVED
	EMPLOYER DRIVE AMOUNT DIRECT FUND-RAISING AMOUNT EXEMPT ACTIVITY/DIRECT CANDIDATE SUPPORT
SUBTOTAL THIS PAGE	67,190.49
TOTAL THIS PERIOD	67,190.49

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

ANALYST: David J. Weidman

CONVERSATION WITH: Bill Johnson, Treasurer

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: June 25, 1992

SUBJECT(S): Procedures for Payment of Administrative Expenses

The analyst and the treasurer discussed the origin of the numbers in the amended 1991 Mid-Year, Year End, and 1992 April Quarterly Reports as well as the discrepancies on the dates of disbursements versus transfers-in from the non-federal account. Mr. Johnson acknowledged that the reported transfers were not made within the forty-day window period. The "booked" transfers disclosed in the reports have "made up" dates (the end of each reporting period), but they really occurred in January. When the analyst began to discuss the submission of incorrect information, Mr. Johnson replied that it was silly to talk about whether the activity was incorrect or correct because it was all a game.

ANALYST: David J. Weidman

CONVERSATION WITH: Andy Naff, Accountant

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: June 30, 1992

SUBJECT(S): Administrative Expenses disclosed on the 1991-1992 Amendments

The analyst and Mr. Naff discussed the "plugged" figures, and dates for the transfers-in from the non-federal account and the sources of the additional receipts and disbursements. Mr. Naff also acknowledged that "plugged" information was "made up" but stated that he could trace every receipt and disbursement back to the bank statements and check numbers to reconstruct the actual activity. Mr. Naff stated that the Committee had had seven bank accounts (five federal) from which the Committee would pay its expenses. The Committee would use up one and go on to the next one. Currently the Committee had enough federal money from the DNC and "checkoff" fund to cover the federal share of expenses on the 1991 Year End. Mr. Naff also confirmed that the receipts shown on the amended 1991 Year End Report (5/26/92) reflects the receipts as they really occurred. He did not know what the treasurer had done on the original Year End Report; however, he thought that the discrepancy stemmed from not considering the "checkoff" fund a federal account until after the 1991 AO was finished.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

ANALYST: David J. Weidman

CONVERSATION WITH: Andy Naff, Accountant

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: July 15, 1992

SUBJECT(S): Preparation of July Quarterly Report (1992) and Debt to
Non-Federal Account

Mr. Naff stated that the Committee was making transfers from the non-federal account because the checkoff fund had dried up. He stated that the federal account does not have enough money to cover its expenses now and that the federal account will have to declare a debt on Schedule D. Mr. Naff said that he would only submit the Summary and Detailed Summary Page of the 1992 July Quarterly Report in the interest of getting the report filed in a timely fashion.

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1992 July Qtrly.

DATE

7/15/92

Dave,

The completed report will follow in a few days. We would have been on time except for technical problems - Ky Democrats don't keep books worth a damn.

Andy Naff

P.S. - Please send copies of letters to:

Charles T. Mitchell Co.
P.O. Box 698
Frankfort, KY 40602

97043780419

37707521

NAME OF CONTRIBUTOR
Kentucky State Democratic Central Executive Committee
100 West Jackson Street
Frankfort, Kentucky 40602

NAME OF CANDIDATE
MAX BROWN
FEEDBACK NUMBER
C 00011197
 This committee qualified as a non-federally controlled committee during this reporting period.

DATE AND TYPE OF REPORT

- April 15 Quarterly Report
- July 15 Quarterly Report
- October 15 Quarterly Report
- January 31 Year End Report
- July 31 1992 Year Report (Pre-Deadline Year Only)
- Termination Report

- Monthly Report Due On:**
- February 28
 - March 31
 - April 30
 - May 31
 - June 30
 - July 31
 - August 31
 - September 30
 - October 31
 - November 30
 - December 31
 - January 31

- Vacation day report preceding _____ (Type of Month) starting on _____ in the State of _____
- Vacation day report following the current election on _____ in the State of _____

In-Side Report on Amendment Yes No

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
1. Reporting Period <u>4/1/92</u> through <u>6/30/92</u>			
2. (a)	Cash on Hand January 1, 1992		\$ 71,336.75
(b)	Cash on Hand at Beginning of Reporting Period	\$ 32,093.89	
(c)	Total Receipts from Line 10	\$151,059.92	\$218,408.91
(d)	Subtotal (add Lines (b) and (c) for Column A and Lines (a) and (c) for Column B)	\$183,153.81	\$289,745.66
7.	Total Disbursements from Line 20	\$177,495.14	\$284,076.99
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line (d))	\$ 5,658.67	\$ 5,658.67
9.	Liabilities and Obligations Owed TO the Committee (sum of all on Schedule C and/or Schedule D)	\$	
10.	Liabilities and Obligations Owed BY the Committee (sum of all on Schedule C and/or Schedule D)	\$ 49,583.90	

For further information contact
Federal Election Commission
600 E Street, NW
Washington, DC 20543
Tel: (202) 456-4500
TDD: (202) 456-4500

I hereby declare that I have prepared this report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer
William C. Johnson, CPA
Signature of Treasurer
W.C. Johnson CPA Treasurer Date 7/15/92

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 22037702527

FEDERAL ELECTIONS: CONTRIBUTIONS AND EXPENDITURES 6/30/92		6/30/92	6/30/92
I. Receipts		CONTRIBUTIONS Total This Period	CONTRIBUTIONS Calendar Year
11. Contributions (after Donations from			
a. Individuals/Persons Other Than Political Committees			
(1) Schedule B			
(2) Schedule C			
(3) Total			
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contributions			
12. Transfers from Affiliated Other Party Committees			
13. Loans Received			
14. Loan Repayments Received			
15. Grants to Support Administration of Party, Political, and			
16. Refunds of Contributions to Support Administration of Other Political Operations			
17. Other Political Receipts (Interest, Dividends, and		7.50	186.00
18. Treasury for Unexpended Funds for 1991 Activity		131,052.42	218,247.91
19. Total Receipts		131,059.92	218,433.91
20. Total Political Receipts		7.50	186.00
II. Disbursements			
21. Operating Expenditures:			
a. General Expenditures Political Party (from Schedule G)		58,294.22	92,277.36
1. Political		116,308.44	186,298.39
2. Non-Political			
b. Other Political Operating Expenditures			
c. Total Operating Expenditures		174,602.66	276,575.75
22. Transfers to Affiliated Other Party Committees			
23. Contributions to Political Committees, Candidates, and Other Political Committees		2,000.00	6,430.00
24. Independent Expenditures (see Schedule H)			
25. Disbursed Expenditures Made by Party Committees (P.U.C. 401(a)(2) (see Schedule F))			
26. Loan Repayments Made		612.48	1,226.96
27. Loans Made			
28. Refunds of Contributions To:			
a. Individuals/Persons Other Than Political Committees			
b. Political Party Committees			
c. Other Political Committees (such as PACs)			
d. Total Contribution Refunds			
29. Other Disbursements			
30. Total Disbursements	(add 21a, 22, 23, 24, 25, 26, 27, 28a, and 28b) >	177,495.14	284,056.99
31. Total Political Disbursements	(add 21a and 21b from 21) >	60,906.70	99,502.30
III. Net Contributions/Operating Expenditures			
32. Total Contributions (after Donations) from 11a			
33. Total Contribution Refunds from 28a			
34. Net Contributions (after Donations) from 28 from 28			
35. Total Political Operating Expenditures	(add 21a and 21b) >	58,294.22	92,277.36
36. Change in Operating Expenditures from 19			
37. Net Operating Expenditures	(add 35 from 35) >	58,294.22	92,277.36

Jan 23 9 03 AM '92

NAME OF COMMITTEE (Print)
 Kentucky State Democratic Central Executive Committee

ADDRESS (Number and street) (Check if different than previously reported)
 Democrat Drive, Hillville Bl., P.O. Box 604

CITY, STATE and ZIP CODE
 Frankfort, Kentucky 40602

FEC IDENTIFICATION NUMBER
 C 0001197

THIS COMMITTEE QUALIFIED AS A DISCLOSED COMMITTEE DURING THIS Reporting Period on (Date)

4. TYPE OF REPORT

- April 15 Quarterly Report
- July 15 Quarterly Report
- October 15 Quarterly Report
- January 31 Year End Report
- July 31 1992 Year Report (Non-election Year Only)
- Termination Report

Monthly Report Due On:

- February 28
- March 31
- April 30
- May 31
- June 30
- July 31
- August 31
- September 30
- October 31
- November 30
- December 31
- January 31

- Twelfth day report preceding _____
Page of Election
 election on _____ in the State of _____
- Twelfth day report following the General Election on _____
 in the State of _____

(3) Is this Report an Amendment? Yes No

SUMMARY

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
1. Covering Period	4/1/92 through 6/30/92		
2. (a)	Cash on Hand January 1, 1992		\$ 71,306.75
(b)	Cash on Hand at Beginning of Reporting Period	\$ 32,093.89	
(c)	Total Receipts (from Line 10)	\$151,059.92	\$218,408.91
(d)	Subtotal (add Lines (b) and (c) for Column A and Lines (a) and (c) for Column B)	\$183,153.81	\$289,713.66
7.	Total Disbursements (from Line 20)	\$177,495.14	\$284,056.99
8.	Cash on Hand at Close of Reporting Period (Subtract Line 7 from Line (d))	\$ 5,658.67	\$ 5,658.67
9.	Debits and Collections Owed TO the Committee (Parties all on Schedule C and/or Schedule D)	\$	
10.	Debits and Obligations Owed BY the Committee (Parties all on Schedule C and/or Schedule D)	\$ 49,583.00	

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

Type or Print Name of Treasurer

William C. Johnson, (CA)
Signature of Treasurer

William C. Johnson

John

NOTE: Submission of this, amended, or amended information may subject the person signing this Report to the penalties of 18 U.S.C. 950b.

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UNITED PRIMARY PAGE
OF FINANCIAL STATEMENTS
FORM 1 AND FORM 2E

(Revised 5/2/91)

NAME OF ORGANIZATION Kentucky State Democratic Central Executive Committee		REPORT COVERING PERIOD FROM 4/1/92	TO 6/30/92
		COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts			
VI. Contributions (Other Than Loans) From:			
a. Individual Persons Other Than Political Committees			
1. Banked (see Schedule F) _____			
2. Unbanked _____			
3. Total _____ <i>(add 1 and 2) ></i>			
b. Political Party Committees _____			
c. Other Political Committees (such as PACs) _____			
d. Total Contributions _____ <i>(add a, b and c) ></i>			
VII. Transfers From Affiliated/Other Party Committees _____			
VIII. All Loans Received _____			
IX. Loan Repayments Received _____			
X. Checks To Operating Expenditures (Political, Religious, etc.) _____			
XI. Refunds of Contributions Made to Federal Candidates and Other Political Committees _____			
XII. Other Federal Receipts (Gifts, Interest, etc.) _____			
XIII. Transfers from Nonbanked Account for Joint Activity _____			
XIV. Total Receipts _____ <i>(add VII, VIII, IX, X, XI, XII, XIII, and XIV) ></i>			
XV. Total Federal Receipts _____ <i>(add XIII and XIV from the XIV) ></i>			
II. Disbursements			
21. Operating Expenditures:			
a. Shared Public-Union-Political Activity (see Schedule III)			
1. Federal Share _____			
2. Non-Federal Share _____			
b. Other Federal Operating Expenditures _____			
c. Total Operating Expenditures _____ <i>(add a, 1, 2, and b) ></i>			
22. Transfers to Affiliated/Other Party Committees _____			
23. Contributions to Federal Candidates/Committees and Other Political Committees _____			
24. Independent Expenditures (see Schedule B) _____			
25. Coordinated Expenditures Made by Party Committees @ U.S.C. 44109 (see Schedule F) _____			
26. Loan Repayments Made _____			
27. Loans Made _____			
28. Refunds of Contributions To:			
a. Individual Persons Other Than Political Committees _____			
b. Political Party Committees _____			
c. Other Political Committees (such as PACs) _____			
d. Total Contribution Refunds _____ <i>(add a, b and c) ></i>			
29. Other Disbursements _____			
30. Total Disbursements _____ <i>(add 21a, 22, 23, 24, 25, 26, 27, 28d, and 29) ></i>			
31. Total Federal Disbursements _____ <i>(add 28d and 29 from the 29) ></i>			
III. Net Contributions/Operating Expenditures			
32. Total Contributions (Other Than Loans) from the VII _____			
33. Total Contribution Refunds (see the 28) _____			
34. Net Contributions (Other Than Loans) (subtract the 33 from the 32) _____			
35. Total Federal Operating Expenditures _____ <i>(add 21a and 21b) ></i>			
36. Checks to Operating Expenditures (see the 10) _____			
37. Net Operating Expenditures _____ <i>(subtract the 35 from the 36) ></i>			

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Name of Donor in Full	Amount Received This Period	Amount Forwarded This Period	Year Paid	Amount Balance as of End of This Period
Kentucky State Central Executive Committee				
A. Full Name, Mailing Address and Zip Code of Donor or Donator Mylene Corvick 641 Brynwood Parkway Lexington, KY 40505	143.75			143.75
Name of This Purpose				
Excess - Print Sales				
B. Full Name, Mailing Address and Zip Code of Donor or Donator Robert C. Dean 708 Old Bobbing Road Lexington, KY 40505	143.75			143.75
Name of This Purpose				
Advance for Media Expenses				
C. Full Name, Mailing Address and Zip Code of Donor or Donator Non-Federal Account Democratic Committee Frankfort, KY 40602 (See Attachment)	-0-	33,654.22	-0-	33,654.22
Name of This Purpose				
D. Full Name, Mailing Address and Zip Code of Donor or Donator				
Name of This Purpose				
E. Full Name, Mailing Address and Zip Code of Donor or Donator				
Name of This Purpose				
F. Full Name, Mailing Address and Zip Code of Donor or Donator				
Name of This Purpose				
TOTALS This Period This Page Covered				34,141.72
TOTAL This Period This Page Not Covered				71,816.67
TOTAL UNRECORDED CONTRIBUTIONS Received & Forwarded				12,779.63
ADDENDUM				149,738.02

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3. The amount shown for each column must

Prepared By	Date
Approved By	Date

VENTNARY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE

ATTACHMENT TO SCHEDULE "D" FEC FORM 3X

July 15 Quarterly Report (1992)

CALCULATION OF PAYABLE FROM FEDERAL TO NON-FEDERAL ACCOUNT

FEDERAL DISBURSEMENTS, 1/1/92 - 6/30/92 (PAGE 2, LINE 31, COLUMN B)	\$ 9950.00
CASH ON HAND, 1/1/92 (SUMMARY PAGE LINE 6 (A))	\$ 7126.75
LESS: CASH ON HAND, 6/30/92 (SUMMARY PAGE LINE 8)	552.07
TOTAL FEDERAL CASH USED	6547.30
EXCESS OF FEDERAL DISBURSEMENTS OVER FEDERAL CASH USED - PAYABLE TO NON-FEDERAL ACCOUNT	\$ 3392.70

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20541

RG-2

William G. Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

JUL 29 1992

Identification Number: C00011197

Reference: Amended Mid-Year Report (1/1/91-6/30/91), dated May 8, 1992

Dear Mr. Johnson:

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 1990 Year End report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Please provide the total for Line 11(a)(iii), Columns A and B of the Detailed Summary Page.

-Please provide a Schedule A to support the entry reported on Line 13 of the Detailed Summary Page. All loans and loan repayments received by your committee must be itemized on Schedule A, regardless of the amount loaned or repaid. 2 U.S.C. §434(b)(3)(E)

-Your report discloses a \$4,000 loan repayment received on Line 13 of the Detailed Summary Page. The original amount of the loan, as well as any loan repayments, must be reflected on Schedule C. 2 U.S.C. §434(b)(3)(E)

-Schedule C discloses loans from Powell County Bank and Farmers Bank and Trust in the amounts of \$4,135 and \$14,811. In instances where loans have endorsers or guarantors, the following information must be supplied: (1) the identification of each endorser or guarantor; and (2) the amount of endorsement or guarantee outstanding at the close of the reporting period. The term "identification" means (a) in the case of an individual, his or her full name, mailing address,

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occupation, and name of employer; and (b) in the case of any other person, the person's full name and address. 11 CFR §§100.7(a)(1)(i)(C) and 104.3(a)(4)(iv)

-Schedule C of your report indicates a cumulative payment to date of \$92 to Farmers Bank and Trust on an outstanding loan. Schedule H4 of your report discloses \$5,036 in loan repayments to Farmers Bank and Trust this period. Please clarify this discrepancy.

-Your original 1991 Mid-Year Report discloses \$2,406 in transfers to your non-federal account. Your amended 1991 Mid-Year Report, however, omits these transactions. Please clarify this discrepancy.

-Line 26 of the Detailed Summary Page of your report discloses a total of \$5,570 in loan repayments made. The sum of the entries itemized on Schedule H4, however, indicates the total to be \$16,712. Please amend your report to clarify this discrepancy.

-The loans from Powell County Bank and Farmers Bank and Trust, incurred on December 22, 1988 and February 9, 1990, have not been disclosed previously. Please amend all affected reports from the dates the loans were incurred and include any loan repayments on Schedule B.

-The Summary and Detailed Summary Pages of this report disclose line number totals which differ substantially from the totals disclosed on the committee's original 1991 Mid-Year Report. The amended report discloses receipt and disbursement totals which are \$155,440 and \$182,332 more, respectively, than originally disclosed on the committee's initial report. The committee also disclosed \$178,696 in allocable disbursements made for administrative expenses during this reporting period, while the original report failed to show any administrative expenses.

Additionally, the cash flow, as reported, indicates that the federal account would not have had adequate funds to pay disbursements totalling \$184,247. Since the \$99,905 non-federal transfer-in was received on the last day of the reporting period and over \$49,000 of the check-off funds were received during the last two months of the reporting period, the committee must explain how these expenses were paid.

The committee must immediately describe the sources of the figures disclosed on the 1991 Amended Mid-Year Report, clarify the accounting procedures used to pay the committee's administrative expenses for this period, and provide clarifying information for the apparent

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Self (discrepancies in the financial transactions between the original and amended reports. If the activity listed in this report did not actually occur in the federal account, the committee must file an amended report to accurately reflect only the activity that was transacted through the federal account.)

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 (262) 219-1500.

Sincerely,

David J. Weidman

David J. Weidman
Reports Analyst
Reports Analysis Division

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20541

BQ-2

William G. Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

JUL 29 1992

Identification Number: C00011197

Reference: Amended Year End Report (7/1/91-12/31/91), dated May 26, 1992

Dear Mr. Johnson:

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 totals listed on Lines 11(a)(iii), 11(b), and 11(c) appear to be incorrect due to misplacement. Please check the entries and provide a total for Line 11(d).

-Your previous filing, the 1991 Amended Mid-Year Report, disclosed a \$1,014 loan from Powell County Bank. This report, however, does not include a Schedule C to disclose the status of the loan, nor are there any loan repayments on Schedule C. Please provide a Schedule C to show the status of the loan and/or a Schedule B to show loan repayments. Loans must be continuously reported until they are repaid. 11 CFR §104.3(d)

-Schedule F of your report discloses coordinated expenditures made on behalf of a candidate(s). Please be advised that your committee must be authorized to make such expenditures by the national committee of the political party. If your committee has been designated to make such expenditures, please provide the name of the designating committee. If your committee has not been designated to make coordinated expenditures, they must be considered as "in-kind" contributions to the candidate(s) and be subject to the limitations of 2 U.S.C. §441a. Please amend your report with the clarifying information. 2 U.S.C. §441a(d)

-Line 26 of the Detailed Summary Page of your report discloses a total of \$2,512 in loan repayments made.

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The sum of the entries itemized on Schedule H4, however, indicates the total to be \$7,536. Please amend your report to clarify the discrepancy.

-The Summary and Detailed Summary Pages of this report disclose line number totals which differ substantially from the totals disclosed on the committee's original 1991 Year End Report. The amended report discloses receipt and disbursement totals which are \$194,287 and \$128,452 more, respectively, than originally disclosed on the committee's initial report.

Additionally, the cash flow, as reported, indicates that the federal account would not have had adequate funds to pay disbursements totalling \$281,632. Since the \$206,138 transfer-in was received on the last day of the reporting period, the committee must explain how these expenses were paid. The committee must further explain the large cash discrepancy between the non-federal account's share of administrative expenses, \$150,879, and the corresponding transfer-in from the non-federal account for \$206,138.

The committee must immediately describe the sources of the figures disclosed on the 1991 Amended Year End Report, clarify the accounting procedures used to pay the committee's administrative expenses for this period, and provide clarifying information for the apparent discrepancies in the financial transactions between the original and amended reports. If the activity listed in this report did not actually occur in the federal account, the committee must file an amended report to accurately reflect only the activity that was transacted through the federal account.

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) 219-3580.

Sincerely,

David J. Weidman
Reports Analyst
Reports Analysis Division

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0430

QAR

QAR



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20541

EO-2

JUL 29 1992

William Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C00011197

Reference: Amended April Quarterly Report (1/1/92-3/31/92),
dated 6/17/92

Dear Mr. Johnson:

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:

-Line 26 of the Detailed Summary Page of your report discloses a total of \$612.48 in loan repayments. The sum of the entries itemized on Schedule H4, however, indicates the total to be \$1,817.44. Please amend your report to clarify the discrepancy.

-The Summary and Detailed Summary Pages of this report disclose line number totals which differ substantially from the totals disclosed on the committee's original 1992 April Quarterly Report. Additionally, the cash flow, as reported, indicates that the federal account would not have had adequate funds to pay disbursements totalling \$106,561. Since the \$67,190 transfer-in was received on the last day of the reporting period, the committee must explain how these expenses were paid.

The committee must immediately describe the sources of the figures disclosed on the 1992 Amended April Quarterly Report, clarify the accounting procedures used to pay the committee's administrative expenses for this period, and provide clarifying information for the apparent discrepancies in the financial transactions between the original and amended reports. If the activity listed in this report did not actually occur in the federal account, the committee must file an amended report to accurately reflect only the activity that was transacted through the federal account.

adbr

adbr

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QBR { -Copies of checks attached to the original Year End Report indicate that the nonfederal account wrote a check for \$153,181 on January 23, 1992 "to provide for all shared expenses thru federal account". On the same date, checks were written back to the nonfederal account: \$51,060 ("Reimbursement for federal admin. expenses share"), \$102,021 ("Reimb. Non-Fedl. Share"), and \$100 ("to provide for all shared expenses thru fedl. account"). However, none of these transactions appear in either the original or amended 1992 April Quarterly Reports. In fact, the above-mentioned transactions exceed the amounts reported as being received and expended. Please clarify these discrepancies. } *QBR*

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) 219-3580.

Sincerely,

David J. Weidman

David J. Weidman
Reports Analyst
Reports Analysis Division

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

HC-3

August 20, 1992

William G. Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

Identification Number: C0001197 ³⁰ ₄₀

Reference: Amended Mid-Year (1/1/91-6/30/91, dated 5/8/92),
Amended Year End (7/1/91-12/31/91, dated 5/26/92) and
Amended April Quarterly (1/1/92-3/31/92, dated
6/17/92) Reports

Dear Mr. Johnson:

This letter is to inform you that as of August 19, 1992, the Commission has not received your response to our requests for additional information dated July 19, 1992. Those notices 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). Copies of our original requests are enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (102) 219-3580.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

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92037760127

Charles J. Mitchell Company

Central Public Accountants
22 WEST 126th, P.O. BOX 60
CHESAPEAKE, VIRGINIA 23041
TELEPHONE: (804) 537-1111
100 CLAYSON SQUARE
CHESAPEAKE, VIRGINIA 23041
TELEPHONE: (804) 537-1111
TELETYPE: (804) 537-1111

104M
FEDERAL ELECTION COMMISSION
ONE 11th ST. N.W.
WASHINGTON, D.C. 20543
GARY L. HARRIS, CPA
LARRY E. WILLIAMS, CPA
JAMES L. STINE, CPA
CHARLES J. MITCHELL, CPA
CONSULTANT

August 18, 1992

Mr. David J. Weidman, Reports Analyst
Federal Election Commission
999 E Street NW
Washington, DC 20463

Dear Dave:

There is no easy way to approach this, so I will try to reply in the chronological order of the reports and in the order of paragraphs in your letters:

Amended Mid-Year Report (1/1/91-6/30/91)

The beginning cash balance on the amended report (28,297.44) does not equal the 1990 ending cash (1,478.02) because the 1990 year end report did not include all the bank accounts. Please refer to the attached working paper, "Summary of Receipts, Disbursements, & Bank Balances," which I have labeled Exhibit 1. The numbers marked in yellow are the ones used for the 1990 Year End report. When I amended the report, I included the beginning balance in the "Check-Off" account, which may be designated as Federal money under the Federal Election Campaign Act.

Line 11(a)(iii) of the Detail Summary Page should have contained the number, "1,000.00". I apologize for this typographical error.

I have enclosed Schedule A for Line 11) of the Detail Summary Page. At the time, I simply was not aware that it was necessary to file Schedule A for loans received. The total amount of the loan was 12,000.00. It was a short term loan for the purpose of paying administrative expenses, so my reasoning was that one-third of the loan should be reported as the Federal share. The loan was fully repaid during this reporting period. The repayment is reflected on Line 26 of the Detail Summary Page which is supported by Schedule B4.

The 4,000.00 was not a loan repayment received, but a loan incurred by the Committee. I originally did not report it on Schedule C, because it had a zero balance on 6/30/91. However, I have enclosed an additional page for Schedule C to comply with your request.

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The loans from Powell County Bank and Farmers Bank reported on Schedule C do not have any endorser or guarantors. I have enclosed copies of the notes for your inspection.

The cumulative payment of \$92 to Farmers Bank and Trust reported on Schedule C is correct. Of the \$5,036 payments to Farmers Bank, only \$1,012 applied to this loan, which includes principal and interest. \$4,016 was the repayment of the \$4,000 Federal share of the short term loan discussed above. The \$92 principal repayment may seem low, but this is a ten year note. For any note that long, the first payments are almost all interest. The outstanding balance of the loan was figured using an accounting technique known as "Present Value Theory." I have enclosed my working paper, "Loans/Loan Payments" for your examination.

The \$2,406 in transfers to the non-federal account represent checks written from two accounts which were designated as Federal to the non-federal (General Fund) account. On Exhibit 1 I have circled these numbers in green. Since both Federal and non-federal administrative expenses were paid out of the General Fund account, these transfers were meaningless. I will discuss this situation in more detail in a following paragraph. *alter*

On Line 26 of the Detailed Summary Page, \$5,570 represents one-third of the total payments made toward combined Federal/non-federal loans. Total loan repayments were \$16,712. I was not sure how to report this, but it seemed logical to report only the Federal share on Line 26. If this not the proper way to report, please advise me.

I am sure you are correct that the loans from Powell County Bank and Farmers Bank have not previously been reported, but I have never seen any previous reports, and I cannot verify that they exist. Also, I doubt that records exist from which these previous reports could be constructed. I will investigate this, but it may not be physically possible to comply with your request to amend previous reports.

The vast differences in receipt and disbursement totals between the original and amended 1991 Mid-Year reports are, I think, very easily explained. The original report simply did not include the activity in all of the accounts. As shown in Exhibit 1, the transactions in the General Fund and Check-Off accounts were omitted. All administrative expenses were paid from these two accounts. Hence, the original report failed to show them. *alter*

You are correct that the Federal account did not have adequate funds to pay disbursements totalling \$184,267. In reality this is not what happened. Both Federal and non-federal administrative expenses were paid from both the

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Federal and non-federal accounts. What I have tried to do is demonstrate that Federal resources were adequate to pay for Federal expenses. As I think I mentioned to you, I think like an accountant, and if the cash ain't right, it ain't right. If you will notice on the Summary Page, beginning and ending cash are traceable to Exhibit 1, which is traceable to the bank statements of those bank accounts that I believe to be Federal bank accounts. I don't know of any other way to make the thing auditable. The \$99,909 transfer was purely fictitious. It represents the amount that would have had to have transferred from the non-federal account in order to pay total expenses of \$184,267, and make the ending cash in the Federal bank accounts correct. Perhaps the following will demonstrate:

Sub

Sub

Beginning Federal Cash	828,297.44
Federal Receipts	86,535.00
Non-federal Requirement	89,992.74
Total	184,738.18
Total Disbursements	(184,267.77)
Ending Federal Cash	670.71

Another way of looking at the thing is that the Federal "account" used \$27,827.03 of available cash (beginning cash less ending cash from the Summary Page) and had \$56,535.00 of receipts (Detail Summary Page, Line 20) for a total of \$84,362.02. Federal disbursements were only \$65,136.45 (Detail Summary Page, Line 31). Obviously, Federal resources were more than adequate to cover Federal disbursements, regardless of the fact that actual transfers between bank accounts were not made.

I hope this letter helps explain the sources of the figures disclosed in the 1991 Amended Mid-Year Report. I cannot clarify the committee's accounting procedures, because they didn't have any. They paid their bills out of whichever account had money in it. To prepare the report, I had to start from scratch and perform a quasi-audit, and use my best judgement.

Please call if you have questions about the contents of this letter, as you surely will have. I will get responses on the other reports in the mail shortly.

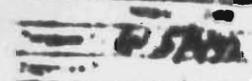
Sincerely,

Andy

Andy Raff, CPA

Enclosures: Working Papers(2)
Bank Notes(2)
Schedules A and C

92037764704



NY DEMOCRATS
SUMMARY OF RECEIPTS, DISBURSEMENTS, & BANK BALANCES
1/1/91 - 6/30/91

	(700)	FEDERAL VICTORY	UNITED TRANSFER	GENERAL FUND	CHECKS = 077	(700)
Bal, 1/1/91	72 ¹¹	189 ⁰¹	617 ¹⁴	2283 ⁹¹	26818 ³²	30531 ³⁶
RECEIPTS (incl TRANSFERS)		1000 ⁰⁰		115438 ⁰⁶	51535 ⁰⁰	167973 ⁰⁶
DISBURSEMENTS (incl TRANSFERS)		(11789 ⁰¹)	(617 ¹⁴)	117451 ⁰⁵	(71955 ²²)	197316 ⁷⁶
BALANCE, 6/30/91	72 ¹¹	-0-	-0-	217 ⁰⁶	398 ³⁰	688 ⁶⁰
RECEIPTS, TRANSFERS, & ADMINISTRATIVE EXPENSES						
RECEIPTS		1000 ⁰⁰		115438 ⁰⁶	51535 ⁰⁰	
LOAN PAYMENTS (RUELL Co) / F Bank				1202 ²²	1209 ⁷¹	
TRANSFERS		189 ⁰¹		230 ⁵⁰		
LOAN PAYMENTS (FRANKS)				2419 ⁷²	612 ⁷⁶	
OTHER ADMIN EXPENSE				11389 ⁰⁹	6894 ⁹⁹	
				117451 ⁰⁵	71955 ²²	
						Σ ADMIN EXP = 178,696.98

Exhibit 1

FEDERAL E
COMMI
M:

Ms 24 11 35 11 '91

AUGUST 18, 1992
FEDERAL ELECTION COMMISSION
900 E STREET NW
WASHINGTON, DC 20463

RE: AMENDED YEAR END REPORT (7/1/91 THROUGH 12/31/91) DATED MAY 26, 1992
MR DAVID J. WEIDMAN, REPORTS ANALYST

WE ARE IN RECEIPT OF THE LETTER PERTAINING TO THE COMMISSIONS
PRELIMINARY REVIEW OF THE AMENDED 7-1-91 THROUGH 12-31-91 REPORT,
REFERENCED ABOVE. WE ARE ENCLASING A COPY OF THIS LETTER AND ENTERED
CIRCLED NUMBERS IN THE LEFT COLUMN TO CROSS REFERENCE THE QUESTIONS IN
YOUR LETTER TO THE RESPONSES BELOW.

ITEM 1. TOTAL CONTRIBUTIONS ON LINE 11c ARE 75,000 AND CONSIST OF
70,000 FROM THE DEMOCRATIC NATIONAL COMMITTEE, AND 5,000 FROM THE
VAN HORNEN S, VAN V GAP POLITICAL ACTION COMMITTEE. THE 70,000 WAS
REPORTED ON LINE 11b AND THE 5,000 ON LINE 11c. WE ARE ENCLASING A
COPY OF THE DETAIL SUMMARY PAGE AND THE SUPPORTING SCHEDULES
WHICH PERTAIN TO THESE AMOUNTS. IF THESE AMOUNT ARE REPORTED
INCORRECTLY PLEASE ADVISE, AND WE WILL MAKE ANY CORRECTIONS YOU
DESIRE.

ITEM 2 THIS LOAN WAS REPAYED AND THE REPAYMENT WAS SHOWN ON THE
LAST PAGE OF SCHEDULE D4. THE ORIGINAL AMOUNT OF THE LOAN WAS
12,140.47. THE LOAN WAS DATED 12-22-88 AND WAS REPAYED WITH 26
PAYMENTS OF 505.74. SCHEDULE C OF OUR REPORT FOR THE PERIODS
INDICATED SHOWED 1/3 OF THE REMAINING OUTSTANDING BALANCE OF THIS
LOAN. THIS AMOUNT WAS BASED ON A BALLOT COMPOSITION ALLOCATION
SINCE THE LOAN WAS FOR AN ASSET USED FOR OPERATING & ADMINISTRATIVE
EXPENSES. WE HAVE ENCLOSED AN SCHEDULE C, A COPY OF THE NOTE, AND A
COPY OF OUR WORKPAPER TO SUPPORT THIS TRANSACTION. IF ADDITIONAL
INFORMATION IS DESIRED, PLEASE DO NOT HESITATE TO ADVISE.

ITEM 3 THE 504 OF COORDINATED EXPENDITURES ENTERED ON SCH F WAS
FOR MR. CLINTON TO ADDRESS A JULY 1991 FUND RAISER ON BEHALF OF KN
CANDIDATES ONLY. SINCE THERE WERE NO FEDERAL CANDIDATES INVOLVED
WITH THE FUND RAISING EVENT IT IS OUR OPINION THAT THIS EXPENSE
SHOULD NOT HAVE BEEN INCLUDED AS A SHARED OR ALLOCABLE EXPENSE OR
AS AN EXPENDITURE ON BEHALF OF A CANDIDATE FOR FEDERAL OFFICE. WE
BELIEVE THAT THIS EXPENSE SHOULD HAVE BEEN PAID BY NON FEDERAL
FUNDS AND NOT INCLUDED IN THIS REPORT. THIS WAS OUR ERROR AND WE
ARE ASKING YOUR ADVISE AS TO HOW TO AMEND OUR REPORT. WE WILL
AMEND THE REPORT IN THE CORRECT MANNER AS YOU ADVISE.

ITEM 4 THE SCHEDULE C HAS BEEN AMENDED TO INCLUDE ALL PRINCIPAL
TRANSACTIONS FOR ALL DEBT, INCLUDING THE ITEM 2 ABOVE. THE
SCHEDULE D4 AMOUNT INCLUDES INTEREST ON THESE DEBTS.

ITEM 5 THE AMENDED REPORT HAS BEEN FILED TO REFLECT THE ACTIVITY
OF ALL FEDERAL ACCOUNTS AND WE BELIEVE THAT THE AMENDED REPORT IS
CORRECT. ENCLOSED IS A CASE SUMMARY WORKSHEET WHICH REFLECTS THE
ACTIVITY OF ALL ACCOUNTS FEDERAL & NONFEDERAL MAINTAINED BY THE
COMMITTEE. ALL BANK ACCOUNTS WERE NOT INCLUDED IN THE INITIAL
REPORT SINCE IT WAS OUR UNDERSTANDING THAT ALL FEDERAL ACTIVITY WAS
TO BE CLEARED THROUGH A SINGLE ACCOUNT. IN THE AMENDED REPORT THE
DOLLAR CHECK OFF ACCOUNT IS INCLUDED AS FEDERAL FUNDS IN ACCORDANCE
WITH FEC GUIDELINES AND DEFINITIONS.

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ITEM 6 FEDERAL FUNDS ARE ADEQUATE TO COVER FEDERAL EXPENSES. THE SOURCES OF FIGURES IN THE ANNEXED REPORT IS THE ACTUAL ACCOUNTS MAINTAINED BY THE COMMITTEE AND THE TRANSACTIONS FOR THE PERIOD. THE ADEQUACY OF THE FEDERAL FUNDS TO PAY FEDERAL EXPENSES IS SHOWN AS FOLLOWS.

BEGINNING FEDERAL CASH	670.71
DEPOSITS IN FEDERAL ACCOUNTS	144,329.26
FEDERAL FUNDS AVAILABLE	145,000.71
FEDERAL SHARE OF EXPENSES	75,039.01

THE COMMITTEE DID NOT MAKE THE TRANSFERS BETWEEN THE FEDERAL AND NON FEDERAL ACCOUNTS ON A TIMELY BASIS AND ACCORDINGLY THE DIVISION OF FEDERAL AND NON FEDERAL SHARED EXPENSES WAS NOT ACCOUNTED FOR IN A PROPER MANNER DURING THIS PERIOD. THE TRANSFERS WERE RECORDED IN OUR REPORT AS THEY SHOULD HAVE OCCURED WITH FEDERAL EXPENSES AND FEDERAL RECEIPTS. WE WILL REPORT THE FEDERAL EXPENSES IN ANY MANNER YOU DESIRE BUT WE CAN'T CHANGE THE FACT THAT TRANSFERS WERE NOT MADE BETWEEN THE ACCOUNTS. WE HAVE RESTRUCTURED THE ACCOUNTS TO THE EXACT BALANCES WHICH WOULD HAVE EXISTED HAD THE TRANSFERS BEEN MADE.

THE COMMITTEE DOES NOT RECEIVE OR HAS NEVER RECEIVED CORPORATE CONTRIBUTIONS OR CONTRIBUTIONS FROM LABOR UNIONS. THE RECEIPTS OF THE COMMITTEE ARE ONLY THOSE WHICH ARE ALLOWED BY FEDERAL STANDARDS. THERE IS NO SOFT MONEY AND THERE HAVE BEEN NO IMPROPER EXPENDITURES. THE COMMITTEE WAS ADVISED TO MAKE TRANSFERS FOR THE PROPER PAYMENT OF SHARED EXPENSES BUT DID NOT BEGIN TO DO SO UNTIL 1992. THE ONLY ERROR IS THAT THE EXPENSES HAVE BEEN PAID FROM THE INCORRECT BANK ACCOUNT.

WE INTEND TO CONTINUE TO TRY TO COMPLY WITH THE REQUIREMENTS OF THE FEC AND WILL DO EVERYTHING POSSIBLE TO DO SO. THE COMMITTEE HAS NO TRANSACTIONS WHICH VIOLATE THE INTENT OF THE FEC FILING REQUIREMENTS AND WE INVITE CONTINUED SCRUTINY AND INDEED THE COMPLETE AUDIT OF THE FEC.

RESPECTFULLY SUBMITTED,

WM G JOHNSON

COPY: GRADY STUMBO, CHAIRMAN KENTUCKY DEMOCRATIC PARTY

Sub

Sub

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AL 9/1/91

ITEM 5

By DEMOCRATS

CASH SUMMARY

7/1/91 - 12/31/91

WELLS FARGO COMPANY

	(NON-FED)	(FEDERAL)	(NON-FED)	(FEDERAL)	(FED)	(FED)	TOTALS
	Victory 91	OP/MAINT	GENERAL	- 077	NEW	12"	
BE, BALANCE	-0-	-0-	21784	39830		712"	68825
DEPOSITS	115500 ⁰⁰	70000 ⁰⁰	119095 ⁵⁰	71329 ⁵⁰			316925 ⁰⁰
PAC CONTRIBUTIONS					500 ⁰⁰		500 ⁰⁰
TRANSFERS IN			21965 ⁵⁰	1000 ⁰⁰			22965 ⁵⁰
ADVANCE EXPENSE	10250 ⁰⁰	34250 ⁰⁰	114182 ⁰⁰	89177 ⁰⁰			225198 ⁰⁰
LOAN PAYMENTS	10250 ⁰⁰	42542 ⁰⁰		202 ⁰⁰			75262 ⁰⁰
TRANSFERS OUT		20965 ⁵⁰	1000 ⁰⁰	1000 ⁰⁰			22965 ⁵⁰
VOTES BANK	28996 ⁰⁰						28996 ⁰⁰
CONDO EXP			501 ⁰⁰				501 ⁰⁰
OTHER DEBIT	3000 ⁰⁰		21500 ⁰⁰				24500 ⁰⁰
ENDING BALANCE	15648 ⁰⁰	5500 ⁰⁰	40855 ⁰⁰	60884 ⁰⁰	500 ⁰⁰	712"	94956 ⁰⁰

ENDING FEDERAL CASH \$ 71306⁰⁰



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

ANALYST: David J. Weidman

CONVERSATION WITH: Andy Naff, Accountant

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: September 8, 1992

SUBJECT(S): Non-Federal Transfers-In for 1991 Mid-Year, 1991 Year End,
and 1992 April Quarterly Reports

The analyst and Mr. Naff discussed the transfers recorded on the reports in question. Mr. Naff stated again that the Committee did have enough funds to cover federal expenses even if the reported figures were not an accurate representation of their financial activity. Mr. Naff also mentioned that he was trying to get the Committee to correct its procedures for the payment of allocable expenditures.

970438041

Charles T. Mitchell Company
General Public Accountant
20 WEST MAIN, P.O. BOX 60
MADISON, MISSISSIPPI 39101
TELEPHONE - 662-2742

RECEIVED
FEDERAL ELECTION
COMMISSION
WALL ST. 14

SEP 11 1992

ICTM
CHARLES T. MITCHELL, CPA
DORIS C. MITCHELL, CPA
WILLIAM G. MITCHELL, II, CPA
GARY L. MITCHELL, CPA
LARRY T. WILLIAMS, CPA
JAMES S. STONE, CPA
CHARLES F. WELLS, CPA

September 3, 1992

Mr. David J. Weidman, Reports Analyst
Federal Election Commission
999 E Street NW
Washington, DC 20463

Reference: Amended April Quarterly Report (1/1/92-3/31/92),
dated 6/17/92

Dear Dave:

I apologize for not getting back to you sooner with my response. As in my previous letter, I will attempt to answer your questions in the order they were stated in your letter dated 6/29/92.

The entry of \$612.48 on Line 26 of the Detail Summary Page represents 1/3 of the total loan payments made during the period, \$1,837.44. The loan is a combined Federal/non-federal loan which I began reporting in the 1991 mid-year report. It seemed only logical to report the Federal share only on the Detailed Summary Page.

The line totals on the Summary and Detailed Summary Pages of the amended report and the original report differ significantly primarily because the original report was not right. It did not include all the accounts or activity. I think that the true activities and balances can be explained by a working paper I have labeled "Combined Cash Revenues and Expenses" (enclosed). I believe the amounts on this working paper can easily be traced to the Summary and Detailed Summary Pages. As shown in the working paper also, approximately 2/3s of the administrative expenses were paid from the non-federal bank accounts. There were never any actual transfers between bank accounts. The \$67,190.49 is merely a forced number which makes the ending cash in the Federal bank accounts correct. Perhaps the following will demonstrate:

QdR

Beginning Federal Cash	\$71,306.75
Federal Receipts	138.30
Non-federal Requirement	67,190.49
Total	138,435.54
Total Disbursements	106,261.85
Ending Federal Cash	\$32,693.99

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If I understand the intent of the law, there must be adequate Federal resources to cover Federal expenditures. Although the Committee's staff did not follow the proper administrative procedures and make actual bank account transfers, I do not think the intent of the law was violated, and may be demonstrated thusly:

Beginning Federal Cash	\$71,306.75
Federal Receipts	158.50
Total Federal Resources	<u>71,465.25</u>
Federal Expenditures/Report	<u>38,395.60</u>
Excess of Resources over Exp.	\$33,069.65

Subj (The excess of resources over expenditures does not equal cash because expenditures/report do not equal actual bank disbursements. The bank balance is slightly lower, indicating that the Federal "account" actually paid more than its required share of the administrative expenses.) If we reported only the activity that occurred in the Federal bank accounts, actual administrative expenses would be wildly distorted. I believe that the amended report is an accurate reflection of what actually happened as is possible, given the facts that the FEC's forms leave much to be desired, and the Committee's staff do not have adequate accounting procedures. *Auth*

The checks which were attached to the original Year End Report represented sham transactions. A worthless check was written from one account and deposited into a second account to cover two checks written on the second account and deposited into the first account (bank statements enclosed). I think the original logic behind doing this was to show the required non-federal transfer into the Federal "account" and repayment to the non-federal "account" for 1/3 of the total administrative expenses for the period ended 12/31/91. In any event, the transactions did not reflect any economic reality, so I eliminated them in my analyses of the bank accounts (working papers enclosed).

I hope this letter helps clarify what was done and why. Please call if you have questions.

Sincerely,

Andy Haff, CPA

Enclosures: Working Papers (3)
Bank Statements (2)
Summary Page of Original 12/31/91 Report

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NY DEMOCRATS
 VICTOR
 1/1/92 - 3/31/92

PROOF OF CASH

	BANK	DEPOSITS	CHECKS	BALANCE, END OF MONTH
1/1/92	Beginning Balance	*153181.00	*159139.44	13027.44
1/31 - 2/28/92		-	4153.41	9474.03
2/29 - 3/31/92		-	-	9474.03
	<u>19585.80</u>	<u>153181.00</u>	<u>163292.85</u>	<u>9474.03</u>
			o/s #137	<2125>
			Bal/Books 3/31/92	<u>9452.78</u>

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1/1/92	BAL / BANK	19585.80
	LESS: o/s @ 1/1/92	<2125>
1/1/92	BAL / BOOKS	19564.80
	PLUS: DEPOSITS	0 - 0 -
	LESS: CHECKS	0 <10111.5>
	BAL / BOOKS 3/31/92	<u>9452.78</u>

* INCLUDED BILL JOHNSON'S HORSECHECKS }
 ① HORSECHECKS OMITTED }

Ky DEMOCRATS
 UNITED FEDERAL ACCOUNT # 25-3491-6
 1/1/92 - 3/31/92

PAGE 21 Cash

NO ACTIVITY

ZERO BALANCE

9 7 0 4 3 7 8 0 4 1 6

Ky DEMOCRATS
 FEDERAL ACCOUNT # 25-3491-6 PROOF OF CASH
 1/1/92 - 3/31/92

	BEG BALANCE/ BOOKS & BANK	DEPOSITS	CHECKS	BALANCE END OF MONTH
12/31 - 1/31/92	5000 ⁰⁰	① 153181 ⁰⁰	① 153270 ⁷³	4910 ²⁷
1/31 - 2/28/92		-	-	4910 ²⁷
2/28 - 3/31/92			4000 ⁰⁰	910 ²⁷
	5000 ⁰⁰	153181 ⁰⁰	157270 ⁷³	910 ²⁷

BAL / BANK & BOOKS 1/1/92 5000⁰⁰
 DEPOSITS ① - 0 -
 CHECKS & DEBITS ② 4000⁰⁰
 910²⁷

① INCLUDES BILL JOHNSON'S HOUSE CHECKS }
 ② THOSE CHECKS OMITTED



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

ANALYST: David J. Weidman

CONVERSATION WITH: Pat Goins, Assistant Treasurer

COMMITTEE: Kentucky State Democratic Central Executive Committee

DATE: September 21, 1992

SUBJECT(S): General Discussion about Allocation Procedures and Payment
Non-Federal Debt

Ms. Goins informed the analyst that Mr. Johnson, the Committee's treasurer, had resigned from the Committee. The analyst and Ms. Goins spent some time discussing the allocation regulations so as to comply in the future. Ms. Goins noted that the Committee intended to pay back the non-federal account for the debt incurred when the non-federal account paid for the federal share of allocable activity.

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20541

10-3

William Johnson, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. B-2 694
Frankfort, KY 40602

OCT 14 1992

Identification Number: C00011197

Reference: July Quarterly Report (4/1/92-6/30/92)

Dear Mr. Johnson:

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:

-On Schedule B of your report, the committee discloses a \$31,004 debt to the "non-federal account: Democratic Committee". The Commission recommends that the federal account immediately repay its debt to the non-federal account. Additionally, the Commission recommends that the committee establish procedures to comply with the provisions of the new allocation regulations and immediately take steps to correct any non-compliance.

QBR

QBR

-Please clarify all expenditures made for "advertising". A portion or all of these expenditures were made on behalf of specifically identified federal candidates; they should be disclosed on Schedule B or F for Line B3 or B5 and include the amount, name, address and office sought by each candidate. 11 CFR §104.3(b)

PLEASE NOTE: Should your committee have a non-federal account(s) and should this activity represent shared direct candidate support, you must disclose this activity on 22(a)(1), 22(a)(11) of the Detailed Summary Page, the necessary transfer-in from the non-federal account(s) on Line 1B of the Detailed Summary Page AND Schedules B1, B2, B3 and B4. (See 11 CFR §§105.1 and 104.10).

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

9 7 0 4 3 7 8 0 4 1 8
9 2 0 3 7 4 5 2 5 9 3

our toll-free number, (800) 424-9530. My local number is (202) 319-3900.

Sincerely,

David J. Widman

David J. Widman
Reports Analyst
Reports Analysis Division

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REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
Executive Fund

Oct 15 10 42 ...

1. NAME OF COMMITTEE OR FUND Kentucky State Democratic Central Executive Committee ADDRESS (Number and Street) <input type="checkbox"/> CHECK IF different from primary address Democrat Drive, Millville Ind., P. O. Box 904 CITY, STATE and ZIP CODE Frankfort, Kentucky 40602		2. POC IDENTIFICATION NUMBER 00001197 <input type="checkbox"/> This committee qualified as a non-federally controlled SPONSOR THIS Reporting Period on _____
--	--	---

3. TYPE OF REPORT

- April 15 Quarterly Report
 - July 15 Quarterly Report
 - October 15 Quarterly Report
 - January 31 Year End Report
 - July 31 Mid Year Report (Non-October Year End)
 - Transition Report
- Monthly Report Due On:**
- | | | |
|--------------------------------------|---------------------------------------|--------------------------------------|
| <input type="checkbox"/> February 28 | <input type="checkbox"/> June 30 | <input type="checkbox"/> October 31 |
| <input type="checkbox"/> March 31 | <input type="checkbox"/> July 31 | <input type="checkbox"/> November 30 |
| <input type="checkbox"/> April 30 | <input type="checkbox"/> August 31 | <input type="checkbox"/> December 31 |
| <input type="checkbox"/> May 31 | <input type="checkbox"/> September 30 | <input type="checkbox"/> January 31 |
- Twelve day report preceding _____ (Type of Meeting)
 election on _____ in the State of _____
- Twelve day report following the General Election on _____ in the State of _____

is this Report an Attachment Yes No

SUMMARY		COLUMN A This Period	COLUMN B Calendar Year-to-Date
1. Opening Period	7-01-92		
2. Closing Period	9-30-92		
3. Cash on Hand January 1, 1992			\$ 71,306.75
4. Cash on Hand at Beginning of Reporting Period		\$ 1,650.67	
5. Total Receipts (from Line 10)		\$ 406,223.11	\$ 624,632.02
6. Subtotal (add Lines 4) and (5) for Column A and Line (4) and (5) for Column B		\$ 411,881.78	\$ 695,938.77
7. Total Disbursements (from Line 11)		\$ 327,736.38	\$ 611,793.57
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6)		\$ 84,145.20	\$ 84,145.20
9. Debt and Obligations Owed TO the Committee (Sum of all Schedules C and/or Schedule D)		\$	
10. Debt and Obligations Owed BY the Committee (Sum of all Schedules E and/or Schedule F)		\$ 15,465.13	

I certify that I have examined this Report and it is true and correct and complete.

Signature of Patricia Annell Thomas **ASSISTANT TREASURER**

Signature of [Signature] **TREASURER**

NOTE: Submission of this document, in compliance with the law, requires the person signing this Report to be a member of a U.S.C. party.

FED FORM 30

92037660570

STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE FEDERAL ELECTION CAMPAIGN ACTIVITY REPORT

NAME OF COMMITTEE: KENTUCKY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE

NAME AND ADDRESS	REPORT DATE	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
Farmers Bank	Loan Payments	08/19/92	612.00	204.00	408.00
Farmers Bank	(Principal)	08/19/92	612.00	204.00	408.00
Frankfort KY 40601	Interest	07/28/92	612.00	204.00	408.00
TOTAL FOR THE PERIOD			1,836.00	612.00	1,224.00

SECTION: ADMINISTRATIVE/OTHER SHARE

AGGREGATE YEAR-TO-DATE	1,812.32	1,807.00	3,619.32
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TOTAL FOR THE PERIOD (LINE 26, DETAIL SUMMARY PAGE) 1,836.00 612.00 1,224.00

AGGREGATE YEAR TO DATE (LINE 26, DETAIL SUMMARY PAGE) 1,812.32 1,807.00 3,619.32

Kentucky Democratic Party
 P.O. Box 604
 Frankfort, Kentucky 40602
 Total for this Period
 Administrative/Other Share \$33,854.22

33,854.22	33,854.22	} <i>as of</i>
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Aggregate Year to Date (Line 26, Detail Summary Page) 39,366.54 33,691.66 3,674.88

Federal Share of Column A Detailed Summary page: Column B.
 1/3 of Farmers Bank 612.48
 * Federal Share payment to non-Federal 33,854.22
 34,466.70 35,691.66

per compliance with FEC 441a(3)

9 7 0 4 3 8 0 4 5 2
 6 0 6 4 5



FEDERAL ELECTION COMMISSION
 WASHINGTON, D.C. 20543

EQ-3

November 5, 1992

Pat Goins, Asst. Treasurer
 Kentucky State Democratic Central
 Executive Committee
 P.O. Box 694
 Frankfort, KY 40602

Identification Number: C0001197

Reference: July Quarterly Report (4/1/92-6/30/92)

Dear Mr. Goins:

This letter is to inform you that as of November 4, 1992, the Commission has not received your response to our request for additional information, dated October 16, 1992. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

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

If you should have any questions related to this matter, please contact David Weidman on our toll-free number (800) 424-9530 or our local number (202) 219-3500.

Sincerely,

John D. Gibson
 Assistant Staff Director
 Reports Analysis Division

Enclosure

97043780453
 2203020393



Kentucky Democratic Party

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL COPY ROOM

P.O. Box 694 • Frankfort, Kentucky 40602 • 695-4828

NOV 23 12 24 PM '82

County Executive
Chairman

November 10, 1982

Gayle H. Rogers
Vice Chair

Mr. John Gibson,
Assistant Staff Director
Reports Analysis Division
Federal Election Commission
Washington, D. C. 20543

Re: Subj: 680011297
Re: July Quarterly Report (6-1-82 to 6-30-82)

Dear Mr. Gibson:

In response to your letter of November 9, 1982 covering the above report, I have listed below the information you requested.

The debt to the Non-Federal Account was paid in full and is shown on line 24 of the report filed for 7/1/82 - 9/30/82. The amount on the report is \$24,644.70 in order to compensate for any possible transfer miscalculation. } gdr

Clarification of expenditures for advertising are as follows:

- (1) Boone County Executive Committee announced the Jefferson/Jackson Day Dinner held in Owensboro and was reimbursement for the advertisement.
- (2) DMM National Convention ad was for a letter in the program welcoming the Democratic Women's National Convention participants to our state and wishes for a great convention. It was signed by the Chairman and Vice Chair of the Kentucky Democratic Party.
- (3) Kentucky Central Television was incorrectly listed as advertising, but was in fact a cost-sharing expense of a production with the Chamber of Commerce for a program of general interest to all voters.

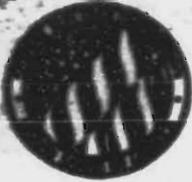
None of the above expenditures were on behalf of a federal candidate, neither directly or indirectly, nor the Coordinated Campaign.

If you have any questions or I can be of further assistance, please contact me at (602)695-4428.

Sincerely,
Pat Goin

Pat Goin
Assistant Treasurer
Kentucky Democratic Party

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2



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

20-2

Pat Coins, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

APR 21 1993

Identification Number: C00011197

Reference: October Quarterly Report (7/1/92-9/30/92)

Dear Treasurer:

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:

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addr { -On Schedule D of your previous report, you disclosed a debt(s) owed to the Kentucky State Democratic Non-Federal Account. This obligation(s), however, has been omitted from this report. Please amend your report to include this debt(s) on Schedule D. All debts and obligations must be disclosed until extinguished. 11 CFR §104.11 } *addr*

-Line 29 of the Detailed Summary Page of your report discloses a total of \$23,700 in contributions to non-federal candidates. The sum of the entries itemized on Schedule B, however, indicates the total to be \$15,450. Please amend your report to clarify the discrepancy.

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

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (3 U.S.C. §441a(f) and 441b) If your committee engages in

both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR §102.8(a).

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

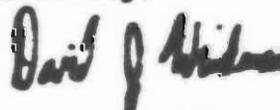
Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Should you choose to refund or transfer-out the funds, the Commission will presume the funds were impermissible, absent a statement from your committee to the contrary. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 28 or 22 of the report covering the period during which they are made.

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

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

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) 219-3580.

Sincerely,



David J. Weidman
Reports Analyst
Reports Analysis Division

93038351313



Kentucky Democratic Party

P.O. Box 694 • Frankfort, Kentucky 40602 • 693-4828

Attachment 43
Page 1 of 2
Amnd. 1992
Oct. Qtrly.

Grady Stumbo
Chairman

Gayle R. Rogers
Vice-Chair

May 7, 1993

Mr. David Weidman
Reports Analyst
Reports Analysis Division
Federal Election Commission
Washington, D. C. 20463

Reference Report: 7-1-92 to 9-30-92

Dear Mr. Weidman:

In response to your inquires, I have itemized each below for your information.

- A. *asked* { Schedule D, debts - You are correct that I did leave off the debt since it was repaid on this report. Enclosed is a copy of the corrected Schedule D. I will correct future reports. *asked*
- B. Difference on Line 29 of the Detailed Summary page is a total of \$9,250.00. I have attached page 3 of 4 pages of Schedule B. I think the FEC was missing this page when calculating these figures.
- C. The contributions listed on Schedule A for Line 11(b) - All monies received on Schedule A for Line 11(b) have been determined to be permissible under the Federal Election Campaign Act and consist of contributions from individuals and not from any unions or corporations and is in compliance with acceptable accounting practices.

If you have any questions concerning the above, please do not hesitate to contact me.

Sincerely,

Pat Goins
Assistant Treasurer

Attachments

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9303038385774

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Name of Contributor	Amount	Date	Type	Amount of Total
Kentucky State Control Executive Committee Full Name, Mailing Address and Zip Code of Donor or Contributor James Curran 11 Bryansford Parkway Lexington, KY 40502	143.75			143.75
Name of Donor Name - First Sales Full Name, Mailing Address and Zip Code of Donor or Contributor Robert C. Dean 18 Old Dobbin Road Lexington, KY 40502	143.75			143.75
Name of Donor Advance for Adm. Expenses Full Name, Mailing Address and Zip Code of Donor or Contributor Non-Federal Account Democratic Committee Frankfort, Kentucky 40602			53,844.22	53,844.22
Name of Donor Full Name, Mailing Address and Zip Code of Donor or Contributor 363				
Name of Donor Full Name, Mailing Address and Zip Code of Donor or Contributor 9				
Name of Donor Full Name, Mailing Address and Zip Code of Donor or Contributor				
Name of Donor				
TOTAL THE FUND THIS PAGE (Include)				54,132.69
TOTAL THE FUND THIS PAGE (Exclude)				54,132.69
TOTAL THE FUND THIS PAGE (Grand Total)				54,132.69
ADDITIONAL INFORMATION				15.00

SEP 16 2 20 PM '94

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

RAD Referral 94L-10 / MUR 3637
Date RAD Referral Activated: 4/26/94
Date Complaint Received by OGC: 10/2/92
Date of Notification to
Respondents: 10/7/92
Date MUR 3637 Activated: 4/26/94
Staff Member: Mary Ann Bumgarner

COMPLAINANT: Republican Party of Kentucky

RESPONDENTS: Kentucky State Democratic
Central Executive Committee and
Clay Patrick, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 433
2 U.S.C. § 434
2 U.S.C. § 441a
2 U.S.C. § 441b(a)
11 C.F.R. § 102.5
11 C.F.R. § 104.3(a)(1)
11 C.F.R. § 104.10
11 C.F.R. § 106.5

INTERNAL REPORTS CHECKED: Disclosure Reports; FEC Indices

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Office of the General Counsel received a referral from the Reports Analysis Division ("RAD") on February 18, 1994.

Attachment 1. The attached referral is based on the failure by the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, ("Respondents" or "Kentucky Democrats") to comply with the allocation regulations during the 1991-92 election cycle and their failure to reconcile a

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cash discrepancy between the 1990 Year End and the 1991 Mid-Year Reports. The attached referral also discusses Respondents' repeated failure, since 1988, to amend their statement of organization to reflect the names of the current treasurer of the Kentucky Democrats.

MUR 3637 was generated by a complaint (Attachment 2) filed by the Republican Party of Kentucky ("Complainant") on October 2, 1992, alleging that Respondents had "totally ignored the new federal election financing and reporting requirements that went into effect on January 1, 1991." Specifically, Complainant alleges that during the 1991-92 election cycle, Respondents "raised almost exclusively NON-federal money, and then simply have paid non-federal funds for everything, in violation 11 C.F.R. §§ 102.5, 106.5 and 104.10(b)." Complainant also alleges that Respondents incorrectly reported the allocation ratio on their Schedule H1 form for Administrative Expenses and completely failed to file their Schedule H1 form for Generic Voter Drives.¹ The Kentucky

1. For the purpose of reporting allocable expenses, several new schedules were added to FEC Form 3X, Report of Receipts and Disbursements. The new schedules include: (1) a Schedule H1 to show the method of allocation for shared federal and non-federal administrative expenses and generic voter drive costs; (2) a Schedule H2 to show allocation ratios for fundraising events, exempt activities, and direct candidate support; (3) a Schedule H3 to show transfers from non-federal accounts; and (4) a Schedule H4 to show disbursements for joint federal and non-federal activity.

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Democrats responded to the complaint in this matter on April 22, 1993.² Attachment 3.

II. FACTUAL AND LEGAL ANALYSIS

A. Law

The Federal Election Campaign Act of 1971, as amended, (the "Act") requires each treasurer of a political committee to file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a). Further, each report must disclose for the reporting period and calendar year the total amount of receipts and disbursements by certain identified categories. 2 U.S.C. § 434(b)(2) and (b)(4). Pursuant to 2 U.S.C. § 434(b)(1), each report must also disclose the amount of cash-on-hand at the beginning of the reporting period. See also, 11 C.F.R. § 104.3(a)(1).

The Commission's regulations require that committees, such as the Kentucky Democrats, that have established separate federal and non-federal accounts must make all disbursements, contributions, expenditures and transfers in connection with any federal election from their federal accounts. 11 C.F.R. § 102.5(a)(1)(i). The Act prohibits corporations and labor organizations from making contributions in connection with

2. The Kentucky Democrats are also respondents in open MUR 3182. The issues being addressed in MUR 3182 include, among other things, whether expenditures made by the Kentucky Democrats for 1990 TV ads and generic activities were properly allocated between its federal and non-federal accounts. Because the activity at issue in MUR 3182 is subject to the pre-1991 allocation regulations and because we are recommending an audit for the 1991-92 election cycle, we do not recommend merging this matter with MUR 3182.

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federal elections, and prohibits political committees from knowingly accepting such contributions.³ 2 U.S.C. § 441b(a). Moreover, the Act provides that no person shall make contributions to a state committee's federal account in any calendar year which in the aggregate exceed \$5,000. 2 U.S.C. § 441a(f). Accordingly, contributions, disbursements or transfers from non-federal accounts of registered committees that include corporate and labor organization contributions or excessive individual contributions are in violation of the Act. 2 U.S.C. §§ 441b(a) and 441a.

In addition, state party committees that have established separate federal and non-federal accounts must pay the entire amount of an allocable expense from its federal account and shall transfer funds from its non-federal account to its federal account solely to cover the non-federal share of that allocable expense. 11 C.F.R. § 106.5(g)(1)(i). Further, for each transfer of funds from a committee's non-federal account to its federal account, the committee must itemize in its reports the allocable activities for which the transferred funds are intended to pay, as required by 11 C.F.R. § 104.10(b)(3). 11 C.F.R. § 106.5(g)(2)(ii)(A). Moreover, such funds cannot be transferred more than 10 days before or more than 30 days after the payment for which they are

3. During the 1991-92 election cycle, Kentucky law prohibited corporate contributions, but permitted labor organization contributions and individual contributions of \$6,000 to the state party executive committee and their subdivisions and affiliates in any one year.

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designated is made ("40 day window"). 11 C.F.R.

§ 106.5(g)(2)(ii)(B). If the requirements of 11 C.F.R.

§ 106.5(g)(2)(ii)(A) and (B) are not met, any portion of a transfer from a committee's non-federal account to its federal account shall be presumed to be a loan or contribution to the federal account, in violation of the Act. 11 C.F.R.

§ 106.5(g)(2)(iii).

Further, state party committees with separate federal and non-federal accounts must allocate their administrative expenses between those accounts using the "ballot composition method." 11 C.F.R. § 106.5(d). In states such as Kentucky that hold federal and non-federal elections in different years, state and local party committees must allocate generic voter drive costs in a slightly different way. Those committees must apply the ballot composition ratio to the calendar year in which the election is held.⁴ 11 C.F.R. § 106.5(d)(2).

Administrative expenses are described at 11 C.F.R.

§ 106.5(a)(2)(i) as "including rent, utilities, office supplies, and salaries, except for such expenses directly attributable to a clearly identified candidate." Generic voter drives are described at 11 C.F.R. § 106.5(a)(2)(iv) as "including voter identification, voter registration, and get-out-the-vote drives, or any other activities that urge the

4. Kentucky is one of the five states that hold non-federal elections in odd-numbered calendar years. Administrative costs are still allocated according to the ballot composition ratio based on the two-year federal election cycle. 11 C.F.R. § 106.5(d)(2).

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general public to register, vote, or support candidates of a particular party or associated with a particular issue, without mentioning a specific candidate."

Moreover, a political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must report each transfer of funds from its non-federal account to its federal account for the purpose of paying such expenses. 11 C.F.R. § 104.10(b)(3). The committee must explain in a memo entry the allocable expenses to which the transfer relates and the date on which the transfer was made. Id. Further, a political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must also report each disbursement from its federal account in payment for a joint federal and non-federal expense or activity. 11 C.F.R. § 104.10(b)(4). The committee must report to the Commission the date, the amount and purpose of each such disbursement, along with the full name and address of each person to whom the disbursement was made. Id.

In addition, the Act requires the signature of the designated treasurer on each report. 2 U.S.C. § 434(a). The Act also requires each political committee to file a statement of organization with the Commission within ten (10) days of becoming a political committee. 2 U.S.C. § 433(a). Included on this statement of organization, among other things, is the name and address of the current treasurer of the committee. 2 U.S.C. § 433(b)(4). If there is a change in the information previously submitted on a statement of organization, political

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committees are required to report to the Commission such a change no later than 10 days after the date of the change.
2 U.S.C. § 433(c).

B. Analysis

1. Failure to Comply with Allocation Regulations

The complaint in this matter alleges that the Kentucky Democrats funded all federal activity from its non-federal account. Attachment 2. The focus of the complaint is on Respondents' original 1991 Year End Report and not the amended report. Specifically, Complainant questions a \$153,180 transfer from Respondents' non-federal account to the federal account reported on their 1991 Year End Report. Second, Complainant alleges that Respondents failed to file a Schedule H1 for Generic Voter Drives with their 1991 Year End Report. Third, Complainant asserts that the Schedule H1 form for Administrative Expenses filed by Respondents with their 1991 Year End Report was technically incorrect. According to Complainant, the federal allocation share for the 1992 cycle was 33.33%, but Respondents reported their share as 66.66% on their Schedule H1. Complainant concedes, however, that Respondents did, in fact, use the correct figure (33.33%) when they computed their disbursements for shared activity on their Schedule H4.

In response to the complaint, the Kentucky Democrats explain that these allegations stem from the original 1991 Year End Report and that Complainant "may have not have had the benefit of the amendment filed on May 20, 1992." Attachment 3.

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Respondents also assert that on September 3, 1992, an additional amendment was filed to the 1991 Year End Report, which provided additional details regarding the "transfer of funds including the financial spread sheet." Id. According to Respondents, RAD was "satisfied with this amendment and response." Id. Respondents also attached to their amended 1991 Year End Report a Schedule H1 for generic voter drive expenses and corrected the Schedule H1 for administrative expenses to reflect the proper allocation ratio for the federal share. Their counsel states that "a typing error resulted in the wrong number being identified as the percentage." Id.

Respondents attempt to negate the allegations in the complaint by reference to the amended 1991 Year End Report. By doing so, however, Respondents ignore the most significant allegation in the complaint, which is that the Kentucky Democrats paid for shared expenses during the 1991-92 election cycle with funds from its non-federal account. Moreover, the RAD referral also focuses on the Kentucky Democrats' apparent disregard for compliance with the allocation regulations during the 1991-92 election. Specifically, it appears that Respondents not only paid for shared expenses with funds from its non-federal account, as Complainant alleges, they also filed reports disclosing financial activity which did not occur. By their own admission, Respondents reported fictitious transfers from their non-federal account to their federal account. See, e.g., Attachment 1 at 24. The reports at issue in the referral are the 1991 Mid-Year and Year End Reports and

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the 1992 April, July and October Quarterly Reports and their amendments.

Based on a review of Respondents' disclosure reports, subsequent amendments and communications between RAD and the Committee's accountant and treasurer, the amended reports filed by Respondents during the 1991-92 election cycle are not an accurate depiction of the activity that actually took place during that time period. Instead, Respondents apparently amended the reports in order to show how allocation should have occurred.

According to the accountant for the Kentucky Democrats, while Respondents had enough funds to cover federal expenses, the reported figures were not an "accurate representation of their financial activity" and that he was "trying to get the Kentucky Democrats to correct its procedures for the payment of allocable expenditures." Attachment 1 at 95. The accountant further states that the Kentucky Democrats had seven bank accounts, five federal and two non-federal, from which it would pay expenses. Attachment 1 at 71. According to the accountant, the Kentucky Democrats would "use up one and go on to the next one." Id. In general, the accountant states that the "Ky Democrats don't keep books worth a damn." Attachment 1 at 73. The treasurer for the Kentucky Democrats also acknowledged the improper allocation and the misrepresentation of the Committee's financial activity, and informed RAD that "it was silly to talk about whether the activity was incorrect or correct because it was all a game." Attachment 1 at 71.

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Based on the evidence, it appears that Respondents used prohibited non-federal funds to pay for shared expenses; reported "fictitious transfers" between the non-federal account and federal account; failed to properly report each disbursement from its federal account in payment for shared activity; failed to make the appropriate transfers within the required 40 day window; and failed to properly allocate the payments for administrative expenses. The specific disclosure reports at issue in this matter and the apparent violations by Respondents are set out in the following discussion.

a. 1991 Mid-Year Report

On July 31, 1991, Respondents filed their 1991 Mid-Year Report disclosing no administrative expenses and only \$2,406.81 in federal disbursements. Based on the lack of administrative expenditures, RAD sent a Request for Additional Information ("RFAI") to Respondents informing them that they should repay the non-federal account if any administrative expenses were paid with non-federal funds. Attachment 1 at 41-42.

In response to the RFAI, the Kentucky Democrats' treasurer informed RAD that Respondents' "non-federal account had paid everything first and then the Committee had ran the expenses through the federal account and back out again." Attachment 1 at 44. According to the treasurer, "while he was not saying what the Committee did was correct, he did want to note that Kentuckians care about state candidates and not the federal process." Id. The treasurer also asserted that "no corporate

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or union money was involved and that all money was permissible under the FECA." Id.

On May 13, 1992, Respondents filed an amended 1991 Mid-Year Report which disclosed a much greater amount of financial activity than had been previously disclosed. Attachment 1 at 59-61. The amended report disclosed \$178,696.98 in joint expenditures (\$59,565.66 federal share and \$119,131.32 non-federal share) and a \$99,905.74 transfer from the non-federal account to the federal account. Because of the vast cash discrepancies between the original and amended reports, RAD sent another RFAI to Respondents requesting that they file reports to reflect the true financial activity of the period, provide an explanation as to the adequacy of federal funds to cover the joint expenditures and clarify the procedure used by the Kentucky Democrats to pay administrative expenses. Attachment 1 at 81-82.

On August 24, 1992, Respondents filed a second amendment to the 1991 Mid-Year Report. Attached to this amendment was a letter from the Kentucky Democrats' accountant addressing the discrepancies between the original and amended Mid-Year Reports. Attachment 1 at 22-24. According to the accountant, "the \$99,905 transfer was purely fictitious. It represents the amount that would have had to have transferred from the non-federal account in order to pay total expenses of \$184,276." Attachment 1 at 24. The accountant further states that he was unable to "clarify the Committee's accounting procedures, because they don't have any" and that Respondents

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"paid their bills out of whichever account had money in it."

Id. Last, the accountant states that in order to prepare the report, he had to "start from scratch and perform a quasi-audit, and use my best judgment." Id.

b. 1991 Year End Report

On February 3, 1992, the Kentucky Democrats filed its 1991 Year End Report disclosing \$153,180 in joint expenditures (\$51,060 federal share and \$102,120 non-federal share) and a \$153,181 transfer from the non-federal account to the federal account. Respondents provided a copy of a \$153,181 check dated January 23, 1992, drawn on the non-federal account and payable to the federal account. Attachment 1 at 49. Respondents also provided copies of three additional checks totaling \$153,181.

Id. These checks were also dated January 23, 1992, were drawn on the federal account and made payable to the non-federal account. In a letter from the treasurer attached to the 1991 Year End Report, he states that "Although the window was closed we have given complete accounting to the Commission of all expenses required to be reported under the current requirements, and proper cash transfers have been made." Attachment 1 at 45.

Because the transfer from the non-federal account to the federal account covered 100% of the Kentucky Democrats' shared expenses, RAD sent an RFAI advising Respondents of the new allocation regulations. Attachment 1 at 52. The RFAI also recommended that the Kentucky Democrats' federal account immediately repay its allocable share of administrative

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expenses by transferring out the appropriate amount to its non-federal account. Id. If Respondents were unable to do so, RAD stated that they must report the allocable federal share as an outstanding debt on its Schedule D. Id.

On May 26, 1992, the Kentucky Democrats filed an amended 1991 Year End Report disclosing a much greater amount of financial activity than was reported on the original report. Attachment 1 at 62-64. The amended report disclosed \$225,119.43 in joint expenditures (\$75,039.81 federal share and \$150,079.62 non-federal share) and a \$206,138.98 transfer from the non-federal account to the federal account.

Based on the discrepancy between the non-federal share of administrative expenses, \$150,079.62, and the corresponding transfer-in from the non-federal account of \$206,138.98, RAD sent another RFAI to the Kentucky Democrats requesting further explanation. Attachment 1 at 84. The RFAI also requested additional information to clarify the vast discrepancies between the original and amended Year End Reports.

On August 24, 1992, the treasurer for the Kentucky Democrats responded to the RFAI by stating:

The Committee did not make the transfers between the federal and non federal accounts on a timely basis and accordingly the division of federal and non federal shared expenses was not accounted for in a proper manner during this period. The transfers were recorded in our reports as they should have occurred with federal expenses and federal receipts. We will report the federal expenses in any manner you desire but we can't change the fact that the

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transfers were not made between the accounts. We have reconstructed the accounts to the exact balances which would have existed had the transfers been made.

Attachment 1 at 93. The treasurer concludes by stating that the Kentucky Democrats have conducted "no transactions which violate the intent of the FEC filing requirements and we invite continued scrutiny and indeed the complete audit of the FEC." Id.

In a response dated September 8, 1992, the accountant for the Kentucky Democrats also attempted to explain the discrepancies between the 1991 Year End and amended Year End Reports. In his response, the accountant asserts that although Respondents did not follow "proper administrative procedures and make actual bank account transfers," he does not think that "the intent of the law was violated." Attachment 1 at 97. Despite the foregoing, the accountant goes on to say that the "checks which were attached to the original Year End Report represented sham transactions" and "did not reflect any economic reality." Attachment 1 at 97.

c. 1992 April Quarterly Report

On April 20, 1992, the Kentucky Democrats filed its 1992 April Quarterly Report disclosing \$84,460 in joint expenditures (\$28,153 federal share and \$56,307 non-federal share) and a \$84,460 transfer from the non-federal account to the federal account. Because the transfer on the 1992 April Quarterly covered 100% of the Kentucky Democrats' shared expenses, RAD

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sent an RFAI once again advising Respondents of the new allocation regulations. Attachment 1 at 65-66.

On June 22, 1992, the Kentucky Democrats filed an amended 1992 April Quarterly Report, which again disclosed a much greater amount of financial activity than was reported on the original report. Attachment 1 at 68-70. The amended report disclosed \$101,949.37 in joint expenditures (\$33,983.12 federal share and \$67,966.25 non-federal share) and a \$67,190.49 transfer from the non-federal account to the federal account.

In response to an RFAI questioning the vast cash discrepancies between the original and amended reports (Attachment 1 at 85), on September 8, 1992, the accountant for the Kentucky Democrats filed a second amendment to the 1992 April Quarterly Report on September 8, 1992. Attachment 1 at 96. According to the accountant, the discrepancies existed between the original and amended reports "primarily because the original report was not right. It did not include all the accounts or activity." Id. Further, the accountant states that there "were never any actual transfers between bank accounts and the transfer of "\$67,190 is merely a forced number which makes the ending cash in the Federal bank accounts correct." Id.

d. 1992 July and October Quarterly Reports

On July 15, 1992, the accountant for the Kentucky Democrats filed only the Summary and the Detailed Summary Pages of the 1992 July Quarterly Report "in the interest of getting the report filed in a timely fashion." Attachment 1 at 72. In

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a telephone conversation with RAD concerning this report, the accountant stated that the "federal account does not have enough money to cover its expenses now and that the federal account will have to declare a debt on Schedule D." Id.

On July 23, 1992, the Kentucky Democrats filed a complete 1992 July Quarterly Report, which disclosed \$174,882.66 in joint expenditures (\$58,294.22 federal share and \$116,588.44 non-federal share) and a \$151,052.42 transfer from the non-federal account to the federal account. Attachment 1 at 76-79. In addition, this report disclosed a \$33,854.22 debt owed to the non-federal account. An RFAI was sent to the Kentucky Democrats recommending that the federal account immediately repay its non-federal account and rectify any non-compliance with the allocation regulations. Attachment 1 at 102.

On November 23, 1992, the Kentucky Democrats filed an amended 1992 July Quarterly Report which stated that the debt to the non-federal account had been repaid in full and was disclosed on the 1992 October Quarterly Report "in order to compensate for any possible transfer miscalculation." Attachment 1 at 108.

The Kentucky Democrats filed its 1992 October Quarterly Report on October 15, 1992, disclosing full payment of the debt owed to the non-federal account, but omitted this debt activity from its Schedule D. Attachment 1 at 104-106. In response to an RFAI questioning Respondents' failure to disclose this debt (Attachment 1 at 109), the Kentucky Democrats filed a corrected

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Schedule D on May 12, 1993, disclosing the payment of the debt owed to the non-federal account. Attachment 1 at 112.

e. Conclusion

Based on the foregoing discussion, it is clear that Respondents failed to pay the entire amount of allocable expenses from their federal account and, instead, used non-federal funds to pay for shared expenses during the 1991-92 election cycle. 11 C.F.R. § 106.5(g)(1)(i). The amount at issue however remains unclear. Respondents concede that the reported figures were not an "accurate representation of their financial activity." Attachment 1 at 95. Respondents further concede that they reported "fictitious transfers" between the non-federal and federal accounts and that any transfers that did take place, did not occur within the required 40 day window.⁵ Accordingly, it is impossible to estimate the amount of non-federal funds at issue by simply reviewing Respondents' 1991-92 disclosure reports.

Respondents eventually declared a debt of \$33,854.22 as owed to the non-federal account. However, this debt was not reported by Respondents until their 1992 July Quarterly Report, nor does this debt represent the full amount of money owed to

5. It is unclear whether Respondents did in fact make any actual transfers between the non-federal account and federal accounts. If any transfers did take place, it is highly unlikely that they occurred within the 40 day window. They were reported months later and the reported dates of transfers fell well beyond the 40 day period.

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the non-federal account.⁶ As reported by Respondents on each of the reports at issue, the Kentucky Democrats consistently had insufficient funds to pay the entire amount of allocable expenses from its federal account, as required by 11 C.F.R. § 106.5(g)(1)(i). According to the accountant for the Kentucky Democrats, Respondents "paid their bills out of whichever account had money in it." Attachment 1 at 24. Thus, it appears that the debt owed to the non-federal account may be greater than the \$33,854.22 figure previously reported.

Although the amount in violation is uncertain, it does appear that Respondents violated 11 C.F.R. § 106.5(g)(1)(i) by failing to pay the entire amount of allocable expenses from their federal account. Further, it appears that Respondents violated 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3) and (4) by reporting fictitious transfers between the non-federal and federal accounts and by failing to properly report each disbursement from its federal account in payment for shared activity. It also appears that Respondents violated 11 C.F.R. § 106.5(g)(2)(ii)(B) by failing to make the appropriate transfers within the required 40 day window. Further, it appears that Respondents failed to properly allocate the payments for administrative expenses, in violation of 11 C.F.R. § 106.5(d)(1).

In addition to paying for allocable expenses from its non-federal account in violation of 11 C.F.R. § 102.5(a)(i), it

6. This debt was reported as paid on Respondents' 1992 October Quarterly Report.

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appears that the Kentucky Democrats' non-federal account may have contained prohibited funds under the Act. In their correspondence during the 1991-92 election cycle, Respondents consistently assert that "no corporate or union money was involved and that all money was permissible under the FECA." Attachment 1 at 44. However, during that time, Kentucky law permitted unlimited labor organization contributions and individual contributions of \$6,000 to the state party executive committee and their subdivisions and affiliates in any one year. Therefore, it appears that Respondents may have violated 2 U.S.C. §§ 441b and 441a(f) and 11 C.F.R. § 102.5(a)(1)(i) by paying for allocable expenses from its non-federal account which also may have contained impermissible funds.

In order to sort out these apparent violations and the extent of these violations, this Office recommends that the Commission authorize the Audit Division to perform an analysis of the financial activity of the Kentucky State Democratic Central Executive Committee during the 1991-92 election cycle.⁷ The activity reported by Respondents during that cycle represents only how they determined the allocation should have occurred, but do not reflect the activity that actually took place. Further, to date, Respondents have failed to rectify fully their previous non-compliance with the allocation

7. The Commission previously voted not to audit the Kentucky Democrats when it was referred by RAD on July 30, 1993. According to RAD, that Audit referral did not provide a complete picture of the extent of the Kentucky Democrats' non-compliance with the Act and the Commission's regulations. Similar issues are presented in this matter.

regulations. Thus, the full amount of impermissible activity cannot be assessed. In order to determine the actual financial activity that took place during the 1991-92 election cycle and the amount in violation, an audit of the Kentucky Democrats appears necessary.

Because the RAD referral and the complaint both address the same issue of allocation, this Office recommends that the Commission merge RAD referral 94L-10 into MUR 3637, and hereinafter refer to this matter as MUR 3637.

Based on foregoing, this Office also recommends that the Commission find reason to believe the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 434(b), 441a(f) and 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B).⁸

2. Failure to Reconcile Cash Discrepancy

According to the attached referral, Respondents failed to reconcile a cash discrepancy between the 1990 Year End and the 1991 Mid-Year Reports. Attachment 1 at 1-2. Specifically, on their 1991 Mid-Year Report filed on July 31, 1991, Respondents disclosed a cash-on-hand balance of \$1,478.92. This figure matched the closing cash-on-hand figure disclosed on Respondents' 1990 Year End Report. On May 13, 1992,

8. The evidence in this matter may give rise to findings by the Commission that the violations by Respondents were knowing and willful. If the Commission approves an audit in this matter, this Office would review the information obtained by the Audit Division before making any knowing and willful recommendations to the Commission.

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Respondents filed an amended 1991 Mid-Year Report which disclosed a cash-on-hand balance of \$28,297.44 and included approximately \$330,000 in additional receipts and disbursements. The treasurer of the Kentucky Democrats attached a letter to the amended report explaining that the additional receipts and increased cash-on-hand total were caused by the inclusion of funds from a state tax "check-off" account, which was reported by Respondents pursuant to Advisory Opinion 1991-14.⁹

While Respondents provided an explanation for the modifications to the amended 1991 Mid-Year Report, they did not provide any documentation to reconcile the difference in cash-on-hand figures between the 1990 Year End and the amended 1991 Mid-Year Reports. Accordingly, RAD sent a RFAI to Respondents asking for supporting documents to reconcile the cash discrepancy. When Respondents failed to respond, RAD mailed a second notice.

Eventually, RAD received letters from both the accountant and assistant treasurer for the Kentucky Democrats stating that the cash discrepancy existed because Respondents did not include all of the bank accounts containing federal funds in the 1990 Year End and 1991 Mid-Year Reports.¹⁰ Neither the

9. According to Advisory Opinion 1991-14, the receipts from check-offs should be reported as miscellaneous receipts on disclosure reports filed with the Commission.

10. Pat Goins signed the letter as the assistant treasurer of the Kentucky Democrats. As discussed at section 3 of this report, the Commission was never formally notified that Ms. Goins held that position.

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accountant nor the assistant treasurer, however, provided any supporting documents to reconcile the cash discrepancy. In addition, to date, Respondents have not filed any comprehensive amendments to clarify this cash discrepancy.

Based on the foregoing, this Office recommends that the Commission find there is reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. § 434(b) by failing to provide accurate information on their reports filed with the Commission.

3. Failure to Amend Statement of Organization

On March 15, 1988, the Kentucky Democrats amended its statement of organization to reflect Richard Rankin as the current treasurer. Mr. Rankin signed the disclosure reports for the Kentucky Democrats until January 30, 1989. Between 1989 and 1990, the Kentucky Democrats' disclosure reports were signed by Pat Goins. Based on a review of the statements of organization filed by the Kentucky Democrats since 1972, it does not appear that Ms. Goins was ever named as treasurer or assistant treasurer. On July 26, 1991, William Johnson signed the Kentucky Democrats' 1991 Mid-Year Report. Mr. Johnson signed the reports for the Kentucky Democrats through June 30, 1992. Despite the fact that the Commission was never formally notified that Mr. Johnson was treasurer of the Kentucky Democrats, on October 19, 1992, Respondents amended their statement of organization informing the Commission that William Johnson had resigned as treasurer. No new treasurer was

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identified by Respondents, and Pat Goins once again began signing the reports for the Kentucky Democrats. It was not until February 21, 1994, that the Kentucky Democrats filed an amended statement of organization naming the new treasurer, Clay Patrick.¹¹ Mr. Patrick had signed the 1993 Year End Report prior to the Commission's notification that he was the new treasurer of the Kentucky Democrats.

Pursuant to 2 U.S.C. § 433(c), the Kentucky Democrats were required to report to the Commission any and all changes in treasurer within 10 days of the change. Based on the foregoing, it is clear that Respondents have failed to do so. In addition, 2 U.S.C. § 434(a)(1) requires the signature of the designated treasurer on all reports. During the time that Ms. Goins and Mr. Johnson were signing the reports for the Kentucky Democrats, neither was the designated treasurer. Further, Mr. Patrick was not the designated treasurer at the time he signed the Kentucky Democrats' 1993 Year End Report.

Accordingly, this Office recommends that the Commission find reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c) and 434(a)(1).

11. Also on February 21, 1994, the Kentucky Democrats amended its statement of organization to name Pat Goins as the custodian of records. Her title or position was Executive Assistant to the Chairman.

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IV. RECOMMENDATIONS

1. Merge RAD referral 94L-10 into MUR 3637, and hereinafter refer to this matter as MUR 3637.
2. Find reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B).
3. Authorize the Audit Division to perform an audit, pursuant to 2 U.S.C. § 437g(a), of the Kentucky State Democratic Central Executive Committee during the 1991-92 election cycle.
4. Approve the attached factual and legal analysis and appropriate letter.

Date 9/21/94

LM Noble (292)
Lawrence M. Noble
General Counsel

Attachments

1. RAD Referral
2. Complaint
3. Response dated April 22, 1993
4. Factual and legal analysis

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/B. SEAROM HUGHES ^{ESL}
COMMISSION SECRETARY

DATE: SEPTEMBER 22, 1994

SUBJECT: RAD REFERRAL #94-L-10/MUR 3637 - FIRST GEN'L. COUNSEL'S
REPORT DTD SEPT. 16, 1994

The above-captioned document was circulated to the
Commission on MONDAY, SEPTEMBER 19, 1994 4:00.

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

Commissioner Aikens _____
Commissioner Elliott _____
Commissioner McDonald _____
Commissioner McGarry XXX
Commissioner Potter _____
Commissioner Thomas _____

This matter will be placed on the meeting agenda
for TUESDAY, SEPTEMBER 27, 1994.

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Kentucky State Democratic Central) RAD Referral 94L-10
Executive Committee and Clay) AND MUR 3637
Patrick, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on September 27, 1994, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to RAD Referral #94L-10 and MUR 3637:

1. Merge RAD Referral 94L-10 into MUR 3637, and hereinafter refer to this matter as MUR 3637.
2. Find reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c) 434(a)(1), 434(b), 441a(f), 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)4, 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B).
3. Authorize the Audit Division to perform an audit, pursuant to 2 U.S.C. § 437g(a), of the Kentucky State Democratic Central Executive Committee during the 1991-1992 election cycle.

(continued)

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Federal Election Commission
Certification for RAD Referral
94L-10 and NUR 3637

Page 2

4. Approve the factual and legal analysis and appropriate letter.

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

Attest:

9-29-94
Date

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

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 7, 1994

Clay Patrick, Treasurer
Kentucky State Democratic Central
Executive Committee
P.O. Box 694
Frankfort, KY 40602

RE: MUR 3637

Dear Mr. Patrick:

On October 7, 1992, the Federal Election Commission notified the Kentucky State Democratic Central Executive Committee and its treasurer of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to the treasurer at that time.

Upon further review of the allegations contained in the complaint, information supplied by you, and information ascertained by this Office in the normal course of carrying out its supervisory responsibilities, on September 27, 1994, the Commission found reason to believe the Kentucky State Democratic Central Executive Committee and you, as treasurer, violated 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B). In addition, the Commission authorized the Audit Division to perform an audit, pursuant to 2 U.S.C. § 437g(a), of the Kentucky State Democratic Central Executive Committee during the 1991-1992 election cycle. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information. The Audit Division will be contacting you to schedule the audit.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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.

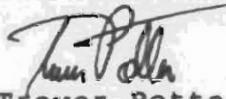
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Mr. Patrick
Page 2

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 enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Mary Ann Bumgarner, the attorney assigned to this matter, at (202) 219-3400.

For the Commission,


Trevor Potter
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer MUR 3637

I. GENERATION OF MATTER

This matter was generated by a complaint filed with the Federal Election Commission (the "Commission") against the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, ("Respondents") and information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

In the complaint, the Republican Party of Kentucky ("Complainant") alleges that during the 1992 election cycle Respondents "totally ignored the new federal election financing and reporting requirements that went into effect on January 1, 1991." Specifically, Complainant alleges that during the 1991-92 election cycle, Respondents "raised almost exclusively NON-federal money, and then simply have paid non-federal funds for everything, in violation 11 C.F.R. §§ 102.5, 106.5 and 104.10(b)."

Complainant also alleges that Respondents incorrectly reported the allocation ratio on their Schedule H1 form for Administrative Expenses and completely failed to file their Schedule H1 form for Generic Voter Drives.¹

1. For the purpose of reporting allocable expenses, several new schedules were added to FEC Form 3X, Report of Receipts and Disbursements. The new schedules include: (1) a Schedule H1 to show the method of allocation for shared federal and non-federal administrative expenses and generic voter drive

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II. FACTUAL AND LEGAL ANALYSIS

A. Law

The Federal Election Campaign Act of 1971, as amended, (the "Act") requires each treasurer of a political committee to file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a). Further, each report must disclose for the reporting period and calendar year the total amount of receipts and disbursements by certain identified categories. 2 U.S.C. § 434(b)(2) and (b)(4). Pursuant to 2 U.S.C. § 434(b)(1), each report must also disclose the amount of cash-on-hand at the beginning of the reporting period. See also, 11 C.F.R. § 104.3(a)(1).

The Commission's regulations require that committees, such as the Kentucky Democrats, that have established separate federal and non-federal accounts must make all disbursements, contributions, expenditures and transfers in connection with any federal election from their federal accounts. 11 C.F.R. § 102.5(a)(1)(i). The Act prohibits corporations and labor organizations from making contributions in connection with federal elections, and prohibits political committees from knowingly accepting such contributions.² 2 U.S.C. § 441b(a). Moreover, the

(Footnote 1 continued from previous page)
 costs; (2) a Schedule H2 to show allocation ratios for fundraising events, exempt activities, and direct candidate support; (3) a Schedule H3 to show transfers from non-federal accounts; and (4) a Schedule H4 to show disbursements for joint federal and non-federal activity.

2. During the 1991-92 election cycle, Kentucky law prohibited corporate contributions, but permitted labor organization contributions and individual contributions of \$6,000 to the

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Act provides that no person shall make contributions to a state committee's federal account in any calendar year which in the aggregate exceed \$5,000. 2 U.S.C. § 441a(f). Accordingly, contributions, disbursements or transfers from non-federal accounts of registered committees that include corporate and labor organization contributions or excessive individual contributions are in violation of the Act. 2 U.S.C. §§ 441b(a) and 441a.

In addition, state party committees that have established separate federal and non-federal accounts must pay the entire amount of an allocable expense from its federal account and shall transfer funds from its non-federal account to its federal account solely to cover the non-federal share of that allocable expense. 11 C.F.R. § 106.5(g)(1)(i). Further, for each transfer of funds from a committee's non-federal account to its federal account, the committee must itemize in its reports the allocable activities for which the transferred funds are intended to pay, as required by 11 C.F.R. § 104.10(b)(3). 11 C.F.R. § 106.5(g)(2)(ii)(A). Moreover, such funds cannot be transferred more than 10 days before or more than 30 days after the payment for which they are designated is made ("40 day window"). 11 C.F.R. § 106.5(g)(2)(ii)(B). If the requirements of 11 C.F.R. § 106.5(g)(2)(ii)(A) and (B) are not met, any portion of a transfer from a committee's non-federal account to its federal account shall be presumed to be a loan or contribution to the

(Footnote 2 continued from previous page)
state party executive committee and their subdivisions and affiliates in any one year.

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federal account, in violation of the Act. 11 C.F.R. § 106.5(g)(2)(iii).

Further, state party committees with separate federal and non-federal accounts must allocate their administrative expenses between those accounts using the "ballot composition method." 11 C.F.R. § 106.5(d). In states such as Kentucky that hold federal and non-federal elections in different years, state and local party committees must allocate generic voter drive costs in a slightly different way. Those committees must apply the ballot composition ratio to the calendar year in which the election is held.³ 11 C.F.R. § 106.5(d)(2). Administrative expenses are described at 11 C.F.R. § 106.5(a)(2)(i) as "including rent, utilities, office supplies, and salaries, except for such expenses directly attributable to a clearly identified candidate." Generic voter drives are described at 11 C.F.R. § 106.5(a)(2)(iv) as "including voter identification, voter registration, and get-out-the-vote drives, or any other activities that urge the general public to register, vote, or support candidates of a particular party or associated with a particular issue, without mentioning a specific candidate."

Moreover, a political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must report each transfer of funds from its non-federal account to its federal account for

3. Kentucky is one of the five states that hold non-federal elections in odd-numbered calendar years. Administrative costs are still allocated according to the ballot composition ratio based on the two-year federal election cycle. 11 C.F.R. § 106.5(d)(2).

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the purpose of paying such expenses. 11 C.F.R. § 104.10(b)(3). The committee must explain in a memo entry the allocable expenses to which the transfer relates and the date on which the transfer was made. Id. Further, a political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must also report each disbursement from its federal account in payment for a joint federal and non-federal expense or activity. 11 C.F.R. § 104.10(b)(4). The committee must report to the Commission the date, the amount and purpose of each such disbursement, along with the full name and address of each person to whom the disbursement was made. Id.

In addition, the Act requires the signature of the designated treasurer on each report. 2 U.S.C. § 434(a). The Act also requires each political committee to file a statement of organization with the Commission within ten (10) days of becoming a political committee. 2 U.S.C. § 433(a). Included on this statement of organization, among other things, is the name and address of the current treasurer of the committee. 2 U.S.C. § 433(b)(4). If there is a change in the information previously submitted on a statement of organization, political committees are required to report to the Commission such a change no later than 10 days after the date of the change. 2 U.S.C. § 433(c).

B. Analysis

1. Failure to Comply with Allocation Regulations

The complaint in this matter alleges that the Kentucky Democrats funded all federal activity from its non-federal account. The focus of the complaint is on Respondents' original

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1991 Year End Report and not the amended report. Specifically, Complainant questions a \$153,180 transfer from Respondents' non-federal account to the federal account reported on their 1991 Year End Report. Second, Complainant alleges that Respondents failed to file a Schedule H1 for Generic Voter Drives with their 1991 Year End Report. Third, Complainant asserts that the Schedule H1 form for Administrative Expenses filed by Respondents with their 1991 Year End Report was technically incorrect. According to Complainant, the federal allocation share for the 1992 cycle was 33.33%, but Respondents reported their share as 66.66% on their Schedule H1. Complainant concedes, however, that Respondents did, in fact, use the correct figure (33.33%) when they computed their disbursements for shared activity on their Schedule H4.

In response to the complaint, the Kentucky Democrats explain that these allegations stem from the original 1991 Year End Report and that Complainant "may have not have had the benefit of the amendment filed on May 20, 1992." Respondents also assert that on September 3, 1992, an additional amendment was filed to the 1991 Year End Report, which provided additional details regarding the "transfer of funds including the financial spread sheet." According to Respondents, the Reports Analysis Division ("RAD") was "satisfied with this amendment and response." Respondents also attached to their amended 1991 Year End Report a Schedule H1 for generic voter drive expenses and corrected the Schedule H1 for administrative expenses to reflect the proper allocation ratio for

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the federal share. Their counsel states that "a typing error resulted in the wrong number being identified as the percentage."

Respondents attempt to negate the allegations in the complaint by reference to the amended 1991 Year End Report. By doing so, however, Respondents ignore the most significant allegation in the complaint, which is that the Kentucky Democrats paid for shared expenses during the 1991-92 election cycle with funds from its non-federal account. Moreover, the information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities also focuses on the Kentucky Democrats' apparent disregard for compliance with the allocation regulations during the 1991-92 election. Specifically, it appears that Respondents not only paid for shared expenses with funds from its non-federal account, as Complainant alleges, they also filed reports disclosing financial activity which did not occur. By their own admission, Respondents reported fictitious transfers from their non-federal account to their federal account. The reports at issue in this matter are the 1991 Mid-Year and Year End Reports and the 1992 April, July and October Quarterly Reports and their amendments.

Based on a review of Respondents' disclosure reports, subsequent amendments and communications between RAD and the Committee's accountant and treasurer, the amended reports filed by Respondents during the 1991-92 election cycle are not an accurate depiction of the activity that actually took place during that time period. Instead, Respondents apparently amended the reports in order to show how allocation should have occurred.

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According to the accountant for the Kentucky Democrats, while Respondents had enough funds to cover federal expenses, the reported figures were not an "accurate representation of their financial activity" and that he was "trying to get the Kentucky Democrats to correct its procedures for the payment of allocable expenditures." The accountant further states that the Kentucky Democrats had seven bank accounts, five federal and two non-federal, from which it would pay expenses. According to the accountant, the Kentucky Democrats would "use up one and go on to the next one." In general, the accountant states that the "Ky Democrats don't keep books worth a damn." The treasurer for the Kentucky Democrats also acknowledged the improper allocation and the misrepresentation of the Committee's financial activity, and informed RAD that "it was silly to talk about whether the activity was incorrect or correct because it was all a game."

Based on the evidence, it appears that Respondents used prohibited non-federal funds to pay for shared expenses; reported "fictitious transfers" between the non-federal account and federal account; failed to properly report each disbursement from its federal account in payment for shared activity; failed to make the appropriate transfers within the required 40 day window; and failed to properly allocate the payments for administrative expenses. The specific disclosure reports at issue in this matter and the apparent violations by Respondents are set out in the following discussion.

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a. 1991 Mid-Year Report

On July 31, 1991, Respondents filed their 1991 Mid-Year Report disclosing no administrative expenses and only \$2,406.81 in federal disbursements. Based on the lack of administrative expenditures, RAD sent a Request for Additional Information ("RFAI") to Respondents informing them that they should repay the non-federal account if any administrative expenses were paid with non-federal funds.

In response to the RFAI, the Kentucky Democrats' treasurer informed RAD that Respondents' "non-federal account had paid everything first and then the Committee had ran the expenses through the federal account and back out again." According to the treasurer, "while he was not saying what the Committee did was correct, he did want to note that Kentuckians care about state candidates and not the federal process." The treasurer also asserted that "no corporate or union money was involved and that all money was permissible under the FECA."

On May 13, 1992, Respondents filed an amended 1991 Mid-Year Report which disclosed a much greater amount of financial activity than had been previously disclosed. The amended report disclosed \$178,696.98 in joint expenditures (\$59,565.66 federal share and \$119,131.32 non-federal share) and a \$99,905.74 transfer from the non-federal account to the federal account. Because of the vast cash discrepancies between the original and amended reports, RAD sent another RFAI to Respondents requesting that they file reports to reflect the true financial activity of the period, provide an explanation as to the adequacy of federal funds to cover the joint

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expenditures and clarify the procedure used by the Kentucky Democrats to pay administrative expenses.

On August 24, 1992, Respondents filed a second amendment to the 1991 Mid-Year Report. Attached to this amendment was a letter from the Kentucky Democrats' accountant addressing the discrepancies between the original and amended Mid-Year Reports. According to the accountant, "the \$99,905 transfer was purely fictitious. It represents the amount that would have had to have transferred from the non-federal account in order to pay total expenses of \$184,276." The accountant further states that he was unable to "clarify the Committee's accounting procedures, because they don't have any" and that Respondents "paid their bills out of whichever account had money in it." Last, the accountant states that in order to prepare the report, he had to "start from scratch and perform a quasi-audit, and use my best judgment."

b. 1991 Year End Report.

On February 3, 1992, the Kentucky Democrats filed its 1991 Year End Report disclosing \$153,180 in joint expenditures (\$51,060 federal share and \$102,120 non-federal share) and a \$153,181 transfer from the non-federal account to the federal account. Respondents provided a copy of a \$153,181 check dated January 23, 1992, drawn on the non-federal account and payable to the federal account. Respondents also provided copies of three additional checks totaling \$153,181. These checks were also dated January 23, 1992, were drawn on the federal account and made payable to the non-federal account. In a letter from the treasurer attached to the 1991 Year End Report, he states that

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"Although the window was closed we have given complete accounting to the Commission of all expenses required to be reported under the current requirements, and proper cash transfers have been made."

Because the transfer from the non-federal account to the federal account covered 100% of the Kentucky Democrats' shared expenses, RAD sent an RFAI advising Respondents of the new allocation regulations. The RFAI also recommended that the Kentucky Democrats' federal account immediately repay its allocable share of administrative expenses by transferring out the appropriate amount to its non-federal account. If Respondents were unable to do so, RAD stated that they must report the allocable federal share as an outstanding debt on its Schedule D.

On May 26, 1992, the Kentucky Democrats filed an amended 1991 Year End Report disclosing a much greater amount of financial activity than was reported on the original report. The amended report disclosed \$225,119.43 in joint expenditures (\$75,039.81 federal share and \$150,079.62 non-federal share) and a \$206,138.98 transfer from the non-federal account to the federal account.

Based on the discrepancy between the non-federal share of administrative expenses, \$150,079.62, and the corresponding transfer-in from the non-federal account of \$206,138.98, RAD sent another RFAI to the Kentucky Democrats requesting further explanation. The RFAI also requested additional information to clarify the vast discrepancies between the original and amended Year End Reports.

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On August 24, 1992, the treasurer for the Kentucky Democrats responded to the RFAI by stating:

The Committee did not make the transfers between the federal and non federal accounts on a timely basis and accordingly the division of federal and non federal shared expenses was not accounted for in a proper manner during this period. The transfers were recorded in our reports as they should have occurred with federal expenses and federal receipts. We will report the federal expenses in any manner you desire but we can't change the fact that the transfers were not made between the accounts. We have reconstructed the accounts to the exact balances which would have existed had the transfers been made.

The treasurer concludes by stating that the Kentucky Democrats have conducted "no transactions which violate the intent of the FEC filing requirements and we invite continued scrutiny and indeed the complete audit of the FEC."

In a response dated September 8, 1992, the accountant for the Kentucky Democrats also attempted to explain the discrepancies between the 1991 Year End and amended Year End Reports. In his response, the accountant asserts that although Respondents did not follow "proper administrative procedures and make actual bank account transfers," he does not think that "the intent of the law was violated." Despite the foregoing, the accountant goes on to say that the "checks which were attached to the original Year End Report represented sham transactions" and "did not reflect any economic reality."

c. 1992 April Quarterly Report

On April 20, 1992, the Kentucky Democrats filed its 1992 April Quarterly Report disclosing \$84,460 in joint expenditures

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(\$28,153 federal share and \$56,307 non-federal share) and a \$84,460 transfer from the non-federal account to the federal account. Because the transfer on the 1992 April Quarterly covered 100% of the Kentucky Democrats' shared expenses, RAD sent an RFAI once again advising Respondents of the new allocation regulations.

On June 22, 1992, the Kentucky Democrats filed an amended 1992 April Quarterly Report, which again disclosed a much greater amount of financial activity than was reported on the original report. The amended report disclosed \$101,949.37 in joint expenditures (\$33,983.12 federal share and \$67,966.25 non-federal share) and a \$67,190.49 transfer from the non-federal account to the federal account.

In response to an RFAI questioning the vast cash discrepancies between the original and amended reports, on September 8, 1992, the accountant for the Kentucky Democrats filed a second amendment to the 1992 April Quarterly Report on September 8, 1992. According to the accountant, the discrepancies existed between the original and amended reports "primarily because the original report was not right. It did not include all the accounts or activity." Further, the accountant states that there "were never any actual transfers between bank accounts and the transfer of "\$67,190 is merely a forced number which makes the ending cash in the Federal bank accounts correct."

d. 1992 July and October Quarterly Reports

On July 15, 1992, the accountant for the Kentucky Democrats filed only the Summary and the Detailed Summary Pages of the 1992 July Quarterly Report "in the interest of getting the report filed

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in a timely fashion." In a telephone conversation with RAD concerning this report, the accountant stated that the "federal account does not have enough money to cover its expenses now and that the federal account will have to declare a debt on Schedule D."

On July 23, 1992, the Kentucky Democrats filed a complete 1992 July Quarterly Report, which disclosed \$174,882.66 in joint expenditures (\$58,294.22 federal share and \$116,588.44 non-federal share) and a \$151,052.42 transfer from the non-federal account to the federal account. In addition, this report disclosed a \$33,854.22 debt owed to the non-federal account. An RFAI was sent to the Kentucky Democrats recommending that the federal account immediately repay its non-federal account and rectify any non-compliance with the allocation regulations.

On November 23, 1992, the Kentucky Democrats filed an amended 1992 July Quarterly Report which stated that the debt to the non-federal account had been repaid in full and was disclosed on the 1992 October Quarterly Report "in order to compensate for transfer miscalculations." The Kentucky Democrats filed its 1992 October Quarterly Report on October 15, 1992, disclosing full payment of the debt owed to the non-federal account, but omitted this debt activity from its Schedule D. In response to an RFAI questioning Respondents' failure to disclose this debt, the Kentucky Democrats filed a corrected Schedule D on May 12, 1993, disclosing the payment of the debt owed to the non-federal account.

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e. Conclusion

Based on the foregoing discussion, it is clear that Respondents failed to pay the entire amount of allocable expenses from their federal account and, instead, used non-federal funds to pay for shared expenses during the 1991-92 election cycle. Therefore, there is reason to believe Respondents violated 11 C.F.R. § 106.5(g)(1)(i) by failing to pay the entire amount of allocable expenses from their federal account. Further, it appears that Respondents violated 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3) and (4) by reporting fictitious transfers between the non-federal and federal accounts and by failing to properly report each disbursement from its federal account in payment for shared activity. There is also reason to believe Respondents violated 11 C.F.R. § 106.5(g)(2)(ii)(B) by failing to make the appropriate transfers within the required 40 day window. Further, it appears that Respondents failed to properly allocate the payments for administrative expenses, in violation of 11 C.F.R. § 106.5(d)(1).

In addition to paying for allocable expenses from its non-federal account in apparent violation of 11 C.F.R. § 102.5(a)(i), it appears that the Kentucky Democrats' non-federal account may have contained prohibited funds under the Act. In their correspondence during the 1991-92 election cycle, Respondents consistently assert that "no corporate or union money was involved and that all money was permissible under the FECA." However, during that time, Kentucky law permitted unlimited labor organization contributions and individual contributions of \$6,000

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to the state party executive committee and their subdivisions and affiliates in any one year. Therefore, there is reason to believe Respondents violated 2 U.S.C. §§ 441b(a) and 441a(f) and 11 C.F.R. § 102.5(a)(1)(i) by paying for allocable expenses from its non-federal account which also may have contained impermissible funds.

Based on the foregoing, there is reason to believe the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 434(b), 441a(f) and 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B).

2. Failure to Reconcile Cash Discrepancy

According to the information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities, Respondents failed to reconcile a cash discrepancy between the 1990 Year End and the 1991 Mid-Year Reports. Specifically, on their 1991 Mid-Year Report filed on July 31, 1991, Respondents disclosed a cash-on-hand balance of \$1,478.92. This figure matched the closing cash-on-hand figure disclosed on Respondents' 1990 Year End Report. On May 13, 1992, Respondents filed an amended 1991 Mid-Year Report which disclosed a cash-on-hand balance of \$28,297.44 and included approximately \$330,000 in additional receipts and disbursements. The treasurer of the Kentucky Democrats attached a letter to the amended report explaining that the additional receipts and increased cash-on-hand total were caused by the inclusion of funds from a state tax

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"check-off" account, which was reported by Respondents pursuant to Advisory Opinion 1991-14.⁴

While Respondents provided an explanation for the modifications to the amended 1991 Mid-Year Report, they did not provide any documentation to reconcile the difference in cash-on-hand figures between the 1990 Year End and the amended 1991 Mid-Year Reports. Accordingly, RAD sent a RFAI to Respondents asking for supporting documents to reconcile the cash discrepancy. When Respondents failed to respond, RAD mailed a second notice.

Eventually, RAD received letters from both the accountant and assistant treasurer for the Kentucky Democrats stating that the cash discrepancy existed because Respondents did not include all of the bank accounts containing federal funds in the 1990 Year End and 1991 Mid-Year Reports.⁵ Neither the accountant nor the assistant treasurer, however, provided any supporting documents to reconcile the cash discrepancy. In addition, to date, Respondents have not filed any comprehensive amendments to clarify this cash discrepancy.

Based on the foregoing, there is reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. § 434(b) by failing to

4. According to Advisory Opinion 1991-14, the receipts from check-offs should be reported as miscellaneous receipts on disclosure reports filed with the Commission.

5. Pat Goins signed the letter as the assistant treasurer of the Kentucky Democrats. As discussed at section 3 of this report, the Commission was never formally notified that Ms. Goins held that position.

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provide accurate information on their reports filed with the Commission.

3. Failure to Amend Statement of Organization

On March 15, 1988, the Kentucky Democrats amended its statement of organization to reflect Richard Rankin as the current treasurer. Mr. Rankin signed the disclosure reports for the Kentucky Democrats until January 30, 1989. Between 1989 and 1990, the Kentucky Democrats' disclosure reports were signed by Pat Goins. Based on a review of the statements of organization filed by the Kentucky Democrats since 1972, it does not appear that Ms. Goins was ever named as treasurer or assistant treasurer. On July 26, 1991, William Johnson signed the Kentucky Democrats' 1991 Mid-Year Report. Mr. Johnson signed the reports for the Kentucky Democrats through June 30, 1992. Despite the fact that the Commission was never formally notified that Mr. Johnson was treasurer of the Kentucky Democrats, on October 19, 1992, Respondents amended their statement of organization informing the Commission that William Johnson had resigned as treasurer. No new treasurer was identified by Respondents, and Pat Goins once again began signing the reports for the Kentucky Democrats. It was not until February 21, 1994, that the Kentucky Democrats filed an amended statement of organization naming the new treasurer, Clay Patrick.⁶ Mr. Patrick had signed the 1993 Year End Report prior

6. Also on February 21, 1994, the Kentucky Democrats amended its statement of organization to name Pat Goins as the custodian of records. Her title or position was Executive Assistant to the Chairman.

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to the Commission's notification that he was the new treasurer of the Kentucky Democrats.

Pursuant to 2 U.S.C. § 433(c), the Kentucky Democrats were required to report to the Commission any and all changes in treasurer within 10 days of the change. Based on the foregoing, it is clear that Respondents have failed to do so. In addition, 2 U.S.C. § 434(a)(1) requires the signature of the designated treasurer on all reports. During the time that Ms. Goins and Mr. Johnson were signing the reports for the Kentucky Democrats, neither was the designated treasurer. Further, Mr. Patrick was not the designated treasurer at the time he signed the Kentucky Democrats' 1993 Year End Report.

Accordingly, there is reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c) and 434(a)(1).

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Kentucky Democratic Party

P.O. Box 694 • Frankfort, Kentucky 40602 • 695-4828

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FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE SERVICES

Oct 18 9 19 AM '94

Grady Stumbo
Chairman

Jim Arnett
Executive Director

October 12, 1994

Oct 18 10 22 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Ms. Mary Ann Bumgarner
Federal Election Commission
999 E Street, N-W
Washington, D. C. 20463

Dear Ms. Bumgarner:

I want to thank you for taking time out of your busy schedule today to talk to Pat Goins, of my staff, concerning MUR 3637. We both appreciate the straight forward answers and the kind words that you had on Pat's Behalf.

We look forward to the audit division coming to Kentucky and reviewing our records. We feel sure that they will be able to help us in finalizing the report to be in full compliance with all regulations.

As Chairman of the Kentucky Democratic Party, allow me to say that we will be cooperative.

If you have any questions, or if I can be of assistance to you in any way, please do not hesitate to contact me.

Sincerely,

Grady Stumbo
W. Grady Stumbo
Chairman

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OFFICE OF GENERAL
COUNSEL

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MOTION FOR ENLARGEMENT OF TIME

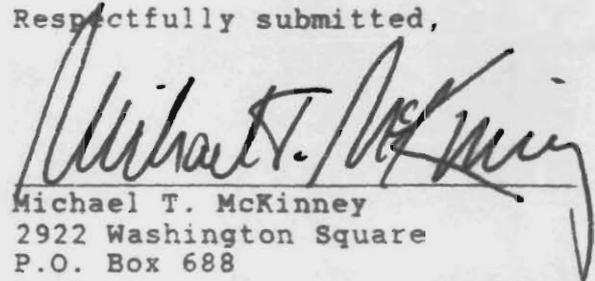
KENTUCKY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE
and CLAY PATRICK, AS TREASURER

RESPONDENTS

* * * * *

Come the Respondents, by and through counsel, respectfully moving the Federal Election Commission for an enlargement of time up to, and including, November 14, 1994, within which to respond to the Complaint filed in the within MUR. As grounds, the undersigned represents that due to the volume of the Complaint, the length of time since the occurrence of the matters alleged, and the uncertain whereabouts of the necessary parties involved, a twenty (20) day enlargement is necessary to make a basic investigation of the matters alleged.

Respectfully submitted,



Michael T. McKinney
2922 Washington Square
P.O. Box 688
Burlington, Kentucky 41005
(606) 586-9955

General Counsel
Kentucky Democratic Party

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by ordinary mail this 19th day of October, 1994, on the following: Hon. Mary Ann Bumgarner, Federal Election Commission, Washington, D.C. 20463.


Michael T. McKinney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 25, 1994

Michael T. McKinney, General Counsel
Kentucky State Democratic Central
Executive Committee
2922 Washington Square
P.O. Box 688
Burlington, Kentucky 41005

RE: MUR 3637
Kentucky State Democratic
Central Executive Committee
and Clay Patrick,
as treasurer

Dear Mr. McKinney:

This is in response to your letter dated October 23, 1994, which we received on October 24, 1994, requesting an extension until November 14, 1994, to respond to the Commission's reason to believe findings in this matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on November 14, 1994.

If you have any questions, please contact me at
(202) 219-3690.

Sincerely,

A handwritten signature in cursive script that reads "Mary Ann Bumgarner".

Mary Ann Bumgarner
Attorney

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STATEMENT OF DESIGNATION OF COUNSEL

NUM 3637

NAME OF COUNSEL: Michael T. McKinney

ADDRESS: P.O. Box 688
2922 Washington Square
Burlington, Kentucky 41005

TELEPHONE: (606) 586-9955

RECEIVED
 FEDERAL ELECTION
 COMMISSION
 OFFICE OF GENERAL
 COUNSEL
 OCT 31 9 39 AM '94

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.

10/26/94
 Date

W. Grady Shultz
 Signature

RESPONDENT'S NAME: Kentucky State Democratic Central Executive Committee
 and Clay Patrick, as Treasurer

ADDRESS: P.O. Box 694
Frankfort, Kentucky 40602

HOME PHONE: X Clay Patrick, Treasurer

BUSINESS PHONE: _____

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FEDERAL ELECTION COMMISSION
MUR 3637

RESPONSE TO MUR 3637

KENTUCKY STATE DEMOCRATIC
CENTRAL EXECUTIVE COMMITTEE
and CLAY PATRICK, AS TREASURER

RESPONDENT

RECEIVED
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COMMISSION
OFFICE OF GENERAL
COUNSEL
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This Response to MUR 3637 is filed on behalf of the Kentucky Democratic Party and Clay Patrick, as Treasurer.

The current Complaint filed in this matter sets forth serious charges regarding the bookkeeping practices of William Johnson during his tenure as Treasurer for the Kentucky State Democratic Central Executive Committee. The Complaint also indicates less serious violations, violations nonetheless, regarding the amendment of the Statement of Organization of the Kentucky Democratic Party.

Regarding the amendment of the Statement of Organization, the Respondent cannot deny these technical violations may have occurred. Clay Patrick apparently began his official duties as Treasurer prior to executing and filing the necessary FEC Form 1. Pat Goins, who has served as Assistant Treasurer subsequent to the tenure of Richard Rankin, also executed an FEC Form 1 and the same was forwarded at that time to the FEC by the undersigned counsel of record. The undersigned cannot account for its current whereabouts. The Kentucky Democratic Party, however, ratifies the acts of both Clay Patrick and Pat Goins in their respective capacities as Treasurer and Assistant Treasurer during the periods in question.

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Both Mr. Patrick and Mrs. Goins have served the Party ably and have continuously demonstrated their desire to serve in an honest and forthright manner, cooperating with everyone with whom they have contact on behalf of the Kentucky Democratic Party.

The question regarding the amendment of the Statement of Organization on behalf of William Johnson poses a different matter. The beginning of his tenure as Treasurer also signalled the beginning of a period which can be best described as an administrative nightmare. Attached hereto as Exhibit "A" is a copy of the undersigned's 1992 letter to Mr. Johnson requesting his cooperation in executing and filing the FEC Form 1. Mr. Johnson never responded to this written request nor any subsequent requests. The Kentucky Democratic Party could not gain Mr. Johnson's cooperation with even this simple matter.

It would appear from the Complaint filed by the Federal Election that Mr. Johnson succeeded in alienating everyone with whom he had contact during his tenure as Treasurer, including the Kentucky Democratic Party and the Federal Election Commission. The Kentucky Democratic Party would take this opportunity to extend its sincerest apology to the FEC and its staff for any lack of courtesy and professionalism displayed by Mr. Johnson.

A staff review of the actual files and records which are the subject of the Complaint indicates a serious question as to Mr. Johnson's handling of these reports and his contact with the Federal Election Commission in connection therewith. The Kentucky Democratic Party hereby requests that the FEC send its audit team to review the records in question so that we may jointly determine the true and accurate status of the records involved and take every necessary step

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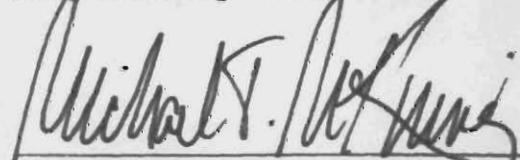
in correcting any administrative errors in the accounts. The Complaint filed herein also would appear to raise questions regarding the professional responsibility of Mr. Johnson which may need to be addressed by the Kentucky Democratic Party in another forum.

The staff at Kentucky Democratic Headquarters has indicated to the undersigned that for the period in question in the Complaint there was no corporate nor union money involved and that there were no excessive individual contributions to the non-federal account.

The Kentucky Democratic Party trusts that the FEC understands its sincerity in striving to reach an appropriate disposition of this matter. It should be noted that since the occurrence of the matters comprising the Complaint that the administrative procedures of the Kentucky Democratic Party have been rectified and that administrative letters from the FEC have since indicated compliance with the allocation regulations.

The Kentucky Democratic Party is anxious and willing to resolve each of the matters set forth in the Complaint and looks forward to cooperating with your audit team in correcting any past errors which may have occurred.

Respectfully submitted,



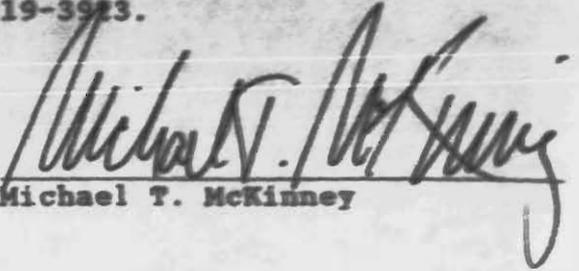
Michael T. McKinney
2922 Washington Square
P.O. Box 688
Burlington, Kentucky 41005
(606) 586-9955

General Counsel
Kentucky Democratic Party

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by fax and by ordinary mail this 14th day of November, 1994, on the following: Hon. Mary Ann Bumgarner, Federal Election Commission, Washington, D.C. 20463, Fax No. (202) 219-3923.


Michael T. McKinney

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LAW OFFICES
MICHAEL T. McKINNEY

Attorney at Law

MICHAEL T. McKINNEY

TELEPHONE (606) 586-9955

FAX No. (606) 586-6937

2922 WASHINGTON SQUARE
BURLINGTON, KENTUCKY 41005-0688

April 15, 1992

Mr. William G. Johnson
Treasurer
Kentucky Democratic Party
P.O. Box 694
Frankfort, Kentucky 40602

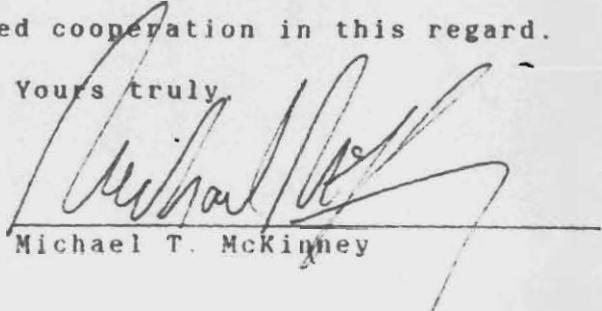
IN RE: Federal Election Commission
Statement of Organization

Dear Bill:

Enclosed herewith please find a Statement of Organization which you, as Treasurer, must sign indicating your capacity with the Party. It would be most helpful if you could have your secretary type in the proper information for Sections 7, 8 and 9 of this FEC Form One. When you have signed same please return it to me at your convenience so that I may file with the Federal Election Commission.

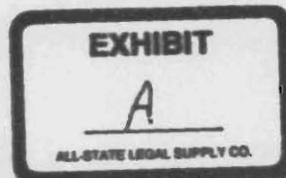
Thank you for your anticipated cooperation in this regard.

Yours truly


Michael T. McKinney

MTM:trt

enclosure





FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1995

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA *RJ*
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: KENTUCKY STATE DEMOCRATIC CENTRAL EXECUTIVE COMMITTEE
MUR 3637
ALLOCATION OF DISBURSEMENTS

I. Background

On September 27, 1994, the Commission voted to undertake an audit of the Kentucky State Democratic Central Executive Committee (the Committee) based on reason to believe findings that the Committee had violated Sections 434 and 441b(a) of Title 2 of the United States Code and Section 106.5 of Title 11 of the Code of Federal Regulations.

On December 6, 1994 the Audit staff met with the Office of General Counsel to determine the objectives of the audit. It was decided during that conference that the auditors would (1) perform bank reconciliations of both federal and nonfederal accounts, (2) review disbursements from both the federal and nonfederal accounts to determine allocable expenses paid from each account and to identify reimbursement transfers between the accounts, and (3) review receipts into both the federal and nonfederal accounts to determine the permissible and impermissible content of all the accounts. The Office of General Counsel later requested the Audit staff to analyze a debt reported by the Committee as owed to the nonfederal accounts in 1992. The Audit would cover the period January 1, 1991 through December 31, 1992.

The audit commenced on January 30, 1995 and the Audit staff accomplished the objectives outlined above by the close of fieldwork on February 17, 1995. The results of the audit are discussed within the sections following.

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II. Bank Activity

1. 1991 Federal and Nonfederal

The Committee maintained five accounts in 1991 that the Audit staff recognizes as federal, of which only one had material activity.^{1/} The total activity in these accounts^{2/} included beginning cash on hand \$28,297, receipts totaling \$129,865, of which \$122,865 came from the state tax check off program, disbursements totaling \$92,206, and ending cash on hand \$65,956. The federal accounts made two transfers to the nonfederal accounts totaling \$1,407, and a loan for \$1,000.

Activity in the three nonfederal accounts included beginning cash on hand \$2,234, receipts totaling \$421,033, disbursements totaling \$394,306, and ending cash on hand \$28,961. In 1991 the nonfederal accounts repaid the \$1,000 loan and made no other transfers to the federal accounts.

2. 1992 Federal and Nonfederal

During 1992 two of the federal accounts were active. Total activity included beginning cash on hand \$65,956, receipts totaling \$956,886, of which \$112,807 came from the state tax check off program, disbursements totaling \$1,021,364, and ending cash on hand \$1,478.

Activity in the three nonfederal accounts included beginning cash on hand \$28,961, receipts totaling \$542,044, disbursements totaling \$545,541, and ending cash on hand \$25,464. The nonfederal accounts made transfers totaling \$354,084 to the federal during 1992.

III. Source and Use of Funds Disbursed for Allocable and Nonallocable Activity ^{3/}

Attachments 1 and 2 are schedules of Funds Received, Funds Disbursed and Funds Transferred used to determine (1) if the Federal activity paid out of the nonfederal accounts could have

- 9 7 0 4 3 7 8 0 5 1 8
- ^{1/} The Committee initially designated four accounts as federal. The Audit staff and Office of General Counsel agreed that a fifth account, funded by state income dollar check-offs, should also be designated federal.
 - ^{2/} All amounts in this report have been rounded to the nearest dollar.
 - ^{3/} Nonallocable activity, as used within this report, means 100% federal activity when disbursed from federal accounts, and 100% nonfederal activity when disbursed from nonfederal accounts.

been paid from permissible funds, and (2) whether the portions of the transfers from the nonfederal to the federal account not made within the allowable time frames could have been paid from permissible funds.

Attachment 1 presents the analysis of the nonfederal side of activity; Attachment 2 displays the results of the federal activity. The assumptions made and procedures used for this analysis are as follows:

1. Beginning Cash on Hand

Beginning cash on hand January 1, 1991 was presumed impermissible for the nonfederal accounts and permissible for the federal accounts. Beginning cash on hand for each subsequent period was the carry-over permissible/impermissible balance of the prior period.

2. Determination of Permissible/Impermissible Funds Available

The Audit staff reviewed all receipts in 1991 and 1992 and summarized the permissible and impermissible amount of receipts for each period for both federal and nonfederal accounts. Receipts from nonfederal political action committees and nonfederal candidate committees are considered impermissible. Receipts for the period plus beginning cash on hand becomes funds available.

Funds available is a divided pool of funds (permissible and impermissible) for each period, determined without regard to the timing of receipts within that period. The nonfederal accounts had both permissible and impermissible amounts available. The federal accounts should have contained only permissible funds. However as discussed below, during the fourth quarter of 1992 the federal account received \$11,000 in impermissible contributions.

In 1991 the impermissible receipts in the nonfederal accounts were contributions from a corporation (\$1,000), nonfederal candidate committees (\$59,886), DNC nonfederal committees (\$70,000) and nonfederal political action committees (\$126,900). Impermissible receipts in the nonfederal accounts in 1992 included a DNC Corporate Account contribution (\$36,000), contributions from nonfederal political action committees (\$140,140) and nonfederal candidates (\$212,955). The impermissible funds within the federal accounts (1992 only) were from a corporation (\$500), nonfederal political action committees (\$8,500) and nonfederal candidate committees (\$2,000).

3. Application of Funds Disbursed

The Audit staff date-ordered the allocated amounts of all disbursements by two report periods during 1991 (Mid-year

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and Year-end) and within four quarters during 1992. Attachments 1-4 to this report exhibit these expenditures by period and by allocation amounts (federal share, nonfederal share, 100% federal, 100% nonfederal) for disbursements from both federal and nonfederal accounts.

a. Nonfederal Accounts - Transfers to Federal Account

The amounts of the reimbursement transfers from the nonfederal account to the federal account which were in compliance with 11 CFR 106.5 ⁴/ were deducted from the impermissible funds available for the period. All amounts transferred outside the compliance window were deducted from permissible funds. During the fourth quarter, when all the transfers were in compliance, the impermissible funds were exhausted and portions of the reimbursement transfers were made from permissible funds.

b. Nonfederal Accounts - Disbursements to Vendors

The Audit staff applied the federal share of allocable expenditures paid from the nonfederal accounts in each period against the permissible amount of funds available for that period. Likewise, the nonfederal share of expenditures was applied against the impermissible funds available.

The nonfederal accounts in both 1991 and 1992 maintained sufficient permissible funds so that: (1) the federal share of allocable disbursements could be paid from permissible funds; and (2) transfers to the federal accounts outside the compliance window could have been paid from permissible funds. Reimbursement transfers to the federal accounts made within the compliance window were deducted from impermissible funds and became permissible receipts to the federal accounts.

c. Federal Accounts - Transfers from Nonfederal Accounts

The nonfederal account transferred no funds to the federal side in 1991. During 1992 the nonfederal account transferred \$354,084 to the federal account, presumably for reimbursement of nonfederal activity; no documentation was available to show the derivation of these amounts.

⁴/ The compliance window in effect during most of the audit period required transfers to be made not more than 10 days prior to, and 30 days subsequent to, disbursements. Effective June 18, 1992, the window was expanded to allow transfers to be made not more than 10 days prior to, and 60 days subsequent to, disbursements.

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In the Audit staff's analysis, all transfers received from the nonfederal side were considered permissible receipts in the federal accounts. The amounts transferred from the nonfederal accounts either were within the compliance window or were deducted from available permissible funds.

d. Federal Accounts - Disbursements to Vendors

In 1991 only permissible funds were available. Therefore all disbursements were deducted from permissible funds.

In 1992 only permissible funds were available through the first three quarters. Therefore all activity was deducted from permissible funds for these periods. During the fourth quarter the federal accounts contained impermissible funds (\$11,000); for this period the nonfederal share of allocable expenditures was deducted from impermissible funds first and then from permissible funds. In this analysis the Audit staff considers the portion deducted from impermissible funds (\$11,000) as non-reimbursable by the nonfederal side. To include these disbursements as reimbursable would inflate the permissible receipts. The fourth quarter 1992 federal account ending cash was only \$1,477; therefore regardless of how the impermissible funds in the federal account are treated, at least \$9,523 was expended from them.

4. Summary

Allocable expenditures were made from the nonfederal accounts during both 1991 and 1992 in violation of 11 CFR 106.5. The Committee was in further violation of 106.5 by making untimely transfers from the nonfederal accounts to the federal accounts for reimbursement of nonfederal activity.

However, neither the federal share of disbursements made from the nonfederal accounts nor the untimely portions of the transfers were necessarily made from impermissible funds. All activity from the federal accounts was funded by permissible receipts through the third quarter of 1992. During the fourth quarter the analysis assumes that the impermissible funds were used to pay for some nonfederal activity disbursed from the federal accounts. Permissible funds would have been available for this activity if the Committee had made a reimbursement transfer in December 1992.

IV. Allocation of Disbursements

1. Background

The Audit staff reviewed invoices, canceled checks, contemporaneous memoranda, and other documentation to determine the correct allocation of disbursements from both the federal and nonfederal accounts during 1991 and 1992. Administrative

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expenses were allocated 30% federal/70% nonfederal for 1991 and 1992; Get-Out-the-Vote activity was allocated 100% nonfederal for 1991 and 43% federal/57% nonfederal for 1992.5/ The Audit staff treated the extra nonfederal point in the ballot composition allocation ratio that became effective June 18, 1992 as retroactive to January 1, 1991.

The auditors reviewed disbursements 100% for 1991. For 1992 we sampled the disbursements to verify the accuracy of the information recorded on Committee check registers. The sample results indicated that the descriptions and other data pertinent to each disbursement were accurate and reliable. We then allocated disbursements using the information recorded in the check registers. We reviewed supporting documentation for disbursements whose descriptions on the registers were not definitive.

2. 1991 Allocation of Disbursements

Attachment 3 summarizes and categorizes the allocation of disbursements from both federal and nonfederal accounts in 1991.

The federal accounts in 1991 made allocable and 100% nonfederal expenditures totaling \$88,799, of which the federal share totaled \$26,199. The nonfederal share and 100% nonfederal portion of disbursements totaled \$62,600. The nonfederal accounts made no transfers to the federal accounts for reimbursement of these nonfederal expenses.

The nonfederal accounts in 1991 made allocable expenditures totaling \$238,485; the federal share totaled \$72,246. All of these expenditures should have been paid from the federal accounts. The nonfederal account could have then reimbursed the federal accounts for its allocable share. In 1991 the nonfederal accounts paid a larger amount of federal expenses than the federal paid for nonfederal expenses. The amount is calculated as shown below:

Nonfederal expense paid by the federal accounts and not reimbursed	\$62,600
Federal expenses paid by the nonfederal accounts	<u>(72,246)</u>
Net federal expenses paid by the nonfederal accounts	<u>\$ 9,646</u>

5/ Kentucky holds federal and nonfederal elections in different years, and thus must allocate generic voter drive costs by the ballot composition method for each year separately, whereas the administrative expenses are based on the two year cycle.

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However, as explained above, the nonfederal accounts had sufficient permissible funds to pay these expenses.

3. 1992 Allocation of Disbursements

Attachment 4 summarizes the allocation of disbursements from all accounts, both federal and nonfederal, for each quarter of 1992.

In 1992 the federal accounts made allocable expenditures totaling \$527,098. The 100% nonfederal expenditures and the nonfederal portion of the 1992 allocable expenditures totaled \$458,098.

The nonfederal accounts made allocable expenditures totaling \$176,960 of which the federal share was \$55,276. Thus the federal accounts paid, before reimbursement by the nonfederal, \$402,822 (\$458,908 less \$55,276) more for nonfederal activity than the nonfederal accounts paid for federal. The calculation of this amount is shown below:

Nonfederal expenses paid by the federal account	\$458,098
Federal expenses paid by the nonfederal account	(55,276)
Net nonfederal expenses paid by the federal before reimbursement	<u>\$402,822</u>

As discussed below, the nonfederal accounts reimbursed the federal accounts \$354,084 in 1992. This leaves \$48,738 (\$402,822 - \$354,084) that could have been reimbursed by the nonfederal account for 1992 expenses. This figure is further adjusted by \$11,000 in impermissible funds in the federal accounts that the audit staff has applied to nonfederal expenses in lieu of reimbursement and by \$9,646 in federal expenses paid by the nonfederal accounts in 1991 and treated as an offset to allowable reimbursements. The net amount that could have been transferred from the nonfederal to the federal accounts for the two year cycle is calculated below:

Under reimbursement by the nonfederal accounts for 1992 from above	\$ 48,738
Impermissible funds received in the federal accounts applied to otherwise reimbursable nonfederal expenses paid by the federal account	(11,000)

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1991 net federal expenses paid by the nonfederal account from Section IV.2. above (9,646)

Net unreimbursed nonfederal expenses paid by the federal account for the 1991-92 election cycle \$ 28,092

V. Transfers to the Federal from the Nonfederal

The Audit staff date-ordered the allocations of all disbursements from the federal accounts in 1992 and summed the amount allocable to the nonfederal accounts for each date in order to determine if the nonfederal transfers to the federal account were in compliance with the 30-10 day window for reimbursement of nonfederal activity pursuant to 11 CFR 106.5.

Attachment 5 summarizes the nonfederal activity from the federal accounts in 1992 and identifies the reimbursement transfers made within the window. The nonfederal made eight transfers totaling \$354,084 between April 23, 1992 and November 2, 1992. Of this total, \$294,900 represent amounts which were within the compliance window. The amount outside the window (\$59,185) was contained within two of the transfers. However, there was sufficient permissible funds in the nonfederal accounts to make the transfers that occurred outside the window.

VI. Debt Reported to Nonfederal by Federal

1. Background

The Committee reported a debt owed to the nonfederal committee of \$33,854 on its 1992 July 15th Quarterly Report. According to a Committee workpaper the debt was incurred between 1/1/92-6/30/92 and represented total federal disbursements reported less total funds used from the federal accounts. The Audit staff did not verify the accuracy of all Committee figures used in their debt calculation. The Committee reported the debt repaid as of September 30, 1992.

The Audit staff reviewed all transfers between accounts and found no transfer of funds from the federal accounts to the nonfederal accounts during the period the debt was reported as repaid. The Audit staff surmises that the "repayment" may have consisted of nonfederal expenses paid by the federal accounts during this period.

2. Determination of Debt

The Audit staff used allocation workpapers developed from the review of the disbursements and calculated the following:

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a. The federal share of expenses paid by the nonfederal accounts for the period 1/1/92-6/30/92.

b. The nonfederal share of expenses paid by the federal accounts in excess of reimbursements from the nonfederal accounts.

c. The amount owed by the federal to the nonfederal (a-b, above).

3. Results

a. The federal share of disbursements made from the nonfederal accounts during the period 1/1/92-6/30/92 was \$24,901.

b. The nonfederal share paid from the federal accounts for this period (\$140,546) was \$15,546 in excess of the amount transferred to the federal accounts (\$125,000).

c. The amount "owed" by the federal to the nonfederal account at 6/30/92 was \$9,355 (\$24,901 - \$15,546).

4. Repayment of Debt

As of September 30, 1992, the date by which the Committee stated that the federal accounts no longer owed the nonfederal accounts any funds, the nonfederal accounts had disbursed \$48,826 for expenses attributable to federal activity, and the federal accounts had a surplus of unreimbursed nonfederal expenses of \$59,894. Therefore, by September 30, 1992, the federal accounts had compensated the nonfederal accounts for the amount "owed" as of June 30, 1992, and were in a surplus position of \$11,068 (\$59,894 - \$48,826).

By December 31, 1992 the nonfederal accounts had expenses attributable to federal activity totaling \$55,276 for the year, and the federal accounts had paid nonfederal expenses totaling \$104,122 for which they were not reimbursed. Thus for the remainder of the Audit period, the federal did not owe the nonfederal.

VII. Conclusion

The nonfederal accounts paid allocable expenditures totaling \$238,485 for 1991, \$176,960 for 1992, and \$415,446 for the Audit period. These expenditures included amounts attributable to federal activity of \$72,246 (1991), \$55,276 (1992), and \$127,522 for the audit period. During 1992 the nonfederal accounts made untimely reimbursement transfers to the federal accounts totaling \$59,185. Also in 1992, the federal account received \$11,000 in impermissible contributions. Notwithstanding these violations of 11 CFR 106.5 and 2 U.S.C.

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441a and 441b, the Audit staff determined that the federal portions of allocable expense paid from the federal and nonfederal accounts can be presumed to have been paid from available permissible funds, and that the untimely transfers from the nonfederal accounts could have been made from permissible funds. Further, the nonfederal accounts made no reimbursement transfers during 1991 and did not fully reimburse the federal accounts for nonfederal activity in 1992. If the Committee had deposited the permissible receipts into the federal accounts and if the nonfederal accounts had timely reimbursed the federal accounts for nonfederal activity, the federal accounts could have paid all allocable expenses during the Audit period. Finally, the Audit staff determined that a debt owed to the nonfederal accounts by the federal was not as large as reported by the Committee and was fully satisfied by September 30, 1992.

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Kentucky State Democratic Central Executive Committee
 Source and Use of Funds
 1991 and 1992 Nonfederal Accounts

ATTACHMENT 1

FUNDS RECEIVED				FUNDS DISBURSED				
Activity Periods	Summary Totals	Total Permiss	Total Impermiss	F-Share	MF-Share	Total Alloc	non Alloc	Total Disbursed
BCON-MY91	2233.91	0.00	2233.91					
Receipts	115438.06	66138.06	49300.00					
Subtotal	117671.97	66138.06	51533.91					
Disbursements	-117454.13	-65920.22	-51533.91	33791.98	78754.62	112506.60	4947.53	117454.13
BCON-MY91	217.84	217.84	0.00					
BCON-YE91	217.84	217.84	0.00					
Receipts	305594.88	97109.20	208485.68					
Subtotal	305812.72	97327.04	208485.68					
Disbursements	-278812.71	-68327.03	-208485.68	38493.64	87485.16	125978.80	15083.91	278812.71
BCON-YE91	29000.01	29000.01	0.00					
BCON-Q192	29000.01	29000.01	0.00					
Receipts	211715.45	11715.45	200000.00					
Subtotal	240715.48	40715.48	200000.00					
Disbursements	-67354.47	-16948.57	-50405.90	16948.57	39548.58	56495.25	10859.22	67354.47
BCON-Q192	173380.99	23766.89	149594.10					
BCON-Q292	173380.99	23766.89	149594.10					
Receipts	77625.46	68680.89	8964.57					
Subtotal	250986.45	92427.78	158558.67					
Disbursements	-27277.38	-7952.60	-19324.78	7952.60	18556.10	26508.70	768.68	27277.38
Trfr to F	-125000.00	-30618.26	-94381.74					125000.00
BCON-Q292	98709.07	53856.92	44852.15					
BCON-Q392	98709.07	53856.92	44852.15					
Receipts	112889.57	38259.29	74630.28					
Subtotal	211598.64	92116.21	119482.43					
Disbursements	-75668.92	-23924.65	-51744.27	23924.65	48535.70	72480.35	3208.57	75668.92
Trfr to F	-85000.00	-28566.31	-56433.69					85000.00
BCON-Q392	50929.72	39625.25	11304.47					
BCON-Q492	50929.72	39625.25	11304.47					
Receipts	140163.94	34663.94	105500.00					
Subtotal	191093.66	74289.19	116804.47					
Disbursements	-21505.89	-6450.08	-15055.83	6450.06	15045.83	21495.89	10.00	21505.89
Trfr to F	-144084.39	-42335.75	-101748.64					144084.39
BCON-Q492	25503.38	25503.38	0.00					

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Kentucky State Democratic Central Executive Committee
 Source and Use of Funds
 1991 and 1992 Federal Accounts

ATTACHMENT 2

FUNDS RECEIVED				FUNDS DISBURSED					
Totals	Summary	Total Permiss	Total Impermiss	F-Share	MF-Share	Total Alloc	100% MF	100% FED	Total Disbursed
BCOH-MY91	26818.52	26818.00	0.00						
Receipts	51535.00	51535.00	0.00						
Subtotal	78353.00	78353.00	0.00						
Disbursements	77955.22	-77955.22	0.00	23386.57	54568.65	77955.22	0.00	0.00	77955.22
BCOH-MY91	397.78	397.78	0.00						
BCOH-YE91	397.78	397.78	0.00						
Receipts	77329.50	77329.50	0.00						
Subtotal	77727.28	77727.28	0.00						
Disbursements	10843.61	-10843.61	0.00	2812.08	6561.53	9373.61	1470.00	0.00	10843.61
Loan	1000.00	-1000.00	0.00						1000.00
BCOH-YE91	65883.67	65883.67	0.00						
BCOH-Q192	65883.67	65883.67	0.00						
Receipts	158.50	158.50	0.00						
Subtotal	66042.17	66042.17	0.00						
Disbursements	-35371.36	-35371.36	0.00	9221.96	21517.85	30739.81	4631.55	0.00	35371.36
BCOH-Q192	30670.81	30670.81	0.00						
BCOH-Q392	30670.81	30670.81	0.00						
Receipts	7.50	7.50	0.00						
Subtotal	30678.31	30678.31	0.00						
Disbursements	-155442.72	-155442.72	0.00	35046.34	80907.91	115954.25	33468.47	6000.00	155442.72
Trfr from MF	125000.00	125000.00	0.00						125000.00
BCOH-Q292	235.59	235.59	0.00						
BCOH-Q392	235.59	235.59	0.00						
Receipts	197855.21	197855.21	0.00						
Subtotal	198090.80	198090.80	0.00						
Disbursements	-219970.24	-219970.24	0.00	53791.92	95023.67	148815.59	34324.34	36830.31	219970.24
Trfr from MF	85000.00	85000.00	0.00						85000.00
BCOH-Q392	63120.56	63120.56	0.00						
BCOH-Q492	63120.56	63120.56	0.00						
Receipts	404982.45	393982.45	11000.00						
Subtotal	468103.01	457103.01	11000.00						
Disbursements	-610710.15	-599710.15	-11000.00	92432.88	139155.75	231588.63	49048.25	330073.27	610710.15
Trfr from MF	144084.39	144084.39	0.00						144084.39
BCOH-Q492	1477.25	1477.25	0.00						

8 2 5 0 8 / 2 Total Activity

1465377.69

ATTACHMENT 3

Kentucky State Democratic Central Executive Committee
1991 Disbursement Activity

PERIOD	FUNDS DISBURSED					SUMMARY		Total Activity
	F-Share	NF-Share	Total Alloc	100% NF	Total Disbursed	Total F-shares	Total NF-shares	Federal Nonfederal
Mid-year								
federal accounts	23386.57	54568.65	77955.22	0.00	77955.22	23386.57	54568.65	77955.22
nonfederal accounts	33751.98	78754.62	112506.60	4947.53	117454.13	33751.98	83702.15	117454.13
total Mid-year	57138.55	133323.27	190461.82	4947.53	195409.35	57138.55	138270.8	
Year-end								
federal accounts	2812.08	6561.53	9373.61	1470.00	10843.61	2812.08	8031.53	10843.61
nonfederal accounts	38493.64	87485.16	125978.80	150833.91	276812.71	38493.64	238319.07	276812.71
total Year-end	41305.72	94046.69	135352.41	152303.91	287656.32	41305.72	246350.6	
Calendar year 1991								Federal Nonfederal
federal accounts	26198.65	61130.18	87328.83	1470.00	88798.83	26198.65	62600.18	88798.83
nonfederal accounts	72245.62	166219.78	238485.40	155781.44	394266.84	72245.62	322021.22	394266.84

Kentucky State Democratic Central Executive Committee
Allocation of Disbursements 1992

PERIOD	FUNDS DISBURSED						SUMMARY		Total Activity		
	Accounts	F-Share	MF-Share	Total Alloc	100% F	100% MF	Total Disbursed	Total F-shares		Total MF-shares	Federal
Q1											
federal	9221.96	21517.85	30739.81	0.00	4631.55	35371.36	9221.96	26149.40		35371.36	
nonfederal	16948.57	39346.68	56495.25	0.00	10859.22	67354.47	16948.57	50403.90			67354.47
total Q1	26170.53	61064.53	87235.06	0.00	15490.77	102725.83	26170.53	76553.30			
Q2											
federal	35046.34	60907.91	115954.25	6000.00	33488.47	155442.72	41046.34	114396.38		155442.72	
nonfederal	7952.60	18556.10	26508.70	0.00	768.68	27277.38	7952.60	19324.78			27277.38
total Q2	42998.94	79464.01	142462.95	6000.00	34257.15	182720.10	48998.94	133721.16			
Q3											
federal	53791.92	95023.67	148815.59	36830.31	34324.14	219970.24	90622.23	129348.01		219970.24	
nonfederal	23924.65	48535.70	72460.35	0.00	3200.57	75660.92	23924.65	51744.27			75660.92
total Q3	77716.57	143559.37	221275.94	36830.31	37524.71	295631.16	114546.88	181092.28			
Q4											
federal	92432.88	139185.75	231618.63	330073.27	49048.25	610710.15	422506.15	186204.00		610710.15	
nonfederal	6450.06	15045.83	21495.89	0.00	10.00	21505.89	6450.06	15055.83			21505.89
total Q4	98882.94	154231.58	253114.52	330073.27	49058.25	632216.04	428956.21	201259.83			
CALENDAR YEAR TOTALS								Federal		1021494.47	
								Nonfederal	**	191806.66	
Allocable expenditures paid by Federal							527098.28				
100% Nonfederal expenditures paid by Federal							121492.81				
100% Federal paid by Federal							572901.58				
Allocable expenditures paid by Nonfederal							176960.19				
100% Nonfederal expenditures paid by Nonfederal							14846.47				
100% Federal paid by Nonfederal							0.00				
Federal portions (allocable share and 100% Federal) paid by Federal							561396.68				
Federal portions paid by Nonfederal							55275.80				
Nonfederal portions (allocable share and 100% nonfederal) paid by Federal							458097.79	***			
Nonfederal portions (allocable share and 100% nonfederal) paid by Nonfederal							135310.78				

* Amount differs from bank activity by reconciling items totaling \$130.50

** Amount differs from bank activity by reconciling items totaling -\$150.02
and transfers to federal accounts totaling \$354,084.39.

*** Attachment 5 total for nonfederal portion = \$458,081.69, a difference of \$16.10.

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Kentucky State Democratic Central Executive Committee
 Application of Threshold Window to Nonfederal-to-Federal Transfers
 1992

ATTACHMENT 5

Date	Federal Accounts		Trfr #'s Disb/Trfr	Nonfederal to Federal			Notes
	Nonfederal Shares Acct 4805	Shares Acct 4916		Threshold Portion	Transfer Amount	Non-Threshold Portion	
06-Jan-92		62.81					
08-Jan-92	10187.18						
22-Jan-92	5959.47						
05-Feb-92	9939.96						
15-Apr-92							
22-Apr-92		2562.08	1				
23-Apr-92			1	1	19381.74	50000.00	30518.26
29-Apr-92		15619.66	1				
30-Apr-92		1200.00	1				
06-May-92		1050.00	2				
08-May-92		10770.98	2				
13-May-92		23998.08	2				
20-May-92		11875.50	2				
27-May-92		2305.44	2				Disbursement amounts split
27-May-92		18077.56	3				
29-May-92				2	50000.00	50000.00	0.00
02-Jun-92		2687.08	3				
10-Jun-92		4146.65	3				
17-Jun-92		88.71	3	3	25000.00	25000.00	0.00
17-Jun-92		8798.45	4				Disbursement amounts split
24-Jun-92		11216.28	4				
01-Jul-92		12413.83	4				
02-Jul-92				4	66433.69	75000.00	28566.31
08-Jul-92		16005.13	4				
13-Jul-92		7759.07	5				
22-Jul-92		2240.93	5				Disbursement amounts split
22-Jul-92		1553.08					
28-Jul-92	30238.90	6495.28					
31-Jul-92				5	10000.00	10000.00	0.00
05-Aug-92	9282.20						
06-Aug-92		1093.75					
12-Aug-92	7591.20						
19-Aug-92	5516.47						
26-Aug-92	1895.84						
02-Sep-92	2559.62						
09-Sep-92	168.26	1737.63					
10-Sep-92		1182.90					

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Kentucky State Democratic Central Executive Committee
 Application of Threshold Window to Nonfederal-to-Federal Transfers
 1992

ATTACHMENT 5

Date	Federal Accounts		Trfr #'s Disb/Trfr	Nonfederal to Federal			Notes
	Nonfederal Shares			Threshold	Transfer	Non-Threshold	
	Acct 4805	Acct 4916		Portion	Amount	Portion	
16-Sep-92	5669.38	7574.32					
17-Sep-92		518.21					
23-Sep-92	280.00	3170.13	5				
26-Sep-92		200.00	5				
30-Sep-92		6293.29	6				
02-Oct-92		725.04	6				
03-Oct-92	4000.00	1471.11	6				
05-Oct-92		85.50	6				
06-Oct-92		2378.43	6				
07-Oct-92		875.85	6				
08-Oct-92		854.79	6				
15-Oct-92		8250.25	6			Disbursement	
15-Oct-92		17855.52	7			amounts split	
16-Oct-92		1502.51	7				
19-Oct-92		3982.87	7				
20-Oct-92		242.25	7				
21-Oct-92	4506.47	5459.16	7				
22-Oct-92		24122.16	7	6	28584.39	28584.39	0.00
23-Oct-92		890.80	7				
26-Oct-92		1039.10	7	7	62500.00	62500.00	-0.00
28-Oct-92		2903.36	7				Disbursement
28-Oct-92	570.80	12049.93	8				amounts split
29-Oct-92		1310.01	8				
30-Oct-92		2232.01	8				
02-Nov-92		3633.05	8	8	53000.00	53000.00	-0.00
03-Nov-92		991.26	8				
05-Nov-92	4127.80	781.44	8				
06-Nov-92		8708.13	8				
09-Nov-92		4633.99	8				
11-Nov-92	13981.68		8				Disbursement
11-Nov-92	651.06						amounts split
18-Nov-92		5504.06					

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Kentucky State Democratic Central Executive Committee
 Application of Threshold Window to Nonfederal-to-Federal Transfers
 1992

ATTACHMENT 5

Date	Federal Accounts		Nonfederal to Federal			Notes
	Nonfederal Shares Acct 4805	Acct 4916	Trfr #'s Disb/Trfr	Threshold Portion	Transfer Amount	
25-Nov-92		13518.66				
02-Dec-92		3297.11				
09-Dec-92	12766.40	2839.84				
13-Dec-92		306.30				
16-Dec-92		4957.50				
23-Dec-92	3088.13	7127.31				
Totals	132879.58	325202.11		294899.82	354084.39	59184.57

Summary						
Total NF share				458081.69		
Total transferred for NF share				354084.39		
Trfrs within Threshold			294899.82			
Trfrs outside Threshold						59184.57

Notes If only a portion of a disbursement total by date was needed for a particular transfer, then the disbursement date was entered twice and the disbursement total was split.

All non-threshold portions would be the same for either a 10-30 or a 10-60 day window.

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BEFORE THE FEDERAL ELECTION COMMISSION

APR 18 10 04 AM '96

In the Matter of)
)
Kentucky State Democratic)
Central Executive Committee)
and Clay Patrick, as treasurer)

MUR 3637

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by a complaint filed with the Federal Election Commission (the "Commission") against the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer ("Kentucky Democrats" or "Respondents"), and by a referral from the Reports Analysis Division ("RAD"). The complaint and referral were based upon Respondents' failure to comply with the Commission's allocation regulations during the 1991-92 election cycle.¹ The referral also concerned Respondents' failure to reconcile a cash discrepancy between their 1990 Year End and 1991 Mid-Year Reports and their repeated failures, since 1989, to amend the committee's statement of organization to reflect the names of successive treasurers.

On September 27, 1994, the Commission found reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B). In addition, the

1. Because the complaint and referral both address the same issue of allocation, on September 27, 1994, the Commission voted to merge RAD referral 94L-10 into MUR 3637.

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Commission authorized the Audit Division to perform an audit, pursuant to 2 U.S.C. § 437g(a), of the Kentucky Democrats' financial activity during the 1991-92 election cycle.

On November 17, 1994, the Kentucky Democrats responded to the Commission's reason to believe findings. Attachment 1. In this response, the Kentucky Democrats questioned the actions taken by their treasurer during the time period (1991-92) in which they failed to comply with the allocation regulations. According to Respondents, the treasurer at the time of the violations "succeeded in alienating everyone with whom he had contact during his tenure as Treasurer, including the Kentucky Democratic Party and the Federal Election Commission." Attachment 1 at 2.

In this same response, the Kentucky Democrats conceded their repeated failures, since 1989, to amend the committee's statement of organization to reflect new treasurers. Id. at 1. Respondents also stated that, since the occurrence of the matters at issue, they have rectified their administrative procedures, and that "administrative letters from the FEC have since indicated compliance with the allocation regulations." Id. at 3. Finally, Respondents asserted that they were anxious and willing to resolve each of the matters set forth in the complaint and that they looked forward to cooperating with the "audit team in correcting any past errors which may have occurred." Id.

On January 30, 1995, the Audit staff commenced its audit of the Kentucky Democrats. Attached are the results of that audit. Attachment 2. As discussed below, these results reveal serious violations of the Federal Election Campaign Act, in particular

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ones arising from the use of the committee's non-federal accounts to pay for joint federal and non-federal activity.

Throughout the course of this matter, Respondents have expressed a continuing interest in the prompt resolution of this matter, and, during telephone conversations, in conciliation. Therefore, in the interest of settling this matter and because there is no need for further discovery, this Office recommends that the Commission offer to enter into conciliation with Respondents at this time.

II. ANALYSIS

A. Law

The Federal Election Campaign Act of 1971, as amended, (the "Act") requires each treasurer of a political committee to file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a). Each report must disclose for the reporting period and calendar year the total amount of receipts and disbursements by certain identified categories. 2 U.S.C. § 434(b)(2) and (b)(4). The Act also requires that each report disclose the amount and nature of all debts owed and all debts repaid. 2 U.S.C. § 434(b)(8). Pursuant to 2 U.S.C. § 434(b)(1), each report must also disclose the amount of cash-on-hand at the beginning of the reporting period. See also 11 C.F.R. § 104.3(a)(1).

The Commission's regulations require that committees, such as the Kentucky Democrats, that have established separate federal and non-federal accounts make all disbursements, contributions, expenditures and transfers in connection with any federal election from their federal accounts. 11 C.F.R. § 102.5(a)(1)(i). The Act

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prohibits corporations and labor organizations from making contributions in connection with federal elections, and prohibits political committees from knowingly accepting such contributions into their federal accounts. 2 U.S.C. § 441b(a). Moreover, the Act provides that no person shall make contributions to a state party committee's federal accounts in any calendar year which in the aggregate exceed \$5,000, and that political committees may not accept contributions in excess of the statutory limitations. 2 U.S.C. § 441a(a) and (f). Accordingly, contributions, disbursements or transfers involving federal activity made from non-federal accounts are made in violation of the regulations, and, if the non-federal accounts contain corporate and labor organization contributions or excessive contributions, they are also made in violation of the Act.

When making expenditures which are allocable to both federal and non-federal activity, a state party committee that has established separate federal and non-federal accounts must pay "the entire amount of an allocable expense from its federal account and shall transfer funds from its non-federal account to its federal account solely to cover the non-federal share of that allocable expense." 11 C.F.R. § 106.5(g)(1)(i). Further, for each transfer of funds made from its non-federal account to its federal account, the committee must itemize in its reports the allocable activities for which the transferred funds are intended to pay, as required by 11 C.F.R. § 104.10(b)(3). 11 C.F.R. § 106.5(g)(2)(ii)(A). Moreover, during the first half of 1992 such transfers could not have been made more than 10 days before or more than 30 days after

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the making of the expenditure which they were intended to reimburse; as of June 18, 1992 this regulatory time frame increased to no more than 10 days before or 60 days after the relevant expenditures had been made from the federal account. Former and present 11 C.F.R. § 106.5(g)(2)(ii)(B). If the requirements of 11 C.F.R. § 106.5(g)(2)(ii)(A) and (B) were, or are, not met, any portion of a transfer from a committee's non-federal account to its federal account "shall be presumed to be a loan or contribution from the non-federal account to the federal account, in violation of the Act." 11 C.F.R. § 106.5(g)(2)(iii).

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Generally, a state party committee using separate federal and non-federal accounts must allocate administrative expenses and the costs of generic voter drives between those accounts using the "ballot composition method." 11 C.F.R. § 106.5(d). In states such as Kentucky where federal and non-federal elections are held in different years, state and local party committees must allocate generic voter drive costs in a slightly different way; these committees must apply a ballot composition ratio calculated for the calendar year in which the election is held. 11 C.F.R. § 106.5(d)(2).² Administrative costs are still allocated according to the ballot composition ratio based on the two-year Congressional election cycle. 11 C.F.R. § 106.5(d)(2). Administrative expenses are described at 11 C.F.R. § 106.5(a)(2)(i) as "including rent, utilities, office supplies, and salaries, except for such expenses directly attributable to a clearly identified candidate." Generic

2. Kentucky is one of the five states that hold non-federal elections in odd-numbered calendar years.

voter drives are described at 11 C.F.R. § 106.5(a)(2)(iv) as "including voter identification, voter registration, and get-out-the-vote drives, or any other activities that urge the general public to register, vote, or support candidates of a particular party or associated with a particular issue, without mentioning a specific candidate."

As stated above, a political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must report each disbursement from its federal account in payment for a joint federal and non-federal expense or activity. 11 C.F.R. § 104.10(b)(4). The committee must report to the Commission the date, the amount and purpose of each such disbursement, along with the full name and address of each person to whom the disbursement was made. Id.

Such a political committee must also report each transfer of funds from its non-federal account to its federal account for the purpose of paying such expenses. 11 C.F.R. § 104.10(b)(3). The committee must explain in a memo entry the allocable expenses to which the transfer relates and the date on which the transfer was made. Id.

The Act requires each political committee to file a statement of organization with the Commission within ten (10) days of becoming a political committee. 2 U.S.C. § 433(a). Included on this statement of organization, among other things, are the name and address of the current treasurer of the committee. 2 U.S.C. § 433(b)(4). If there is a change in the information previously submitted on a statement of organization, such as a change in treasurers, political committees are required to report to the

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Commission such a change no later than 10 days after the date it took place. 2 U.S.C. § 433(c). The Act also requires the signature of the designated treasurer on each filed report. 2 U.S.C. § 434(a).

B. Reason to Believe Findings by the Commission

The Commission found reason to believe that Respondents failed to pay the entire amount of allocable expenses from their federal account, in violation of 11 C.F.R. §§ 102.5(a)(1)(i) and 106.5(g)(1)(i), and that they violated 2 U.S.C. §§ 441b(a) and 441a(f) and 11 C.F.R. § 102.5(a)(1)(i) by paying for federal shares of allocable expenses from non-federal accounts which contained impermissible funds. The Commission also found that Respondents violated 11 C.F.R. § 106.5(g)(2)(ii)(B) by failing to make otherwise appropriate transfers from their non-federal to their federal accounts within the required time period and 11 C.F.R. § 106.5(d)(1) by failing to properly allocate payments for administrative expenses. Further, the Commission found reason to believe Respondents violated 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3) and (4) by reporting fictitious transfers from the non-federal accounts to the federal accounts and by failing to properly report disbursements from their federal accounts in payment for joint activity.

Further, the Commission found reason to believe the Kentucky Democrats violated 2 U.S.C. §§ 433(c) and 434(a)(1) by failing to amend their statement of organization to reflect successive treasurers of the committee and by filing reports bearing signatures of persons who were not the designated treasurers, and reason to believe Respondents violated 2 U.S.C. § 434(b) by failing

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to reconcile a cash discrepancy between their 1990 Year End and their 1991 Mid-Year Reports.

C. Results of the Audit of the Kentucky Democrats; Additional Issues Identified by this Office

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Because it was impossible to estimate the amount of non-federal funds at issue in this matter by simply reviewing Respondents' 1991-92 disclosure reports,³ the Commission authorized the Audit Division to perform an audit of the Kentucky Democrats in order to determine the committee's actual financial activity during the 1991-92 election cycle and the amounts involved in any violations of the Act or regulations. In summary, the Audit staff found that Respondents failed during the time period covered by the audit to pay the entire amount of allocable expenses from their federal accounts; rather, Respondents used non-federal funds to pay for a considerable portion of joint activity during the 1991-92 election cycle.⁴ The Audit staff also found that Respondents failed to make certain, otherwise allowable transfers from the non-federal accounts to the federal accounts within the required time periods. Additionally, the audit revealed that during 1991-92 these non-federal accounts contained impermissible funds,⁵ and that

3. Respondents conceded in their response to the complaint that the reported figures were not an accurate representation of their financial activity.

4. According to the Audit staff, during 1991 the Kentucky Democrats maintained five federal accounts and three non-federal accounts. Attachment 2 at 2. During 1992, two of the five federal accounts were active, as were all three non-federal accounts.

5. During the 1991-92 election cycle, Kentucky law prohibited corporate contributions, but permitted labor organization contributions and individual contributions of \$6,000 to the state party executive committee and its subdivisions and affiliates in any one year.

these non-federal accounts contained impermissible funds,⁵ and that during the last quarter of 1992,⁶ one of the federal accounts also contained impermissible funds.

In addition, using information ascertained during the audit, this Office has confirmed the fictitious nature of certain transfers reported by the Kentucky Democrats as having been made between their non-federal accounts and their federal accounts during 1991-92. Further, it is the opinion of this Office that during this time period Respondents mis-reported disbursements made for joint activity and also mis-reported as debts portions of expenditures improperly made from non-federal accounts for joint activity.

1. Violations of 11 C.F.R. §§ 102.5(a)(1)(i) and 106.5(g)(1)(i) - Disbursements for Allocable Expenses from Non-Federal Accounts

As stated above, 11 C.F.R. §§ 102.5(a)(1)(i) and 106.5(g)(1)(i) require respectively that political committees with separate federal and non-federal accounts make all disbursements in connection with federal elections from their federal accounts, and that all expenses allocable to both federal and non-federal activity be made from those federal accounts. During 1991-92,

5. During the 1991-92 election cycle, Kentucky law prohibited corporate contributions, but permitted labor organization contributions and individual contributions of \$6,000 to the state party executive committee and its subdivisions and affiliates in any one year.

6. The audit staff date-ordered the allocated amounts of all disbursements made within the two reporting periods during 1991 (Mid-Year and Year End Reports) and within all four quarters during 1992.

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Respondents made a total of \$415,446 in disbursements for allocable expenses from their non-federal accounts.

In 1991, the non-federal accounts made disbursements for allocable expenses totaling \$238,485 which should have been paid from the federal accounts. Attachment 2 at 6 and 13. Of this amount, the federal share totaled \$72,246 and the non-federal share totaled \$166,240.⁷

In 1992, the non-federal accounts made disbursements for allocable expenses totaling \$176,960. Attachment 2 at 7 and 14. Of this amount, the federal share totaled \$55,276 and the non-federal share totaled \$121,684. Id.⁸

By making expenditures for allocable expenses totaling \$415,446 from their non-federal accounts, Kentucky Democrats violated 11 C.F.R. §§ 102.5(a)(1)(i) and 106.5(g)(1)(i).

7. During 1991, Respondents' federal accounts made disbursements for allocable expenses totaling \$87,329. Of this amount, the federal share totaled \$26,199 and the non-federal share totaled \$61,130. One of the federal accounts also made \$1,470 in disbursements for activity which was 100% non-federal. During 1991, the non-federal accounts paid \$9,646 more in federal expenses than the federal accounts paid for unreimbursed non-federal expenses. The non-federal accounts made no transfers to the federal accounts as reimbursements. Attachment 2 at 6. (See further discussion of transfers below.)

8. The federal accounts made disbursements in 1992 for allocable expenses totaling \$527,098. Of this amount, the federal share totaled \$190,493 and the non-federal share totaled \$336,605. Unlike 1991, in 1992 the non-federal accounts made transfers to the federal accounts totaling \$354,084 for the reimbursement of non-federal expenses. Attachment 2 at 7. (See discussion of the timing of these transfers at Section C, 3 of this report.) The federal account also made \$121,493 in disbursements in 1992 for activity which was 100% non-federal.

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2. Violations of 2 U.S.C. §§ 441a(f) and 441b(a) and 11 C.F.R. § 102.5(a)(1)(i) - Use of Impermissible Funds to make Allocable Expenditures; Receipt by Federal Account of Impermissible Contributions

The Commission found reason to believe Respondents violated 2 U.S.C. § 441a(f), 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1)(i) by paying for the federal share of certain allocable expenses from their non-federal accounts which contained impermissible funds. The audit of the Kentucky Democrats' accounts found that during 1991-1992 the non-federal accounts used to make allocable expenditures contained impermissible funds. The impermissible funds in the non-federal accounts consisted of an excessive contribution from an individual received in October, 1992, and contributions from corporations, non-federal candidate committees and non-federal political action committees.

In 1991 the non-federal accounts contained \$257,786 in impermissible funds; of this amount none represented excessive contributions. Attachment 2 at 3. Respondents made disbursements for federal activity from these accounts totaling \$72,246. During 1992, Respondents' non-federal accounts contained \$389,095 in impermissible funds, \$6,000 of which was the excessive contribution from one individual cited above, while Respondents made disbursements for federal activity from these accounts totaling \$55,276. Id. In addition, during the fourth quarter of 1992, the Kentucky Democrats' federal accounts received \$11,000 in impermissible contributions.⁹ Attachment 2 at 5.

9. The \$11,000 in impermissible funds within the federal accounts during the fourth quarter of 1992 were from a corporation (\$500), non-federal political action committees (\$8,500) and non-federal candidate committees (\$2,000). Attachment 2 at 3.

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By making \$127,522 in disbursements allocable to federal activity from accounts containing impermissible funds, and by accepting \$11,000 into their federal accounts, Respondents violated 2 U.S.C. §§ 441b and 441a(f) and 11 C.F.R. § 102.5(a)(1)(i).

3. Violation of 2 U.S.C. § 441b - Timelimits for Reimbursement Transfers from Non-Federal to Federal Accounts

As stated above, 11 C.F.R. § 106.5(g)(2)(ii) permits reimbursements by a non-federal account for expenditures made by a from a federal account for allocable activity, provided that such reimbursement transfers apply to specific expenditures and are made within a specified time frame. The regulatory time frames for reimbursements applicable in this matter were 10 days prior to and 30 days after an expenditure for those expenditures made before June 18, 1992, and 10 days prior to or 60 days after expenditures made on or after June 18.

In order to determine whether Respondents made timely reimbursement transfers from non-federal to federal accounts in 1992, the Audit staff date-ordered the non-federal allocations of all disbursements from the federal accounts and totaled the amounts allocable to the non-federal accounts for each date. Attachment 2 at 8 and 15-17. The non-federal accounts made eight transfers to the Kentucky Democrats' federal accounts totaling \$354,084 between April 23 and November 2, 1992. Id. Of this amount \$294,900 represents those transfers which were made either within the 10 day period prior to an expenditure from a federal account or within the 30 day period after such an expenditure; this statement holds true even for certain expenditures made after June 18.

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However, the first four expenditures totaling \$26,149.42 listed on Attachment 2 at 15-17 were made more than 30 days before the first \$50,000 transfer dated April 22, 1992, with the result that \$30,618.26 of that \$50,000 transfer could not be applied to those four expenditures. Nor could it be applied to expenditures made more than 10 days after the transfer. A similar result applies to \$28,566.31 of the \$75,000 transfer from the non-federal account to the federal account on July 2, 1992. The \$28,566.31 came too early to be applicable to the expenditures dated after July 12, 1992.¹⁰

Pursuant to 11 C.F.R. § 106.5(g)(2)(iii), any portion of a transfer from a non-federal account to a federal account which does not meet the requirements of § 106.5(g)(2)(ii) becomes a contribution or loan to the federal account in violation of the Act. In the present matter, the amount of the Respondents' transfers from the non-federal accounts which came outside the

10. If one subtracts the amount which the non-federal accounts reimbursed the federal accounts (\$354,084) in 1992 from the net amount paid by the federal accounts for non-federal expenses (\$402,822 - \$458,098 in non-federal expenses paid by the federal accounts minus the \$55,276 in federal expenses paid by the non-federal accounts), a total of \$48,738 remains that could have been reimbursed by the non-federal accounts to the federal accounts for 1992 expenses, provided it was done within the required timeframes. The \$48,738 figure may be further adjusted by the \$11,000 in impermissible funds in the federal accounts that the Audit staff has applied to the non-federal expenses in lieu of reimbursement. (The \$48,738 figure should not be further adjusted by the \$9,646 in federal expenses paid by the non-federal accounts in 1991 because of the regulatory prohibition on the payment from non-federal accounts for the federal portions of joint activity.) Thus, the federal account made a net overpayment of \$37,738 in expenditures for shared activity which could have been timely reimbursed by the non-federal accounts for the 1991-92 election cycle, but wasn't. Attachment 2 at 7-8.

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compliance window was \$59,185. Given the presence of impermissible monies in the non-federal accounts, the untimeliness of transfers in the amount of \$59,185 resulted in violations of 2 U.S.C. § 441b.¹¹ The one excessive contribution deposited into the non-federal accounts was received in early October, 1992, while the \$59,185 in untimely transfers occurred in April and July, 1992. Therefore, these transfers did not result in a violation of 2 U.S.C. § 441a(f).

4. Violations of 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(4) - Misreporting of Disbursements for Joint Activity

During 1991-92, Respondents also failed to report properly disbursements made from their non-federal accounts and federal accounts in payment for joint activity. Based on a review of Respondents' reports filed with the Commission, it appears that the Kentucky Democrats reported the disbursements for joint activity made not only from their federal accounts, but from their non-federal accounts as well. Thus, Respondents' reports make it appear that the disbursements made by the Kentucky Democrats in payment for joint activity were properly made from their federal accounts, which was not the case. For example, in 1991 Respondents' federal accounts reported a total of \$403,816 in disbursements for joint activity. According to Audit, however, during 1991 Respondents made only \$87,329 in disbursements for

11. The Commission found reason to believe that Respondents had violated 11 C.F.R. § 106.5(g)(2)(ii)(B). This Office now believes that the more accurate approach would be that a failure to follow the requirements of this regulatory provision results in violations of the Act, not in violations of the regulation itself.

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joint activity from their federal accounts, leaving \$316,487 in disbursements as having come from their non-federal accounts.

Similarly, in 1992 Respondents federal accounts reported \$1,055,187 in disbursements for joint activity. According to Audit, however, during 1992 Respondents made only \$527,098 in disbursements for joint activity from their federal accounts, leaving \$528,089 from their non-federal accounts. Thus, it appears that the Kentucky Democrats included in their federal reports disbursements for joint activity from both the federal and non-federal accounts, thereby violating 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(4) by improperly reporting a total of \$844,576 (\$528,089 + \$316,487) in disbursements as having come from their federal accounts.

5. Violations of 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3) - Fictitious Transfers

This Office has found that in 1991 and 1992 Respondents reported several transfers between the non-federal and federal accounts which did not in fact occur. According to the Audit Division, in 1991 Respondents made no transfers between the non-federal and federal accounts. However, on the Kentucky Democrats' 1991 Year End Report they reported an aggregate total of \$306,044.72 in transfers from the non-federal accounts to the federal accounts for joint activity. Similarly, for 1992 the Audit staff determined that by September 30 Respondents had made transfers from their non-federal account to their federal accounts totaling \$210,000. Attachment 2 at 15-17. Respondents, however, reported on their 1992 October Quarterly Report an aggregate

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year-to-date total of \$362,710.81 in transfers from the non-federal to the federal accounts for joint activity. Thus, in 1991 and as of its 1992 October Quarterly Report Respondents reported fictitious transfers totaling \$458,755.53 (\$306,044.72 plus \$152,710.81 (\$362,710.81 - \$210,000)), in violation of 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3).

6. Violation of 2 U.S.C. § 434(b) - Mis-Reporting of Debts Owed

As is discussed above, the Commission's regulations prohibit any expenditures for joint federal and non-federal activity to be made from a non-federal account. Rather, such expenditures are to be made by federal accounts, with any reimbursements by the non-federal account for the non-federal portion to be restricted to prescribed time limits. If payments for joint activity are initially made from a non-federal account, the payments do not result in a legitimate debt owed by the federal account for the federal portion because they should not have been made from the non-federal account in the first place. This latter, improper scenario is not rectifiable, including by the reporting of debts owed.

On their 1992 July Quarterly Report, Respondents declared that the amount of \$33,854.22 was owed by their federal accounts to their non-federal accounts. On November 23, 1992, the Kentucky Democrats filed an amended 1992 July Quarterly Report which stated that the debt to the non-federal account had been repaid in full and was disclosed on the 1992 October Quarterly Report. By then the Kentucky Democrats had filed

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their 1992 October Quarterly Report disclosing full payment of the debt assertedly owed to the non-federal account, but had omitted this debt activity from the Schedule D filed with that report. In response to a request for additional information ("RFAI") questioning Respondents' apparent failure to disclose this debt on a Schedule D, the Kentucky Democrats filed a corrected Schedule D on May 12, 1993, disclosing the payment of the debt which had been reported as owed to the non-federal account.¹²

Given the regulatory requirement that all expenditures for joint activity originate with a federal account, all of the payments made directly from Respondents' non-federal accounts for joint activity were impermissible and thus did not create legitimate, reportable "debts" under the Act. By reporting debts of \$33,854.22 as "owed" the federal accounts when those debts did not legally exist, Respondents violated 2 U.S.C. § 434(b).¹³

12. Because it was unclear from their reports whether the \$33,854.22 debt reported by Respondents was an accurate representation of expenditures and whether this amount had, in fact, been paid, this Office requested that the Audit Division staff analyze the Kentucky Democrats' records for purposes of clarification. According to the Audit staff, while there was no transfer of funds from the federal accounts to the non-federal accounts during the period in which the asserted debt was reported as repaid, the Kentucky Democrats had made a series of payments from the federal accounts for allocated non-federal expenses which in amount offset the amount reported as a debt owed the non-federal accounts. Attachment 2 at 8-9.

13. The Audit staff also determined that the actual amount of debt owed by the federal accounts was less than the \$33,854.22 reported by the Kentucky Democrats. According to Audit, the federal share of expenses paid by the non-federal accounts for the period of 1/1/92-6/30/92 was \$24,901. Attachment 2 at 9. The non-federal share paid from the federal accounts for this

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7. Administrative Expenses -- 11 C.F.R. § 106.5(d)(1)

In regard to the Commission's findings that Respondents violated 11 C.F.R. § 106.5(d)(1) by failing to properly allocate payments for administrative expenses, the Audit staff determined that, while Respondents applied the appropriate ballot composition method, they failed to allocate the correct proportions to the federal and non-federal shares. Respondents reported the federal share as 33.33% and the non-federal share as 66.66%. The Audit staff, however, calculated the federal share at 30% and the non-federal share at 70%. Because Respondents under-allocated their non-federal share and because the variation between Audit's calculations and the Kentucky

(Footnote 13 continued from previous page)
period (\$140,546) was \$15,546 in excess of the amount transferred to the federal accounts (\$125,000). Id. Thus, the amount reported as "owed" by the federal accounts to the non-federal accounts at 6/30/92 was in fact \$9,355 (\$24,901 - \$15,546), not the \$33,854.22 reported by Respondents. Id.

This Office notes that the amount actually "owed" by the federal accounts to the non-federal accounts (\$9,355) had been compensated for as of September 30, 1992, the date Respondents assert the debt had been paid. Specifically, as of September 30, 1992, the non-federal accounts had disbursed \$48,826 for expenses attributable to federal activity. Further, the federal accounts had a surplus of \$59,894 in unreimbursed non-federal expenses. Therefore, by September 30, 1992, the federal accounts had compensated the non-federal accounts for the amount "owed" as of June 30, 1992 and were in a surplus position of \$11,068 (\$59,894 - 48,826). By December 31, 1992, the non-federal accounts had made expenditures attributable to federal activity totaling \$55,276 for the year and the federal accounts had paid non-federal expenses totaling \$104,122 for which they were not reimbursed. Thus, for the remainder of the Audit period, the federal accounts did not "owe" the non-federal accounts. Attachment 2 at 9.

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Democrats' was slight, this Office does not recommend pursuit of a violation of 11 C.F.R. § 106.5(d)(1) in conciliation.

8. Summary

Based on the report from the Audit Division, the Kentucky Democrats failed to pay the entire amount of allocable expenses from their federal accounts. Instead, they used non-federal funds to pay for joint activity during the 1991-92 election cycle, in violation of 11 C.F.R. §§ 102.5(a)(1)(i) and 106.5(g)(1)(i). Specifically, during 1991-92 the Kentucky Democrats made \$415,446 in disbursements for allocable expenses from their non-federal accounts which should have been initially paid from the federal accounts.

Additionally, Respondents during 1991-92 made disbursements for federal activity totaling \$127,522 using monies from the non-federal accounts which contained impermissible funds. These disbursements resulted in violations of 2 U.S.C. §§ 441a(f) and 441b(a) and 11 C.F.R. § 102.5(a)(1)(i). Further, during the fourth quarter of 1992, the Kentucky Democrats accepted \$11,000 in impermissible contributions into a federal account, in violation of 2 U.S.C. § 441b(a).

In addition, during 1992 the Kentucky Democrats failed to make two transfers totaling \$59,185 from their non-federal accounts to their federal accounts within the required time frame. This untimeliness of transfers from the non-federal to the federal account resulted in additional violations of 2 U.S.C. § 441b.

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Moreover, the Kentucky Democrats violated 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(4) by improperly reporting a total of \$844,576 in disbursements for joint activity as having come from their federal accounts.

Further, Respondents reported fictitious transfers totaling \$458,756 between the non-federal and federal accounts during the 1991-92 election cycle, in violation of 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3), and reported as debts amounts which had been initially but improperly expended on allocable activities by Respondents' non-federal accounts, in violation of 2 U.S.C. § 434(b).

D. Other Issues

In addition to failing to comply with the allocation regulations, Respondents have not reconciled a discrepancy between closing cash-on-hand reported in their 1990 Year End and opening cash-on-hand reported on their amended 1991 Mid-Year Report. See First General Counsel's Report dated September 16, 1994. To date, Respondents have provided no documentation to reconcile this cash discrepancy, nor have they filed any comprehensive amendments to clarify it. Thus, no evidence has been supplied which is counter to the Commission's findings of reason to believe that Respondents violated 2 U.S.C. § 434(b) by failing to provide accurate information in this regard on reports filed with the Commission.

Finally, the Commission found reason to believe that Respondents violated 2 U.S.C. § 433(c) by failing to report to the Commission any and all changes in treasurer within 10 days

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of the change, and 2 U.S.C. § 434(a)(1) by failing to have the signature of the designated treasurer on all reports. In their response to the reason to believe findings, Respondents have conceded these violations.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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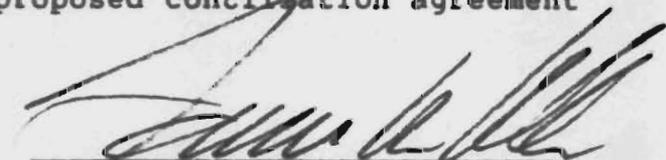
IV. RECOMMENDATIONS

1. Enter into conciliation with the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, prior to a finding of probable cause to believe.

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

Date

4/17/98


Lawrence M. Noble
General Counsel

Attachments

- 1. Response from the Kentucky Democrats**
- 2. Report from the Audit Division**
- 3. Proposed Conciliation Agreement**

Staff Member: Anne A. Weissenborn

97043780557



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ LISA R. DAVIS
COMMISSION SECRETARY

DATE: APRIL 23, 1996

SUBJECT: MUR 3637 - GENERAL COUNSEL'S REPORT
DATED APRIL 17, 1996.

The above-captioned document was circulated to the Commission
on: THURSDAY, APRIL 18, 1996 at 4:00 p.m.

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

- Commissioner Aikens XXX
- Commissioner Elliott XXX
- Commissioner McDonald XXX
- Commissioner McGarry XXX
- Commissioner Potter _____
- Commissioner Thomas _____

This matter will be placed on the meeting agenda for:
TUESDAY, MAY 7, 1996

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

97043780558

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3637
Kentucky State Democratic)
Central Executive Committee)
and Clay Patrick, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on May 14, 1996, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 3637:

1. Enter into conciliation with the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement and appropriate letter recommended in the General Counsel's April 17, 1996 report

(continued)

97043780559

Federal Election Commission
Certification for MUR 3637
May 14, 1996.

Page 2

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

Attest:

5-14-96
Date

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

97043780560



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 17, 1996

**Michael T. McKinney, General Counsel
Kentucky State Democratic Central
Executive Committee
2922 Washington Square
P.O. Box 688
Burlington, Kentucky 41005**

**RE: MUR 3637
Kentucky State Democratic
Central Executive Committee and
Clay Patrick, as treasurer**

Dear Mr. McKinney:

On September 27, 1994, the Federal Election Commission found reason to believe that the Kentucky State Democratic Central Executive Committee ("the Committee") and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), and 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(i)(i) and 106.5(g)(2)(ii)(B). On May 14, 1996, 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.

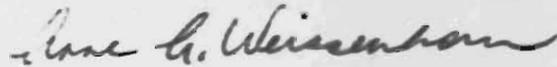
Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If the Committee and Mr. Patrick agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation 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.

97043789561

Michael T. McKinney
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 me at (202) 219-3400 or (800) 424-9530.

Sincerely,



Anne A. Weissenborn
Senior Attorney

Enclosure
Conciliation Agreement

97043780562



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 30, 1995

**SENT BY FACSIMILE AND
FIRST CLASS MAIL**

Michael T. McKinney, General Counsel
Kentucky State Democratic Central
Executive Committee
2922 Washington Square
P.O. Box 688
Burlington, Kentucky 41005

MUR 3637
Kentucky State Democratic
Central Executive Committee
and Clay Patrick, as treasurer

Dear Mr. McKinney:

I am writing in response to questions which you posed during our telephone conversation yesterday concerning results of the audit of the Kentucky State Democratic Central Executive Committee ("the Committee") which was conducted by the Commission in connection with MUR 3637.

According to the Audit Division, you are correct in your recollection that there was no audit letter sent to the Committee. Issues which arose during the audit were, however, discussed with Clay Patrick and Patricia Goins during an exit conference.

Among those issues discussed were the deposits of impermissible funds into the Committee's federal accounts. A listing of such apparently impermissible deposits totaling \$12,500 was presented at the exit conference. Since then this list has been reduced; it now consists of the following items:

Friends of Jerry Abramson PAC	10/09/92	1,000
Lawyers for Better Govt. PAC	10/13/92	5,000

97643780563

Michael T. McKinney, General Counsel
Page 2

Friends of Dave Armstrong	10/13/92	1,000
Salomon & Company	10/13/92	500
Ky State District Council of Carpenters	10/13/92	250
Ky State District Council of Carpenters	10/13/92	250
Kentucky Attorneys' Political Action Trust	10/26/92	2,000
Al Bennett Campaign Fund	12/11/92	<u>1,000</u>
		\$11,000

Sincerely,



Anne A. Weissenborn
Senior Attorney

97043780564

LAW OFFICES OF MICHAEL T. MCKINNEY

P.O. Box 666, 2022 WASHINGTON SQUARE

BURLINGTON, KENTUCKY 41005-0666

(606) 586-9955

Fax: (606) 586-6937

NOV 4 11 05 AM '96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

November 4, 1996

VIA: FAX NO. (202) 219-3923

Hon. Ann A. Weissenborn
Senior Attorney
Federal Election Commission
Washington, D.C. 20463

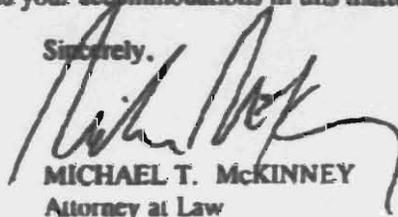
RE: MUR 3637: Kentucky State Democratic Central Executive Committee and Clay Patrick, as Treasurer

Dear Ms. Weissenborn:

In accordance with my earlier representations to you, I am enclosing herewith a copy of the most recent Report of Receipts and Disbursements, including the Detailed Summary Page for the Kentucky State Democratic Central Executive Committee. You will recall that I indicated to you the lack of available funds for the immediate payment of the civil penalty, inasmuch as funds on hand were committed. It was for this reason that I negotiated the six month payment period.

Thank you for your continued courtesy to me and your accommodations in this matter.

Sincerely,



MICHAEL T. MCKINNEY
Attorney at Law

MTM
Enclosure

97043780565

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)

USE PEC MAILING LABEL
OR
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Kentucky State Democratic Central Executive Committee ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported P.O. Box 694 CITY, STATE and ZIP CODE Frankfort, Kentucky 40602	2. FEC IDENTIFICATION NUMBER C 00011197 3. <input type="checkbox"/> This committee has qualified as a multicard committee. (see FEC FORM 1M)
---	--

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
- (b) Is this Report an Amendment? YES NO

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 7 |
| <input type="checkbox"/> April 20 | <input type="checkbox"/> August 20 | <input type="checkbox"/> December 2 |
| <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
 _____ in the State of _____

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>10/1/96</u> through <u>10/16/96</u>		
6. (a) Cash on Hand January 1, 19 <u>96</u>		\$ 159,680.73
(b) Cash on Hand at Beginning of Reporting Period	\$ 103,489.65	
(c) Total Receipts (from Line 19)	\$ 402,832.41	\$ 2,430,226.35
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 506,322.06	\$ 2,589,907.08
7. Total Disbursements (from Line 20)	\$ 483,075.49	\$ 2,566,660.51
(f) Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 23,246.57	\$ 23,246.57
9. (Debits and Obligations Owed TO the Committee (itemize all on Schedule C and/or Schedule D))	\$.00	For further information contact: Federal Election Commission 980 E Street, NW Washington, DC 20463 Toll Free 800-124-6530 Local 202-219-3420
10. (Debits and Obligations Owed BY the Committee (itemize all on Schedule C and/or Schedule D))	\$ 20,009.17	

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

Signature of Treasurer

Clayton D. [Signature]

Date

10-29-96

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

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FEC FORM
(revised)

97043780516

DETAILED SUMMARY PAGE
GF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X

(revised 1/1/81)

NAME OF COMMITTEE Kentucky State Democratic Central Executive Committee	REPORT COVERING PERIOD	
	FROM 10/1/96	TO 10/16/96
	COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts		
11. Contributions (other than loans) From:		
a. Individual/Persons Other Than Political Committees		
i. Itemized (use Schedule A)	194,300.00	738,706.50
ii. Unitemized	13,869.39	30,632.32
iii. Total (add i and ii) >	208,169.39	769,338.82
b. Political Party Committees	.00	.00
c. Other Political Committees (such as PACs)	3,350.00	22,100.00
d. Total Contributions (add a ii, b and c) >	211,519.39	791,438.82
12. Transfers From Affiliated/Other Party Committees	71,969.00	542,207.00
13. All Loans Received	.00	.00
14. Loan Repayments Received	.00	.00
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)	160.00	3,398.34
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees	.00	.00
17. Other Federal Receipts (Dividends, Interest, etc.)	119.07	106,903.19
18. Transfers from Nonfederal Account for Joint Activity	119,065.00	986,279.00
19. Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) >	402,832.41	2,430,226.35
20. Total Federal Receipts (subtract line 18 from line 19) >	283,767.41	1,443,947.35
II. Disbursements		
21. Operating Expenditures:		
a. Shared Federal/Non-Federal Activity (from Schedule H4)		
i. Federal Share	168,732.55	1,053,029.76
ii. Non-Federal Share	223,668.66	1,395,558.75
b. Other Federal Operating Expenditures	.00	2,415.34
c. Total Operating Expenditures (add a i, ii, and b) >	392,401.21	2,451,003.85
22. Transfers to Affiliated/Other Party Committees	2,500.00	2,500.00
23. Contributions to Federal Candidates/Committees and Other Political Committees	.00	3,384.66
24. Independent Expenditures (use Schedule E)	.00	.00
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)	.00	.00
26. Loan Repayments Made	1,174.28	8,372.00
27. Loans Made		
28. Refunds of Contributions To:		
a. Individual/Persons Other Than Political Committees		
b. Political Party Committees		
c. Other Political Committees (such as PACs)		
d. Total Contribution Refunds (add a, b and c) >		
29. Other Disbursements	87,000.00	101,400.00
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >	483,075.49	2,566,660.51
31. Total Federal Disbursements (subtract line 21 a d from line 30) >	259,406.83	1,771,101.76
III. Net Contributions/Operating Expenditures		
32. Total Contributions (other than loans) (from line 11d)	211,519.39	791,438.82
33. Total Contribution Refunds (from line 28d)	.00	.00
34. Net Contributions (other than loans) (subtract line 33 from line 32)	211,519.39	791,438.82
35. Total Federal Operating Expenditures (add 21 a i and 21 b) >	168,732.55	1,055,445.10
36. Offsets to Operating Expenditures (from line 15)	160.00	3,398.34
37. Net Operating Expenditures (subtract line 36 from line 35) >	168,572.55	1,052,046.76

97043780567

LAW OFFICES OF MICHAEL T. MCKINNEY
P.O. Box 686, 2922 WASHINGTON SQUARE
BURLINGTON, KENTUCKY 41005-0686(606) 586-9955
FAX 586-9937

December 5, 1996

DEC 5 3 55 PM '96
FEDERAL ELECTION
COMMISSION
OFFICE OF THE CLERK

Hon. Anne A. Weissenborn
Senior Attorney
Federal Election Commission
Washington, D.C. 20463

VIA: Fax No. (202) 219-3923

RE: MUR 3637
Kentucky State Democratic Central Executive Committee and Clay Patrick, as Treasurer

Dear Ms. Weissenborn:

In accordance with our earlier telephone communication, enclosed herewith please find copies of the actual bank statements for the various bank accounts of the Kentucky Democratic Party. I would remind you that each of the accounts is subject to additional checks written against each such account since the closing date of the bank statement(s).

Checking Account is a federal account containing monies from the "dollar check-off" source. The current balance on the 11-29-96 bank statement is \$901.39.

Checking Account "Victory 96 Transfer Account" is a federal account containing "hard" monies and is designated for administrative use only. The current balance on the 11-29-96 bank statement is \$3,645.27.

Checking Account is a non-federal "soft" money account. The current balance on the 11-29-96 bank statement is \$69,746.04. Again, I would advise that there will be outstanding checks against this balance.

Checking Account is a non-federal "soft" money account designated for administrative purposes. The current balance on the 11-29-96 bank statement is \$12,680.70.

Checking Account is the main federal account. The current balance on the 11-29-96 bank statement is \$6,817.45.

Checking Account is the Building Fund account for the corporation known as Kentucky Democratic Headquarters, Inc. and is utilized solely for the operation and maintenance of the State Party headquarters.

Thank you for your courtesy to me during the course of this matter.

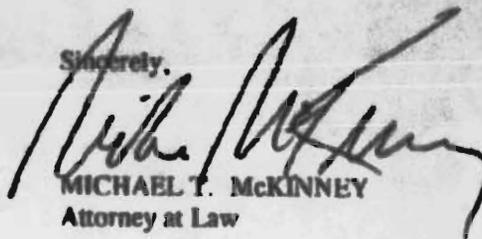
97043780568

Hon. Anne A. Weissenborn

- 2 -

December 5, 1996

Sincerely,



MICHAEL T. McKINNEY
Attorney at Law

MTM
Enclosures (6)

97043780569

FARMERS BK & CAPITAL TRUST CO.
P O BOX 309
FRANKFORT, KY 40602

PHONE: 502-227-1600

"Building Fund" - Accep. funds

KENTUCKY DEMOCRATIC PARTY
PO BOX 694
FRANKFORT KY 40602-C694

30-0
0
0

INTEREST CHKING
ACCOUNT:

11/01/96 THRU 11/29/96
DOCUMENT COUNT: 0
PAGE 1

Each depositor insured to \$100,000
MEMBER FDIC
FEDERAL DEPOSIT INSURANCE CORP

INTEREST CHKING ACCOUNT

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			10/31/96	50,370.02
DEPOSIT		5,000.00	11/01/96	55,370.02
DEPOSIT		500.00	11/25/96	55,870.02
INTEREST		108.85	11/29/96	55,978.87
BALANCE THIS STATEMENT			11/29/96	55,978.87
TOTAL CREDITS	(3)	5,608.25	MINIMUM BALANCE	55,370.02
TOTAL DEBITS	(0)	.00	AVG AVAILABLE BALANCE	54,749.33
			AVERAGE BALANCE	55,456.22

I N T E R E S T

AVERAGE LEDGER BALANCE:	55,456.22	INTEREST EARNED:	108.85
AVERAGE AVAILABLE BALANCE:	54,749.33	DAYS IN PERIOD:	29
INTEREST PAID THIS PERIOD:	108.85	ANNUAL PERCENTAGE YIELD EARNED:	2.53%
INTEREST PAID 1996:	526.41		
TAX IDENTIFICATION NUMBER:			

9704378057C

FARMERS BK & CAPIT TRUST CO.
P O BOX 309
FRANKFORT, KY 40602

PHONE: 502-227-1600

KENTUCKY DEMOCRATIC PARTY
PO BOX 694
FRANKFORT KY 40602-0694

30-0
0
579

INTEREST CHKING
ACCOUNT:

11/01/96 THRU 11/29/96
DOCUMENT COUNT: 579
PAGE 16

Member FDIC
FEDERAL DEPOSIT INSURANCE CORP

INTEREST CHKING ACCOUNT

97043780571

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
CHECK # 4067	75.00		11/25/96	19,736.19
CHECK # 4220	1,117.76		11/25/96	18,618.43
CHECK # 4221	1,120.23		11/25/96	17,488.20
CHECK # 3787	20.00		11/26/96	17,468.20
CHECK # 3788	20.00		11/26/96	17,448.20
CHECK # 4025	25.00		11/26/96	17,423.20
CHECK # 3974	50.00		11/26/96	17,373.20
CHECK # 3315	179.40		11/26/96	17,193.80
CHECK # 4225	575.88		11/26/96	16,617.92
CHECK # 4218	712.77		11/26/96	15,905.15
CHECK # 4224	720.77		11/26/96	15,184.38
CHECK # 3237	757.17		11/26/96	14,427.21
CHECK # 3316	1,586.69		11/26/96	12,840.52
CHECK # 4222	3,028.86		11/26/96	9,811.66
CHECK # 2698	20.00		11/27/96	9,791.66
CHECK # 2964	25.00		11/27/96	9,766.66
CHECK # 4076	25.00		11/27/96	9,741.66
CHECK # 4006	50.00		11/27/96	9,691.66
CHECK # 4091	50.00		11/27/96	9,641.66
CHECK # 4092	75.00		11/27/96	9,566.66
CHECK # 4227	553.33		11/27/96	9,013.33
CHECK # 4223	560.00		11/27/96	8,453.33
CHECK # 4155	2.95		11/29/96	8,450.38
CHECK # 3840	20.00		11/29/96	8,430.38
CHECK # 3981	25.00		11/29/96	8,405.38
CHECK # 2997	155.00		11/29/96	8,210.38
CHECK # 4233	375.00		11/29/96	7,835.38
CHECK # 3295	500.00		11/29/96	7,335.38
CHECK # 4236	640.00		11/29/96	6,695.38
INTEREST		122.07	11/29/96	6,817.45
BALANCE THIS STATEMENT			11/29/96	6,817.45

TOTAL CREDITS	(15)	232,843.60	MINIMUM BALANCE	6,695.38
TOTAL DEBITS	(582)	265,770.32	AVG AVAILABLE BALANCE	61,385.85
			AVERAGE BALANCE	66,104.18

*** CONTINUED ***

FRANKFORT, KY 40

PHONE: 502-227-1600

KENTUCKY DEMOCRATIC PARTY
PO BOX 694
FRANKFORT KY 40602-0694

not federal

30-0
0
0

INTEREST CHKING
ACCOUNT:

Each depositor insured to \$100,000
MEMBER FDIC
FEDERAL DEPOSIT INSURANCE CORP

11/01/96 THRU 11/29/96
DOCUMENT COUNT: 0
PAGE 1

INTEREST CHKING ACCOUNT

DESCRIPTION	DEBITS	CREDITS	DATE	EALANCE
BALANCE LAST STATEMENT			10/31/96	12,655.54
INTEREST		25.16	11/29/96	12,680.70
BALANCE THIS STATEMENT			11/29/96	12,680.70
TOTAL CREDITS (1)	25.16		MINIMUM BALANCE	12,655.54
TOTAL DEBITS (0)	.00		AVG AVAILABLE BALANCE	12,655.54
			AVERAGE BALANCE	12,655.54

INTEREST

AVERAGE LEDGER BALANCE:	12,655.54	INTEREST EARNED:	25.16
AVERAGE AVAILABLE BALANCE:	12,655.54	DAYS IN PERIOD:	29
INTEREST PAID THIS PERIOD:	25.16	ANNUAL PERCENTAGE YIELD EARNED:	2.53%
INTEREST PAID 1996:	422.46		
TAX IDENTIFICATION NUMBER:			

97043780572

FARMERS BK & CAPITAL TRUST CO.
P O BOX 305
FRANKFORT, KY 40602

PHONE: 502-227-1600

KENTUCKY DEMOCRATIC PARTY
GENERAL FUND - *non-federal*
CENTRAL EXECUTIVE COMMITTEE
PO BOX 694
FRANKFORT KY 40602-0694

30-0
0
12

INTEREST CHKING
ACCOUNT:

Each Depositor limited to \$100,000
MEMBER FDIC
FEDERAL DEPOSIT INSURANCE CORP

11/01/96 THRU 11/29/96
DOCUMENT COUNT: 12
PAGE 1

INTEREST CHKING ACCOUNT

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			10/31/96	125,229.15
DEPOSIT		15,000.00	11/01/96	140,229.15
CHECK # 10118	500.00		11/01/96	139,729.15
CHECK # 10120	500.00		11/01/96	139,229.15
CHECK # 10135	1,250.00		11/01/96	137,979.15
CHECK # 10138	40,000.00		11/01/96	97,979.15
CHECK # 10119	500.00		11/05/96	97,479.15
CHECK # 10137	600.00		11/05/96	96,879.15
CHECK # 10133	6,000.00		11/05/96	90,879.15
CHECK # 10140	500.00		11/06/96	90,379.15
DEPOSIT		2,500.00	11/07/96	92,879.15
DEPOSIT		5,000.00	11/07/96	97,879.15
CHECK # 10136	400.00		11/07/96	97,479.15
CHECK # 10142	300.00		11/08/96	97,179.15
CHECK # 10143	70,000.00		11/11/96	27,179.15
CHECK # 10139	400.00		11/12/96	26,779.15
DEPOSIT		350.00	11/15/96	27,129.15
DEP CORRECTION 10/2 WRONG ACCT #		42,320.00	11/21/96	69,449.15
DEPOSIT		170.00	11/25/96	69,619.15
INTEREST		126.89	11/29/96	69,746.04
BALANCE THIS STATEMENT			11/29/96	69,746.04

97043780573

TOTAL CREDITS	(7)	65,466.89	MINIMUM BALANCE	26,779.15
TOTAL DEBITS	(12)	120,950.00	AVG AVAILABLE BALANCE	63,817.42
			AVERAGE BALANCE	64,081.00

YOUR CHECKS SEQUENCED

DATE	CHECK #	AMOUNT	DATE	CHECK #	AMOUNT	DATE	CHECK #	AMOUNT
11/01	10118	500.00	11/01	10135	1,250.00	11/12	10139	400.00
11/05	10119	500.00	11/07	10136	400.00	11/06	10140*	500.00
11/01	10120*	500.00	11/05	10137	600.00	11/08	10142	300.00
11/05	10133*	6,000.00	11/01	10138	40,000.00	11/11	10143	70,000.00

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

*** CONTINUED ***

FARMERS BK & CAPI TRUST CO.
P O BOX 309
FRANKFORT, KY 40602

PHONE: 502-227-1600

Victory 96 Transfer
KENTUCKY DEMOCRATIC PARTY
PO BOX 694
FRANKFORT KY 40602-0694

30-0
0
19

INTEREST CHKING
ACCOUNT:

11/01/96 THRU 11/29/96
DOCUMENT COUNTS: 19
PAGE 1

Each deposit insured to \$100,000
MEMBER FDIC
FEDERAL DEPOSIT INSURANCE CORP

97043780574

INTEREST CHKING ACCOUNT

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			10/31/96	7,374.38
CHECK # 129	655.00		11/08/96	6,719.38
CHECK # 143	309.39		11/12/96	6,409.99
CHECK # 140	612.48		11/12/96	5,797.51
CHECK # 141	2,197.09		11/12/96	3,600.42
CHECK # 147	429.70		11/13/96	2,960.72
CHECK # 134	734.49		11/13/96	2,226.23
CHECK # 139	1,123.60		11/13/96	1,102.63
CHECK # 133	7.90		11/15/96	1,094.73
CHECK # 145	65.00		11/15/96	1,029.73
CHECK # 136	15.50		11/18/96	1,014.23
CHECK # 144	35.00		11/18/96	1,001.23
CHECK # 138	69.90		11/18/96	931.33
CHECK # 137	76.00		11/18/96	855.33
CHECK # 142	167.83		11/18/96	707.60
CHECK # 135	270.00		10/18/96	437.60
CHECK # 146	426.00		11/18/96	11.60
CHECK # 142	278.04		11/20/96	266.44
DEP CORRECTION 10/2 WRONG ACCT #		4,780.00	11/21/96	4,513.56
NSF FEE CHARGE	105.00		11/22/96	4,408.56
CHECK # 132	117.33		11/26/96	4,291.23
CHECK # 149	734.69		11/26/96	3,556.54
INTEREST		8.53	11/29/96	3,565.07
SERVICE CHARGE	10.00		11/29/96	3,545.07
BALANCE THIS STATEMENT			11/29/96	3,545.07

TOTAL CREDITS	(2)	4,788.53	MINIMUM BALANCE	266.44
TOTAL DEBITS	(21)	8,547.64	AVG AVAILABLE BALANCE	4,288.65
			AVERAGE BALANCE	4,288.65

YOUR CHECKS SEQUENCED

DATE	CHECK #	AMOUNT	DATE	CHECK #	AMOUNT	DATE	CHECK #	AMOUNT
11/03	129*	655.00	11/26	132	117.33	11/15	133	7.90

*** CONTINUED ***

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

FEB 7 4 01 PM '97

In the Matter of)
)
Kentucky State Democratic Central)
Executive Committee)
Clay Patrick, as treasurer)

SENSITIVE

MUR 3637

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement submitted by the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, ("Respondents") and signed by Robert A. Babbage, Jr., Chairman. (Attachment 1).

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II. RECOMMENDATIONS

- 1. Accept the attached conciliation agreement with the Kentucky State Democratic Central Executive Committee and Clayton Patrick, as treasurer.
- 2. Close the file.
- 3. Approve the appropriate letter.

2/7/97
Date

Lawrence M. Noble (LJ2)
Lawrence M. Noble
General Counsel

Attachments

- 1. Conciliation Agreement
- 2. Bank statements
- 3. Summary Pages, 1996 Year End Report
- 4. Schedule C

Staff Assigned: Anne Weissenborn

97043780577

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Kentucky State Democratic Central) MUR 3637
Executive Committee and Clay)
Patrick, as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 13, 1997, the Commission decided by a vote of 5-0 to take the following actions in MUR 3637:

1. Accept the conciliation agreement with the Kentucky State Democratic Central Executive Committee and Clayton Patrick as treasurer, as recommended in the General Counsel's Report dated February 7, 1997.
2. Close the file.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated February 7, 1997.

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

Attest:

2-14-97
Date

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

Received in the Secretariat: Fri., Feb. 07, 1997 4:01 p.m.
Circulated to the Commission: Mon., Feb. 10, 1997 11:00 a.m.
Deadline for vote: Thurs., Feb. 13, 1997 4:00 p.m.

bjr

97043780578



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 19, 1997

Michael T. McKinney, Esquire
P.O. Box 688
2922 Washington Square
Burlington, Kentucky 41005-0688

RE: MUR 3637
Kentucky State Democratic
Central Executive Committee
Clay Patrick, as treasurer

Dear Mr. McKinney:

On February 13, 1997, the Federal Election Commission ("the Commission") accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of violations of 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), and 441b(a), and of 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B), provisions of the Federal Election Campaign Act of 1971, as amended, ("the Act"), and of the Commission's regulations. Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

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

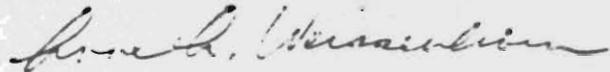
Enclosed you will find a copy of the fully executed conciliation agreement for your files. We remind your clients that the first payment on the civil penalty is due on May 30, 1997, and

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Michael T. McKinney, Esquire
Page 2

that the refunds of impermissible funds and untimely transfers for which the agreement provides should be made as soon as possible. If you have any questions, please contact me at (202) 219-3400.

Sincerely,



Anne A. Weissenborn
Senior Attorney

Enclosure
Conciliation Agreement

9704378058C

FEB 3 10 45 AM '97

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Kentucky State Democratic Central)	MUR 3637
Executive Committee and Clay Patrick,)	
as treasurer)	

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 and to a signed, sworn, and notarized complaint by the Republican Party of Kentucky. The Commission found reason to believe that the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer ("Respondents"), violated 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B).

NOW, THEREFORE, the Commission and 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 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).

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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. Kentucky State Democratic Central Executive Committee ("Kentucky Democrats") is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Clay Patrick is the current treasurer of the Kentucky Democrats. Bill Johnson is the previous treasurer of the Kentucky Democrats and the acts complained of and which are the subject of this Conciliation Agreement occurred largely during the tenure of Bill Johnson as treasurer from approximately July, 1991 through September, 1992.

3. The Federal Election Campaign Act of 1971, as amended, (the "Act") requires each treasurer of a political committee to file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a).

4. The Act requires that each report disclose for the reporting period and calendar year the total amount of receipts and disbursements by certain identified categories. 2 U.S.C. § 434(b)(2) and (b)(4). The Act also requires that each report disclose the amount and nature of all debts owed and all debts repaid. 2 U.S.C. § 434(b)(8). Pursuant to 2 U.S.C. § 434(b)(1), each report must disclose the amount of cash-on-hand at the beginning of the reporting period. See also 11 C.F.R. § 104.2(a)(1).

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5. The Commission's regulations require that committees, such as the Kentucky Democrats, that have established separate federal and non-federal accounts make all disbursements, contributions, expenditures and transfers in connection with any federal election from their federal accounts. 11 C.F.R. § 102.5(a)(1)(i).

6. The Act prohibits corporations and labor organizations from making contributions in connection with federal elections and prohibits political committees from knowingly accepting such contributions. 2 U.S.C. § 441b(a).

7. The Act also provides that no person shall make contributions to a party committee's federal account in any calendar year which in the aggregate exceed \$5,000, and that political committees shall not accept contributions in excess of the statutory limitations. 2 U.S.C. §§ 441a(a) and (f).

8. In addition, a party committee that has established separate federal and non-federal accounts must pay the entire amount of an allocable expense from its federal account and shall transfer funds from its non-federal account to its federal account solely to cover the non-federal share of that allocable expense. 11 C.F.R. § 106.5(g)(1)(i).

9. For each transfer of funds from a committee's non-federal account to its federal account, the committee must itemize in its reports the allocable activities for which the transferred funds are intended to pay, as required by 11 C.F.R. § 104.10(b)(3). 11 C.F.R. § 106.5(g)(2)(ii)(A). Prior to June 18, 1992, such funds could not be transferred more than

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10 days before or more than 30 days after the payment for which they are designated was made; beginning on June 18, 1992, the latter time period was extended to 60 days. Former and present 11 C.F.R. § 106.5(g)(2)(ii)(B). When the requirements of 11 C.F.R. § 106.5(g)(2)(ii)(A) and (B) were, and are, not met, any portion of a transfer from a committee's non-federal account to its federal account is presumed to be a loan or contribution to the federal account, in violation of the Act. 11 C.F.R. § 106.5(g)(2)(iii).

10. A political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must report each disbursement from its federal account in payment for a joint federal and non-federal expense or activity. 11 C.F.R. § 104.10(b)(4). The committee must report to the Commission the date, the amount and purpose of each such disbursement, along with the full name and address of each person to whom the disbursement was made. Id.

11. A political committee that pays allocable expenses in accordance with 11 C.F.R. § 106.5(g) must also report each transfer of funds from its non-federal account to its federal account for the purpose of paying such expenses. 11 C.F.R. § 104.10(b)(3). The committee must explain in a memo entry the allocable expenses to which the transfer relates and the date on which the transfer was made. Id.

12. In addition, the Act requires the signature of the designated treasurer on each report filed with the Commission. 2 U.S.C. § 434(a). The Act also requires each

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political committee to file a statement of organization with the Commission within ten (10) days of becoming a political committee. 2 U.S.C. § 433(a). Included on this statement of organization are the name and address of the current treasurer of the committee. 2 U.S.C. § 433(b)(4). If there is a change in the information previously submitted on a statement of organization, political committees are required to report to the Commission such a change no later than 10 days after the date it took place. 2 U.S.C. § 433(c).

13. Respondents failed to pay the entire amount of allocable expenses from their federal accounts and, instead, used non-federal funds to pay for joint activity during the 1991-92 election cycle.

14. Specifically, Respondents made \$415,446 in disbursements from their non-federal accounts for allocable expenses which should have been initially paid from the federal accounts.

15. During 1991, Respondents made disbursements for federal activity totaling \$72,246 from their non-federal accounts which contained impermissible funds. In 1992, Respondents made disbursements for federal activity totaling \$55,276 from their non-federal accounts which contained impermissible funds.

16. During 1992, Respondents accepted \$11,000 in impermissible contributions into a federal account.

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17. During 1992, Respondents did not make two transfers totaling \$59,185 from their non-federal accounts to their federal accounts as reimbursements for joint activity within the time periods established at 11 C.F.R. § 106.5(g)(2)(ii)(B).

18. On their reports filed with the Commission during 1991-92 Respondents reported disbursements for joint activity made not only from federal accounts, but also from other accounts as well. Thus, it appeared that disbursements for joint activity were properly made from their federal accounts. Accordingly, Respondents incorrectly reported \$844,576 in disbursements for joint activity as coming from their federal accounts.

19. During 1991-92, Respondents reported several transfers between the non-federal accounts and the federal accounts in the aggregate amount of \$458,756. These reported transfers did not, in fact, occur.

20. Respondents failed to reconcile a cash-on-hand discrepancy between their 1990 Year End and their amended 1991 Mid-Year Reports. On their 1990 Year End Report, Respondents disclosed a closing cash-on-hand balance of \$1,478.92. On their 1991 Mid-Year Report filed on July 31, 1991, Respondents disclosed an opening cash-on-hand balance of \$1,478.92. However, on their amended 1991 Mid-Year Report filed on December 16, 1992, Respondents disclosed an opening cash-on-hand balance of \$28,297.44 without ever reconciling the latter figure with the 1990 Year End Report.

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21. Respondents contend that Treasurer Bill Johnson failed and refused, during his tenure from approximately July, 1991 through September, 1992 to file the necessary amended statement of organization signifying his appointment as treasurer.

22. Subsequent thereto, Respondents did not timely file an amended statement of organization reflecting the change in treasurer from Bill Johnson within 10 days of the change as per 2 U.S.C. § 433(c), and failed to have the signature of the designated treasurer on all reports as per 2 U.S.C §434(a)(1).

V. During the 1991-92 election cycle, Respondents made \$415,446 in disbursements for allocable expenses from their non-federal accounts, in violation of 11 C.F.R. §§ 102.5(a)(1)(i) and 106.5(g)(1)(i).

VI. During the 1991-92 election cycle, Respondents made disbursements for federal activity totaling \$127,522 from their non-federal accounts which contained impermissible funds, in violation of 2 U.S.C. §§ 441a(f) and 441b(a) and of 11 C.F.R. § 102.5(a)(1)(i).

VII. In 1992 Respondents accepted \$11,000 in impermissible contributions into a federal account, in violation of 2 U.S.C. § 441b(a).

VIII. In 1992 Respondents made two transfers totaling \$59,185 to their federal accounts from their non-federal accounts which did not comply with the time limits established at 11 C.F.R. § 106.5(g)(2)(ii)(B). The non-federal accounts

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used to make these transfers contained impermissible funds, resulting in violations of 2 U.S.C. § 441b(a).

IX. During the 1991-92 election cycle, Respondents improperly reported a total of \$844,576 in disbursements made for joint activity as coming from their federal accounts, in violation of 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(4).

X. During the 1991-92 election cycle, Respondents reported fictitious transfers totaling \$458,756 from their non-federal to their federal accounts, in violation of 2 U.S.C. § 434(b) and 11 C.F.R. § 104.10(b)(3).

XI. Respondents failed to reconcile a cash-on-hand discrepancy between their 1990 Year End Report and their amended 1991 Mid-Year Report, thereby failing to provide accurate information on their reports, in violation of 2 U.S.C. § 434(b).

XII. Respondents failed to report to the Commission any and all changes in treasurer within 10 days of the change, in violation of 2 U.S.C. § 433(c), and failed to have the signature of the designated treasurer on all reports, in violation of 2 U.S.C. § 434(a)(1).

XIII. Respondents will refund the \$11,000 in impermissible funds received by their federal accounts during the fourth quarter of 1992.

XIV. Respondents will refund from their federal accounts to their non-federal accounts the \$59,185 in untimely transfers made by the non-federal accounts in 1992.

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XV. Respondents will pay a civil penalty to the Federal Election Commission in the amount of seventy-five thousand dollars (\$75,000), pursuant to 2 U.S.C § 437g(a)(5)(A), such penalty to be paid as follows:

1. One initial payment of \$25,000 due on May 30, 1997;
2. Thereafter, beginning on June 30, 1997, five consecutive monthly installment payments of \$8,333 each plus one installment final payment of \$8,335;
3. Each of the six installment payments shall be paid no later than the last business day of the month in which it becomes due;
4. In the event that any installment payment is not received by the Commission by the fifth day of the month following the month in which it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to Respondents. Failure by the Commission to accelerate the payments with regard to any overdue installment shall not be construed as a waiver of its right to do so with regard to future overdue installments.

XVI. 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

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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.

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

XVIII. 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:

LM Noble (72)
Lawrence M. Noble
General Counsel

2/18/97
Date

FOR THE RESPONDENTS:

Robert A. Babbagoff
Name
Position
Chairman

1-24-97
Date

97043780500



FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 20, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert E. Gable, Chairman
Republican Party of Kentucky
P.O. Box 1068
Frankfort, KY 40602

RE: MUR 3637

Dear Mr. Gable:

This is in reference to the complaint you filed with the Federal Election Commission ("the Commission") on October 2, 1992, concerning the Kentucky State Democratic Central Executive Committee (Federal and Non-Federal) and William Johnson, as treasurer.

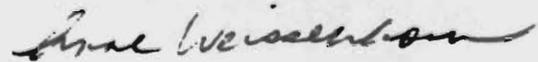
The Commission found that there was reason to believe the Kentucky State Democratic Central Executive Committee and Clay Patrick, as treasurer, violated 2 U.S.C. §§ 433(c), 434(a)(1), 434(b), 441a(f), 441b(a) and 11 C.F.R. §§ 102.5(a)(1)(i), 104.10(b)(3), 104.10(b)(4), 106.5(d)(1), 106.5(g)(1)(i) and 106.5(g)(2)(ii)(B), provisions of the Federal Election Campaign Act of 1971, as amended, and of the Commission's Regulations. In addition, the Commission authorized the Audit Division to perform an audit, pursuant to 2 U.S.C. § 437g(a), of the activities of the Kentucky State Democratic Central Executive Committee during the 1991-1992 election cycle. On February 13, 1997, a conciliation agreement signed by the respondents was accepted by the Commission.

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Accordingly, the Commission closed the file in this matter on February 13, 1997.
A copy of the conciliation agreement is enclosed for your information.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Anne Weissenborn
Senior Attorney

Enclosure
Conciliation Agreement

97043780592



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3637

DATE FILMED 3-18-97 CAMERA NO. 4

CAMERAMAN JMO

9704380593



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Date: 5/19/97

Microfilm

Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED NUR 3637

97043805082



**Kentucky
Democratic
Party**

May 8, 1997

MAY 19 1 17 PM '97

FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

CLOSED

Ms. Ann Weissenborn
Federal Election Commission
999 E. Street NW
Washington, DC 40463

Regarding: MUR 3637

Dear Ms. Weissenborn:

Pursuant to our phone conversation on May 7, 1997, this is to confirm the following:
The eight (8) contributors amounting to the \$11,000.00 to be refunded from the federal account are listed below.

- | | |
|--|-----------|
| 1. Salomon & Company | \$ 500.00 |
| 2. Lawyers for Better Government PAC | 5,000.00 |
| 3. Friends of David Armstrong | 1,000.00 |
| 4. KY State District Council/ Carpenters | 250.00 |
| 5. KY State District Council /Carpenters | 250.00 |
| 6. KY Attorneys Political Action Trust | 2,000.00 |
| 7. Al Bennett Campaign Fund | 1,000.00 |
| 8. Friends of Jerry Abramson PAC | 1,000.00 |

That the \$11,000 refunds will either be paid to the above contributors or made payable to the federal treasurer or another agency that the FEC will designate to use.

The matter of the \$59,185.00 to be transferred to the non-federal account from the federal account and the \$11,000.00 refunds can be made at any time and in any amounts as long as paid by the end of the six month deadline of the agreement on paying the fine, which will be October 30, 1997.

Also that the payment of the \$75,000.00 fine can be paid from any account of the Kentucky Democratic Party including the non-federal account.

The Kentucky Democratic Party will also send notification to the FEC each time a payment is made.

Thank you for your guidance in this matter. If you have any questions or I may be of assistance, please do not hesitate to contact me.

Please confirm if the above information is correct.

Sincerely,

Pat Goins
Kentucky Democratic Party

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 6/5/97

 Microfilm

 Press

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THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3637



**Kentucky
Democratic
Party**

May 8, 1997

MAY 13 11 26 AM '97

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

**Ms. Ann Weissenborn
Federal Election Commission
999 E. Street NW
Washington, DC 40463**

Regarding: MUR 3637

Dear Ms. Weissenborn:

Pursuant to our phone conversation on May 7, 1997, this is to confirm the following:
The eight (8) contributors amounting to the \$11,000.00 to be refunded from the federal account are listed below.

- | | |
|--|-----------|
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| 6. KY Attorneys Political Action Trust | 2,000.00 |
| 7. Al Bennett Campaign Fund | 1,000.00 |
| 8. Friends of Jerry Abramson PAC | 1,000.00 |

That the \$11,000 refunds will either be paid to the above contributors or made payable to the federal treasurer or another agency that the FEC will designate to use.

The matter of the \$59,185.00 to be transferred to the non-federal account from the federal account and the \$11,000.00 refunds can be made at any time and in any amounts as long as paid by the end of the six month deadline of the agreement on paying the fine, which will be October 30, 1997.

Also that the payment of the \$75,000.00 fine can be paid from any account of the Kentucky Democratic Party including the non-federal account.

The Kentucky Democratic Party will also send notification to the FEC each time a payment is made.

Thank you for your guidance in this matter. If you have any questions or I may be of assistance, please do not hesitate to contact me.

Please confirm if the above information is correct.

Sincerely,
Pat Goins
Pat Goins
Kentucky Democratic Party

97043810015



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Pat Goins
Kentucky Democratic Party
P.O. Box 694
Frankfort, Kentucky 40602

May 21, 1997

RE: MUR 3637

Dear Ms. Goins:

This letter is in response to your facsimile of May 13, 1997 in which you asked for confirmation of several procedures related to compliance by the Kentucky Democratic Party ("the Party") with the conciliation agreement entered into by the Party and the Federal Election Commission ("the Commission") in February, 1997.

It is correct that the \$11,000 in contributions to be refunded should either be returned to the contributors or disgorged to the U.S. Government, the latter procedure being necessary if the contributors no longer exist or cannot be located. Any such check for the government should be made payable to the U.S. Treasury, but sent to our Office for forwarding. These payments may be made any time between now and the October 30, 1997 deadline for payment of the civil penalty in this matter.

The \$59,185 transfer from the Party's federal account to its non-federal account should also be completed by the deadline for payment of the civil penalty. Checks for civil penalties should be made payable to the Federal Election Commission.

If you have any additional questions, please feel free to contact me.

Sincerely,

Anne A. Weissenborn
Anne A. Weissenborn
Senior Attorney

97043810016



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 8/18/97

 Microfilm

 Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3637.

97043031303

97043331307

KENTUCKY DEMOCRATIC PARTY 12-81
FEDERAL ACCOUNT
P.O. BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
73-61/839

5079

6/30/97

PAY TO THE ORDER OF Federal Election Commission

\$ **8,333.00

Eight Thousand Three Hundred Thirty-Three and 00/100*****

DOLLARS

Federal Election Commission
999 E. Street NW
Washington, D.C.
40463

 Security features
included
Details on back

TWO SIGNATURES REQUIRED

Nicki Kattner

Bob Hines

MEMO 1st Installment

⑈005079⑈ ⑆083900619⑆ 25 3491 6⑈

KENTUCKY DEMOCRATIC PARTY/FEDERAL ACCOUNT
Federal Election Commission

6/30/97

5079

8,333.00

Federal

1st Installment

8,333.00



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 2, 1997

JUL 3 12:55 PM '97

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown *ldb*
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party**, check number **5079**, dated **June 30, 1997**, for the amount of **\$8,333.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

=====

TO: Rosa E. Swinton Leslie D. Brown
Accounting Technician Disbursing Technician

FROM: OGC Docket

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$8,333.00, the MUR/Case number is 95-1099.1637 and in the name of Kentucky Democratic Party. Place this deposit in the account indicated below:

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

Franklin Hanger
Signature

7-8-97
Date

9 / U 4 3 3 3 1 3 0 0

SECTION
OFFICE



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 9/23/97

 Microfilm

 Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3637

97043840408



**Kentucky
Democratic
Party**

Robert A. Babbage, Jr.
Chairman

FEDERAL
COURT
OFFICE

SEP 5 9 50 AM '97

CLOSED

September 4, 1997

Ms. Anne A. Weissenborn
Federal Election Commission
999 . Street NW
Washington, DC 40463

Re: MUR 3637

Dear Ms. Weissenborn:

Enclosed please find a copy of check #5203 in the amount of \$20,185.00 made payable to the Kentucky Democratic Party General Fund (Non-Federal account). This is a payment on original amount of \$59,185.00 in untimely transfers. With one payment of \$5,000.00 that was made on May 27, 1997 this payment will bring the balance down to \$34,000.00 being owed to the non-federal account for untimely transfers.

If you have any questions, or I may be of assistance, please do not hesitate to contact me.

Sincerely,

Pat Goins
Kentucky Democratic Party

97043640409

97043340410

KENTUCKY DEMOCRATIC PARTY 12-01
FEDERAL ACCOUNT
P.O. BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
73-61/839

5203

9/4/97

PAY TO THE ORDER OF Kentucky Democratic Party - General

\$ **20,185.00

Twenty Thousand One Hundred Eighty-Five and 00/100*****

DOLLARS

Kentucky Democratic Party - General
General Fund
PO Box 694
Frankfort, KY
40602

Security features included
Details on back

TWO SIGNATURES REQUIRED

Archie Ruttan

Pat Morris

MEMO

Transfer for Refund for MUR 3637

⑈005203⑈ ⑆083900619⑆ 25 3491 6⑈

SEP 5 9 50 AM '97

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

© 1984, 1995 INTUIT # 732 1-800-433-8810



**Kentucky
Democratic
Party**

Robert A. Habbage Jr.
Chairman

Aug 11 11 11 AM '97

July 20, 1997

Ms. Anne A. Weissenborn
Federal Election Commission
999 E. Street NW
Washington, DC 40463

Re: MUR 3637

Dear Ms. Weissenborn:

Enclosed please find a check in the amount of \$8,333.00 for our second installment for civil penalty.

If you have any questions, or I may be of assistance, please direct them to: robert@kdp.com.

Sincerely,

Robert A. Habbage Jr.
Chairman
Kentucky Democratic Party

9 8 0 4 3 3 8 0 2 6 4

KENTUCKY DEMOCRATIC PARTY 12-91
FEDERAL ACCOUNT
P O BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
73-81/839

511

7/30/97

PAY TO THE ORDER OF Federal Election Commission

\$ **8,333.00

Eight Thousand Three Hundred Thirty-Three and 00/100.....

Federal Election Commission
999 E. Street NW
Washington, D.C.
20543

DOLLAR
Security with
protect
Feature

TWO SIGNATURES REQUIRED

Nicki Rapp
Dot Griss

MEMO FEC Fine - Payment two of six *mar*

⑈005116⑈ ⑆083900619⑆ 25 3491 6⑈

KENTUCKY DEMOCRATIC PARTY FEDERAL ACCOUNT

Federal Election Commission
05/01/97

Bill #

7/30/97

5116

8,333.00

Federal

FEC Fine - Payment two of six

8,333.00

96043600265



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

August 4, 1997

REC'D
FEDERAL ELECTION
COMMISSION
CITIZEN
COUNCIL
AUG 4 1 44 PM '97

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party**, check number **5116**, dated **July 30, 1997**, for the amount of **\$8,333.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton Accounting Technician Leslie D. Brown Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$8,333.00, the MUR/Case number is 3687 and in the name of Kentucky Democratic Party. Place this deposit in the account indicated below:

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

Frankie Hampton
Signature

August 5, 1997
Date

4004300000



Kentucky
Democratic
Party

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 21 11 52 AM '97

August 19, 1997

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

Regarding: MUR 3637

Dear Ms. Weissenborn:

Please find enclosed copies of refund checks made to contributors listed under MUR 3637

Solomon & Company \$500.00
Ky State District Council/Carpenters 500.00

Also enclosed are three (3) checks for refunds that the PAC or committee no longer exist. As per our agreement these checks are made payable to the U.S. Government and I am sending them to you to forward to the proper area. These checks are for the following:

Friends of David Armstrong \$1,000.00
Friends of Jerry Abramson PAC 1,000.00
Al Bennett Campaign Fund 1,000.00

If you have any questions, or I may be of assistance, please do not hesitate to contact me.

Sincerely,

Art Collins
Kentucky Democratic Party

AUG 20 10 30 AM '97

90043000207

KENTUCKY DEMOCRATIC PARTY 12-91
FEDERAL ACCOUNT
P O BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
261.839

5196

8/19/97

PAY TO THE ORDER OF US Treasury

\$ **1,000.00

One Thousand and 00/100.....

DOLLARS

US Treasury
999 E Street NW
Washington D C
20463

Federal Reserve
Details on back

TWO SIGNATURES REQUIRED

Nicky Kattin
Pat Young

MEMO Refund For MUR 3637 - Friends of Dave Armstrong

⑈005196⑈ ⑆083900619⑆ 25 3491 6⑈

KENTUCKY DEMOCRATIC PARTY/FEDERAL ACCOUNT

5196

US Treasury

8/19/97

08/08/97

Bill #

1,000.00

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9

Federal

Refund For MUR 3637 - Friends of Dave Armstrong

1,000.00

KENTUCKY DEMOCRATIC PARTY 12-81
FEDERAL ACCOUNT
P O BOX 694
FRANKFORT KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT KY 40601
73 61/839

5197

8 19 97

PAY TO THE ORDER OF US Treasury

\$ 1,000.00

One Thousand and 00/100

DOLLARS

Security features included. Details on back.

US Treasury
999 E Street NW
Washington DC
20463

TWO SIGNATURES REQUIRED

Therese Padden
Pete Marino

MEMO Refund For MUR 3637 - Friends of Jerry Abramson - PAC

⑈005197⑈ ⑆083900619⑆ 25 3491 6⑈

KENTUCKY DEMOCRATIC PARTY/FEDERAL ACCOUNT

5197

US Treasury

8 19 97

08 08 97

Bill #

1,000.00

2
3
4
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6
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0
1
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5
6
7
8
9
0

Federal

Refund For MUR 3637 - Friends of Jerry Abramson - PAC

1,000.00

KENTUCKY DEMOCRATIC PARTY 12/97
FEDERAL ACCOUNT
P.O. BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
75-61/839

5195

8/19/97

PAY TO THE ORDER OF US Treasury

\$ 1,000.00

One Thousand and 00/100

DOLLARS

Security features included. Details on back.

US Treasury
999 E Street NW
Washington D.C.
20463

TWO SIGNATURES REQUIRED

Lucretia K. Kethum
Pat Morris

MEMO Refund For MUR 3637 Al Bennett Campaign Fund

⑈005195⑈ ⑆0008⑆ ⑆990106⑆ ⑆9708⑆ 25 8491 6⑈

KENTUCKY DEMOCRATIC PARTY FEDERAL ACCOUNT

5195

US Treasury
08/08/97

8/19/97

1,000.00

2
3
4
5
6
7
8
9

Federal

Refund For MUR 3637 Al Bennett Campaign Fund

1,000.00

KENTUCKY DEMOCRATIC PARTY 12-91
FEDERAL ACCOUNT
P O BOX 894
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT KY 40601
73-61-638

5179

8/14/97

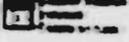
PAY TO THE ORDER OF Kentucky State District Council Carpenter

\$ 500.00

Five Hundred and 00/100

DOLLARS

Kentucky State District Council Carpenter
632 Commanche Trail,
Frankfort, KY 40601



TWO SIGNATURES REQUIRED

Nick Kattala
Dob Hays

MEMO Refund For MUR 3637

⑈005679⑈ ⑆083900669⑆ 25 3496 6⑈

96040060271

KENTUCKY DEMOCRATIC PARTY FEDERAL ACCOUNT

5179

Kentucky State District Council Carpenter
08/08/97

8/14/97

Bill #

500.00

Federal

Refund For MUR 3637

500.00

KENTUCKY DEMOCRATIC PARTY/FEDERAL ACCOUNT

5179

Kentucky State District Council Carpenter
08/08/97

8/14/97

Bill #

500.00

Federal

Refund For MUR 3637

500.00

KENTUCKY DEMOCRATIC PARTY 12-81
FEDERAL ACCOUNT
P O BOX 894
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
73-61/838

5185

8/14/97

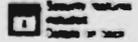
PAY TO THE ORDER OF Solomon & Company

\$ 500.00

Five Hundred and 00/100

DOLLARS

Solomon & Company
1005 Richmond Road
Lexington, KY 40502



TWO SIGNATURES REQUIRED

Nick Sparto
Pat Grims

MEMO Refund For MUR 3637

⑈005185⑈ ⑆083900619⑆ 25 3491 6⑈

KENTUCKY DEMOCRATIC PARTY FEDERAL ACCOUNT

5185

Solomon & Company

8/14/97

08/08/97

Bill #

500.00

9304530272

Federal

Refund For MUR 3637

500.00

KENTUCKY DEMOCRATIC PARTY FEDERAL ACCOUNT

5185

Solomon & Company

8/14/97

08/08/97

Bill #

500.00

Federal

Refund For MUR 3637

500.00



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RECEIVED
FEDERAL ELECTION COMMISSION

AUG 21 11 52 AM '97

August 21, 1997

TWO WAY MEMORANDUM

TO: OGC Dockett
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party/Friends of David Armstrong**, check number **5096**, dated **August 19, 1997**, for the amount of **\$1,000.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR, Case number and name associated with the deposit.

TO: Rosa E. Swinton ^{RS}
Accounting Technician
Leslie D. Brown
Disbursing Technician
FROM: OGC Dockett
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 1,000.00, the MUR/Case number is 357 and in the name of Friends of David Armstrong. Place this deposit in the account indicated below.

- Budget Clearing Account (OGC), 95P3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Frankie Huntington
Signature

August 20, 1997
Date

20040001374



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

AUG 21 11 52 AM '97

August 21, 1997

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party/Friends of Jerry Abramson-PAC**, check number **5197**, dated **August 19, 1997**, for the amount of **\$1,000.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton *RES* Leslie D. Brown
Accounting Technician Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$1,000.00, the MUR/Case number is 3637 and in the name of Friends of Jerry Abramson - PAC. Place this deposit in the account indicated below:

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

Frankie Hampton
Signature

August 22, 1997
Date

9004000274



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION

AUG 21 11 52 AM '97

August 21, 1997

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party, Al Bennett Campaign Fund**, check number **5195**, dated **August 19, 1997**, for the amount of **\$1,000.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

=====

TO: Rosa E. Swinton ^{RS} Accounting Technician Leslie D. Brown Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$1,000.00, the MUR/Case number is 9037 and in the name of AL BENNETT Campaign Fund. Place this deposit in the account indicated below:

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

Frankie Handla
Signature

August 22, 1997
Date

9 8 0 4 0 6 8 1 2 7 5



**Kentucky
Democratic
Party**

COMMISSION
AT COURT HOUSE
Aug 23 10 28 AM '97

SEP 1 10 32 AM '97

August 27, 1997

Ms. Anne A. Wessenthorn
Federal Election Commission
999 E. Street NW
Washington, DC 20463

Re: MUR 3637

Dear Ms. Wessenthorn:

Enclosed please find a check in the amount of \$8,333.00 for agreed payment.

If you have any questions or require assistance, please do not hesitate to contact me.

Sincerely,

Pat Goins
Kentucky Democratic Party

KENTUCKY DEMOCRATIC PARTY
GENERAL FUND
P.O. BOX 894
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
7-617833

11004

82787

PAY TO THE ORDER OF Federal Election Commission

88333100

Eight Thousand Three Hundred Thirty-Three and 00/100*****

DOLLARS

Federal Election Commission
999 E. Street NW
Washington, D.C.
20543



TWO SIGNATURE REQUIRED
Handwritten signatures

MEMO For Civil Penalty - For MUR 3637 4th Installment of 7

⑆011004⑆ ⑆083900619⑆ 17 1473 20⑆

KENTUCKY DEMOCRATIC PARTY/GENERAL FUND

Federal Election Commission

05 01 97

Bill #

82787

11004

88333100

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General

For Civil Penalty - For MUR 3637 4th Installment of 7

88333100



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

file

August 29, 1997

SEP 2 10 32 AM '97
FEDERAL ELECTION COMMISSION
OFFICE OF SPECIAL

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party**, check number **11004**, dated **August 27, 1997**, for the amount of **\$8,333.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton *RS* Accounting Technician Leslie D. Brown Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 8333.00, the MUR/Case number is 3637 and in the name of Kentucky Democratic Party. Place this deposit in the account indicated below.

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

Frankie Hopkins
Signature

September 2, 1997
Date

96043001270



Kentucky
Democratic
Party

Executive Director
Pat Goins

RECEIVED
FEDERAL ELECTION
COMMISSION

SEP 26 9 45 AM '97

26 ايلول 1997

September 23, 1997

Mrs Anne A Wessenborn
Federal Election Commission
440 E Street NW
Washington DC 40463

Re WICR 3637

Dear Mrs Wessenborn

Enclosed please find a check in the amount of \$8,333.00 for our fifth installment of seven installments for our civil penalty.

If you have any questions, or I may be of assistance, please do not hesitate to contact me.

Sincerely

Pat Goins
Kentucky Democratic Party

9 6 0 4 3 6 6 0 2 7 9

KENTUCKY DEMOCRATIC PARTY
GENERAL FUND
P.O. BOX 894
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
75-81/859

11006

9/22/97

PAY TO THE ORDER OF Federal Election Commission

8,333.00

Eight Thousand Three Hundred Thirty-Three and 00/100

DOLLARS
Security features
shown on back.

Federal Election Commission
999 E. Street NW
Washington, D.C.
40463

TWO SIGNATURES REQUIRED

Andy R. ...
Pat ...

MEMO For Civil Penalty - For MUR 3637 5th Installment of 7

⑈011006⑈ ⑆083900619⑆ 17 1473 2⑈

KENTUCKY DEMOCRATIC PARTY/GENERAL FUND

Federal Election Commission
05 01 97

Bill #

9 22/97

11006

8,333.00

General KY Dem Party 17 For Civil Penalty - For MUR 3637 5th Installment of 7

8,333.00

0 8 2 0 8 8 5 4 0 8 6



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

File
SEP 30 1 02 PM '97

September 30, 1997

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown *ldb*
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party**, check number **11006**, dated **September 22, 1997**, for the amount of **\$8,333.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton Leslie D. Brown
Accounting Technician Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 8333.00, the MUR/Case number is 3637 and in the name of Kentucky Democratic Party. Place this deposit in the account indicated below:

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

Frankie Hargrave
Signature

September 30, 1997
Date

98004000001



**Kentucky
Democratic
Party**

RECEIVED
FEDERAL ELECTION
COMMISSION MAIL ROOM

NOV 4 11 02 AM '97

October 29, 1997

Ms. Anne A. Wessenthorn
Federal Election Commission
999 E. Street, NW
Washington, DC 20543

RE: MUR 3637

Dear Ms. Wessenthorn:

Enclosed please find a copy of check # 5312 representing the final transfer to the non-federal account for untimely transfers. This brings the total of transfers to \$59,185.00, which is the amount the MUR instructed to be done.

Also enclosed please find check # 11010 for \$8,333.00 and check #11011 for \$8,335.00 payable to the Federal Election Commission for the final payments of the fine under MUR 3637.

According to our records all fines, transfers and refunds have been made according to your instruction.

Thank you for your assistance with this matter. If you have any questions, or I may be of assistance in any way, please do not hesitate to contact me.

Sincerely,

Pat Geins
Kentucky Democratic Party

NOV 5 9 AM '97
16. NOV 5 9 AM '97

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KENTUCKY DEMOCRATIC PARTY
GENERAL FUND
P O BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
73-81/839

11010

11/29/77

PAY TO THE ORDER OF Federal Election Commission

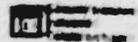
**8,333.00

\$

Eight Thousand Three Hundred Thirty-Three and 00/100

DOLLARS

Federal Election Commission
999 E. Street NW
Washington, D.C.
40463



TWO SIGNATURES REQUIRED

[Handwritten signatures]

MEMO FEC Fine - MUR 3637

⑈011010⑈ ⑆083900619⑆ 17 1473 2⑈

KENTUCKY DEMOCRATIC PARTY
GENERAL FUND
P O BOX 694
FRANKFORT, KY 40602

FARMERS BANK
& CAPITAL TRUST COMPANY
FRANKFORT, KY 40601
73-81/839

11011

11/29/77

PAY TO THE ORDER OF Federal Election Commission

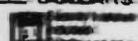
**8,335.00

\$

Eight Thousand Three Hundred Thirty-Five and 00/100

DOLLARS

Federal Election Commission
999 E. Street NW
Washington, D.C.
40463



TWO SIGNATURES REQUIRED

[Handwritten signatures]

MEMO FEC Fine - MUR 3637

⑈011011⑈ ⑆083900619⑆ 17 1473 2⑈

file



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 4, 1997

Nov 5 9 50 AM '97

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from **Kentucky Democratic Party**, check number **11010**, dated **October 29, 1997**, for the amount of **\$8,333.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

=====

TO: Rosa E. Swinton ^{RS} Accounting Technician Leslie D. Brown Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$8,333.00, the MUR/Case number is 3637 and in the name of KENTUCKY Democratic Party. Place this deposit in the account indicated below.

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

Franki Hampton
Signature

November 5, 1997
Date

20043001204



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

November 4, 1997

TWO WAY MEMORANDUM

TO: OGC Docket
FROM: Leslie D. Brown
Disbursing Technician
SUBJECT: Account Determination for Funds Received

We recently received a check from ~~Republican~~ Democratic Party, check number 11011, dated **October 29, 1997**, for the amount of ~~\$10,286.00~~. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton *RS* Accounting Technician Leslie D. Brown Disbursing Technician
FROM: OGC Docket
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of ~~\$10,286.00~~ the MUR/Case number is 3637 and in the name of Democratic Party. Please this deposit in the account indicated below:

- Budget Clearing Account (OGC), 95-10999 1860
- Civil Penalties Account, 95-10999 1860
- Other: _____

Franklin Amador
Signature

November 5, 1997
Date

9
3
0
0
4
3
0
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2
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5