



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE BEGINNING OF MUR # 2886

DATE FILMED 4/17/90 CAMERA NO. 4

CAMERAMAN AS

20040775020

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: May 1, 1989ANALYST: Margo Herbert

I. COMMITTEE: North Carolina Election Campaign Fund
(C00236075)
Larry Shaw, Treasurer
P.O. Box 12196
Raleigh, NC 27605

II. RELEVANT STATUTE: 2 U.S.C. §§433(a) and 434
11 CFR 102.1(d) and 104

III. BACKGROUND:

Failure to Timely Register and Report as Political Committee

The North Carolina Election Campaign Fund ("the Fund") made contributions to nine (9) federal candidates totalling \$40,811 and transfers to an affiliated committee totalling \$175,000 between August 31 and November 4, 1988.

The 1988 October Quarterly Reports of the Rhyne for Congress Committee, Steve Neal for Congress, and the Committee for Charlie Rose disclosed contributions received from the Fund of \$5,000 per candidate, between the dates of September 21 and September 22, 1988. The 1988 12 Day Pre-General Report of the Committee to Elect James McClure Clarke to Congress disclosed a \$4,000 contribution from the Fund on October 10, 1988 (Attachment 2). All of the contributions were designated for the general election.

On January 13, 1989, the Reports Analysis Division ("RAD") analyst sent the Fund a Registration Notice. The Notice informed the Fund that contributions aggregating in excess of \$1,000 a year qualified it as a "political committee" subject to the registration, reporting, and other requirements of the Act. In addition, the Notice included two options for the Fund to come into compliance with the Act: to submit a Statement of Organization or to receive a full contribution refund (Attachment 3).

On January 23, 1989, Mr. Jonathan Charleston from the North Carolina Victory Fund ("the Victory Fund") called the

200407/5021

NORTH CAROLINA ELECTION
CAMPAIGN FUND
REPORTS ANALYSIS OGC REFERRAL
PAGE 2

RAD analyst to discuss transfers from the Fund to the Victory Fund.^{1/} He stated that according to North Carolina law, his method for using money generated for the Fund, which is composed of voluntary tax check-off monies, was perfectly legitimate. Mr. Charleston said that he was going to refer the problem to the Victory Fund's attorney, Mr. John Wallace (Attachment 4).

On January 25, 1989, Mr. Wallace called to discuss the prohibitions of the Fund. He maintained that the only restraint on the use of the funds in that account was the limit of \$5,000 per candidate for the general election as prescribed by the Commission in a 1980 Advisory Opinion (Attachment 5).^{2/}

On February 3, 1989, Mr. Wallace telephoned the RAD analyst and stated that the Fund would have to be registered with the Commission as a separate, but affiliated party committee. He stated that this was necessary due to restraints placed on the party by the North Carolina State Government (Attachment 6).

On February 16, 1989, a Second Notice was sent to the Fund for its failure to file a written response to the Registration Notice (Attachment 7).

On March 10, 1989, Mr. Mark Longabaugh from the North Carolina Democratic Party telephoned the RAD analyst and stated that the Fund was planning to register (Attachment 8).

On March 20, 1989, the Fund submitted a Statement of Organization and the Year End Report for 1988 that disclosed transfers totalling \$175,000 to the Victory Fund. The report disclosed contributions to nine (9) federal candidates totalling \$40,811 (Attachments 9 and 10).^{3/}

^{1/} On November 30, 1988, RAD sent a letter to the Victory Fund regarding \$175,000 in transfers received from the Fund during 1988, under the assumption that it was a non-federal account.

^{2/} The attorney appeared to be citing AO 1980-103, which discussed statutory limitations on tax check-off monies distributed by state party committees.

^{3/} Although the Fund lists Jack Rhyne for Judge as the recipient of a \$5,000 contribution, it appears that the actual recipient was the Rhyne for Congress Committee.

000407/5022

NORTH CAROLINA ELECTION
CAMPAIGN FUND
REPORTS ANALYSIS OGC REFERRAL
PAGE 3

On March 22, 1989, the Commission received a letter from Mr. Longabaugh. The letter stated that it is the Fund's understanding that the contributions in question are "legal and proper" because they "were within legal federal limitations and that the FEC views the source of these funds as acceptable." The letter requested that the Commission acknowledge that the funds were "legal and proper under FEC guidelines" (Attachment 11).

Subsequent to the Fund's registration and reporting, Mr. Wallace contacted the Chief of the Unauthorized Branch ("Branch Chief"). During the week of April 3, 1989, Mr. Wallace and the Branch Chief discussed the applicability of Advisory Opinion 1980-103; the activity of the Fund since 1980; the future reporting status of the Fund; and the Fund's 1988 contributions to the candidate committees (Attachment 12).

On April 21, 1989, the Commission received a letter from Mr. Wallace which described the Fund's composition and function (Attachment 13).

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

000407/5023

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

ATTACHMENT 1

DATE 1MAY85

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION TYPE OF FILER
NORTH CAROLINA ELECTION CAMPAIGN FUND						ID 0000236075 PARTY QUALIFIED
CONNECTED ORGANIZATION: NC DEMOCRATIC EXECUTIVE COMM						
1988 YEAR-END	861.251	858.772	14JUN88 -31DEC88	54	89FEC/585/5077	
REQUEST FOR ADDITIONAL INFORMATION			14JUN88 -31DEC88	2	89FEC/592/5422	
1989 STATEMENT OF ORGANIZATION			20MAR89	1	89FEC/591/2322	
TOTAL	861.251	858.772			57	TOTAL PAGES

The above report has been reviewed.
Debts and obligations owed to/by committee: \$ 0
Cash-on-hand as of 12/31/88: \$ 10,478.38

00040715024

1988 OCTOBER
QUARTERLY REPORT

RHYNE FOR CONGRESS COMMITTEE

1. Full Name, Mailing Address and ZIP Code NE ELECTION CAMPAIGN NE DEMOCRATIC PARTY P.O. BOX 12196 RALEIGH, N.C. Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year) 9-21-88	Amount of Cash Receipt this Period 5,000.00
2. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Cash Receipt this Period
3. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Cash Receipt this Period
4. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Cash Receipt this Period
5. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Cash Receipt this Period
6. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Cash Receipt this Period
7. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Cash Receipt this Period

SUBTOTAL of Receipts This Page (optional) **5,000.00**

TOTAL This Period Next page (do not number only) **5,000.00**

97013623556

THE REPORT FOR PERIOD 07/01/88 TO 09/30/88
 SCHMITZ'S 1 - POLITICAL REPORTS
 POLITICAL PARTY COMMITTEES

PAGE 1 OF 1
 2425 122

NAME OF COMMITTEE: Steve Neal For Congress

COMMITTEE 1988 OCTOBER QUARTERLY REPORT DATE AMOUNT ELECTION

Donor For Congress
 4754 Cheryl Court
 Union, MI 48087 09/28/88 500.00 088

* TOTAL YEAR TO DATE: 500.00 *

Democratic Congressional Campaign Comm.
 430 South Capitol Street
 Washington, DC 20083 09/12/88 5000.00 088

* TOTAL YEAR TO DATE: 9979.00 *

Lancaster For Congress
 P. O. Box 1473
 Goldsboro, NC 27330 09/30/88 500.00 088

* TOTAL YEAR TO DATE: 500.00 *

Martin Clay Sabe For Congress - Volunteers
 3425 E. Franklin, No. 301
 Minneapolis, MN 55406 07/05/88 1000.00 088

* TOTAL YEAR TO DATE: 1000.00 *

North Carolina Election Campaign Fund
 P. O. Box 12196
 Raleigh, NC 27605 09/22/88 5000.00 088

* TOTAL YEAR TO DATE: 5000.00 *

Selars For Congress
 P. O. Box 2703
 Alexandria, VA 22301 09/19/88 500.00 088

* TOTAL YEAR TO DATE: 500.00 *

SUMMARY OF POLITICAL PARTY COMMITTEES CONTRIBUTIONS: 07/01/88 TO 09/30/88

*** TOTAL CONTRIBUTIONS FOR REPORT PERIOD: \$ 12500.00

3 10010346 5 7 0 5 2 6
 P.D.

Committee for Congressional Charlie Rose

1988 OCTOBER QUARTERLY REPORT

A. Full Name, Mailing Address and ZIP Code H. C. Election Campaign Fund P. O. Box 12196 Raleigh, NC 27605 Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year) 9/22/88	Amount of Each Receipt this Period \$,000.00
B. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Each Receipt this Period
C. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > 0	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)	\$,000.00
TOTAL This Period (last page this line number only)	\$,000.00

7744

3 3 3 1 3 6 1 2 9 4 6

INCLUDE CLAIMS TO CONSIDER			
Receipt For:	Occupation	Date (month, day, year)	Amount of Cash Receipts This Period
☐ Primary ☐ Other (Specify):		10/10/88	4000.00
D. Full Name, Mailing Address and ZIP Code N.C. Board of Education P.O. Box 12126 Raleigh, NC 27605	Aggregate Year-to-Date—1 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—2 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—3 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—4 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—5 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—6 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—7 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—8 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—9 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—10 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—11 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
☐ Primary ☐ Other (Specify):	Aggregate Year-to-Date—12 Name of Employer Occupation	Date (month, day, year) 10/10/88	Amount of Cash Receipts This Period 375.00
SUBTOTAL of Receipts This Page (optional)			
TOTAL This Period (last page this line number only)			4375.00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JAN 13 1989

Treasurer
North Carolina Election
Campaign Fund
P.O. Box 12196
Raleigh, NC 27605

Dear Treasurer:

This letter is prompted by the Commission's interest in assisting committees which may be subject to the registration and reporting requirements of the Federal Election Campaign Act (the Act) but are not registered with the Commission.

The Act defines a "political committee" to include any local committee of a political party which receives contributions aggregating in excess of \$5,000 during a calendar year, or makes payments exempted from the definition of contribution or expenditure as defined in paragraphs (8) and (9) of 2 U.S.C. §431 aggregating in excess of \$5,000 during a calendar year, or makes contributions aggregating in excess of \$1,000 during a calendar year or makes expenditures aggregating in excess of \$1,000 during a calendar year. 2 U.S.C. §431(4).

In addition, the Act precludes a political committee from making a contribution to a candidate for federal office in excess of \$1,000 per election, until it becomes a multicandidate committee. The term "multicandidate committee" means a political committee which has been registered with the Commission, Clerk of the House or Secretary of the Senate for at least six months; has received contributions for federal elections from more than 50 persons; and (except for any State political party organization) has made contributions to five or more federal candidates. 2 U.S.C. §441a(a)(4) and 11 CFR 100.5(e)(3).

A review of the receipts reported by the Committee for Charlie Rose, the Committee to Elect James McClure Clarke to Congress, the Rhyme for Congress Committee and Steve Neal for Congress indicates that your organization may have made an excessive contribution to a federal candidate for the 1988 General election. This activity may qualify your organization as a "political committee" subject to the registration, reporting and other requirements of the Act. A copy of the receipt schedule(s) which list your organization's contribution(s) is enclosed for your review.

In order to be in compliance with the Act, your organization must either:

- 1) submit a Statement of Organization, file disclosure reports on FEC FORM 3X, and obtain a contribution refund of the amount in excess of the limitations (relevant informational materials and forms enclosed); or
- 2) receive a full contribution refund, or direct the recipient committee(s) to transfer the funds to an account not used to influence federal elections.

The second alternative noted above should be followed if your organization does not wish to register and file disclosure reports, or if the contributions or expenditures by your organization were from an account containing corporate or union funds.

If you believe that your organization is not a political committee, has not made excessive contributions to a federal candidate, or the Commission is otherwise in error, please submit documentation which will clarify this matter. Although the Commission may take further legal steps concerning this matter, your prompt action will be taken into consideration.

Please notify the Commission within fifteen (15) days from the date on this letter of your decision on this matter. If you have any questions, please contact me on the agency's toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Paul W. Dickson
Reports Analyst
Reports Analysis Division

Enclosures

TELECON

ANALYST: Paul Dickson

CONTACT: Jonathan Charleston

COMMITTEE: North Carolina Victory Fund (C00165688)

DATE: January 23, 1989

SUBJECT: RFAI sent to North Carolina Victory Fund regarding the
transfer of funds from North Carolina Election Campaign Fund

Mr. Charleston called to discuss the receipt from the North Carolina Election Campaign Fund. He felt that according to North Carolina law, his method for using the funds generated for the Election Campaign Fund from tax check-off was legitimate. Mr Charleston said that he was going to refer the problem to the committee's attorney, Mr. John Wallace.

TELECON

ANALYST: Paul Dickson

CONTACT: John Wallace, Attorney for the Committee

COMMITTEE: North Carolina Democratic Victory Fund (C00165688)

DATE: January 25, 1989

SUBJECT: RFAI for North Carolina Victory Fund for 1988 October
Quarterly Report regarding the transfer of funds from
North Carolina Election Campaign Fund

Mr. Wallace called to discuss the prohibitions regarding the use of the North Carolina Election Campaign Fund to influence federal elections. He stated that he felt that the only restraint was the limit of \$5000.00 contributed per candidate for the general election as proscribed by the Commission in a 1980 Advisory Opinion. He said he would call back once he had a clear understanding of the restraints.

TELECON

ANALYST: Paul Dickson

CONTACT: John Wallace, Attorney for the Committee

COMMITTEE: North Carolina Victory Fund (C00165688)

DATE: February 3, 1989

SUBJECT: Registration of the North Carolina Election Campaign Fund

Mr. Wallace stated that the Election Campaign Fund would have to be registered with the Commission as a separate, but party affiliated committee. He stated that this was necessary due to the restraints placed on the party by the North Carolina State Government.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 16, 1989

Treasurer
North Carolina Election
Campaign Fund
P.O. Box 12196
Raleigh, NC 27605

Dear Treasurer:

This is to inform you that as of this date, the Commission has not received your response to our letter dated January 13, 1989. Our letter notified you that a review of reports filed with the Commission indicates that your organization may have made expenditures which qualify it as a political committee. Enclosed is a copy of our original letter.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate legal action to ensure compliance with the Act.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

000407/5034

TELECON

ANALYST: Margo Herbert

CONTACT: Mark Longabaugh, executive director, North Carolina
Democratic Party

DATE: March 10, 1989

SUBJECT: Registration of the North Carolina Election Campaign Fund

Mark Longabaugh, the executive director of the North Carolina
Democratic Party telephoned the analyst to say that the North Carolina
Election Campaign Fund was going to register.

000407/

STATEMENT OF ORGANIZATION

(Also complete this for instructions)

RECEIVED
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

1. NAME OF COMMITTEE OR FUND

North Carolina Election Campaign Fund

(a) Number and Street Address

(Check if address is changed)

P. O. Box 12196

(a) City, State and ZIP Code

Raleigh, NC 27605

2. TYPE OF COMMITTEE (Check one)

- ☐ (a) This committee is a principal campaign committee. (Complete the candidate information below.)
- ☐ (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate

Candidate Party Affiliation

State/Party

- ☐ (c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.

(Name of candidate)

- ☒ (d) This committee is a State committee of the Democratic Party.

(Platform, State or subordinate)

(Democratic, Republican, etc.)

- ☐ (e) This committee is a separate segregated fund.

- ☐ (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund or a party committee.

3. Name of Any Connected Organization or Affiliated Committee	4. Mailing Address and ZIP Code	5. Relationship
NC Democratic Victory Fund	P. O. Box 12196	Affiliated comm.
NC Democratic Executive Comm.	P. O. Box 12196 (Raleigh, NC 27605)	Affiliated comm.

6. Type of Connected Organization

Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☒ Membership Organization ☐ Trade Association ☐ Cooperative ☐

7. Custodian of Records: Identify by name, address (phone number - optional) and position of the person in possession of committee books and records

Full Name

Mailing Address

Title or Position

Linda Shropshire-Grissom P. O. Box 12196, Raleigh 27605 - Asst. Treas.

8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee, and the name and address of any designated agent (e.g. assistant treasurer)

Full Name

Mailing Address

Title or Position

Larry Shaw P. O. Box 12196, Raleigh, NC 27605 Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds

Name of Bank, Depository, etc.

Mailing Address and ZIP Code

Mechanics and Farmers Bank

13 E. Hargett St., Raleigh, NC 27602

I certify that I have examined this Statement 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

Larry Shaw

NOTE: Submission of false or incorrect or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g. ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

For further information contact
Federal Election Commission
Toll Free 800 424 9530
202 452 1763

FEC FORM 1
(revised 4/87)

003040075880875

83 MAY 20 AM 9:11

North Carolina Election Campaign Fund ADDRESS (number and street) ☐ Check if different than previously reported 220 Hillsborough Street		2 PCC IDENTIFICATION NUMBER (not yet assigned)
CITY, STATE and ZIP CODE Raleigh, NC 27602		3 ☐ This committee qualified as a multicandidate committee during this Reporting Period on (date)

(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

February 20	June 20	October 20
March 20	July 20	November 20
April 20	August 20	December 20
May 20	September 20	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 _____

6a Is this Report an Amendment? ☐ YES ☒ NO

5. Coverage Period 6/14/88 through 12/31/88

2. (a) Cash on Hand January 1, 19__

(a) Cash on Hand at Beginning of Reporting Period

(10) Total Receipts (from Line 10)

(d) Subtotal (add Lines 80a and 81c) for Column A and
Lines 80a and 81c for Column B)

7 Total Disturbances from Line 25:

0 Cash on Hand at Close of Reporting Period (addend Line 7 from Line 6000)

9. Debts and Obligations Owed TO the Commission
(Name all on Schedule C and/or Schedule D.)

10 **Dates and Obligations Created BY the Convention**
(Marked off on Schedule C under Schedule D).

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

Types of Bone Marrow of Transfusion

Signature of Treasurer

COLUMN A
This Period

COLUMBIA
Calendar Year-to-Year

30

80

8 861,251.25 8861,251.25

8 861,251.25 8861,251.25

8 850,772.87 8850,772.87

810,478.38 810,476.39

8 0

8 0

For Further Information
Contact
Federal Student Commissioner
Mrs E. Stuart Lee
Washington, DC 20541
On 8-000 800 424 6832
or at 202 344 3111

NOTE: Summary of this material is provided elsewhere in the report. The summary is provided for the purpose of the report.

FEC FORM 30

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s)
for each category of the
Detailed Summary PagePAGE 67
FOR LINE NUMBER
20

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

NAME OF COMMITTEE (in Full)

N. C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
N.C. Democratic Exec. Comm. P.O. Box 12196 (State Reg.) Raleigh, NC 27605	Staff Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	6/15/88	10,591.20
N.C. Democratic Exec. Comm. P. O. Box 12196 (State Regis) Raleigh, NC 27605	Staff Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	6/30/88	15,544.23
NC Democratic Exec. Comm. P. O. Box 12196 (State Regis) Raleigh, NC 27605	Postage, Consultant Fees, Printg, Salaries, Travel, Telephone, Legal, etc. Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	7/15/88	53,712.35
N.C. Democratic Exec. Comm. P.O. BOX 12196 Raleigh, NC 27605	Staff Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	7/29/88	7,942.22
Orange Co. Democcratic ExCom 1406 Brigham Road Chapel Hill, NC 27514	Phone bank expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	8/17/88	600.00
N.C. Democratic Victory Fund P. O. Box 12196 Raleigh, NC 27605	Trans. to Affiliated Sal., Travel, Media Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	8/31/88	120,000.00
Union Co. Dem. Exec. Comm. P. O. Box 1321 Monroe, NC 28110	Trans. to Other Party Comm. for TD Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/23/88	50.00
NC Dem. Victory Fund P. O. Box 12196 Raleigh, NC 27605	Transfer Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	10/6/88	55,000.00
NC Dem. Exec. Comm. P. O. Box 12196 Raleigh, NC 27605	Transfer Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	7/21/88	2,267.02

SUBTOTAL: Disbursements This Page foot one

TOTAL: Disbursements This Page foot one

265,507.02

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s)
for each category of the
Detailed Summary PagePAGE 05
FOR LINE NUMBER
21

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

NAME OF COMMITTEE (in Full)

N.C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Hefner for Congress Comm. 180 Church Street Concord, NC 28125	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	4,000.00
Steve Neal for Cong. Comm. P. O. Box 2102 Winston-Salem, NC 27102	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
Charlie Rose for Cong. Comm. 208 Post Office Bldg. Wilmington, NC 28401	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
Sholander for Congress Comm. 211 Main Street Pineville, NC 28134	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
Jones for Congress Comm. 108 E. Wilson Street Farmville, NC 28730	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
James M. Clarke for Cong. Comm. Route 6, Box 268 R Fairview, NC 28730	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	4,000.00
Price for Congress Comm. P. O. Box 1986 Raleigh, NC 27610	Campaign Expenses Disbursement for ☐ Primary ☐ General ☐ Other (specify)	11/4/88	3,811.00
Tom Gilmore Committee (Shorr & Associates) 2012 Walnut St. Philadelphia, PA 19102	Contribution in-kind consulting Disbursement for ☐ Primary ☐ General ☐ Other (specify)	9/15/88	4,000.00
	Purpose of Disbursement Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL (Total amount on this page only)

35,811.00

TOTAL (Total amount on all pages)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule for each category of the Detailed Summary Page

PAGE 2 OF 3
FOR LINE NUMBER 27

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

NAME OF COMMITTEE (in Full)

N.C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code Edmisten Comm. c/o Ray Strothers, Ltd. P. O. Box 25816 Raleigh, NC 27611	Purpose of Disbursement Contribution in-kind Consulting Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 10/26/88	Amount of Each Disbursement This Period 3,000.00
B. Full Name, Mailing Address and ZIP Code John Brooks Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Purpose of Disbursement Contribution in-kind Consulting/Media Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 11/4/88	Amount of Each Disbursement This Period 444.00
C. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o Luther Hodges 2345 Airline Drive Raleigh, NC 27607	Purpose of Disbursement Contribution in-kind Consulting Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 11/16/88	Amount of Each Disbursement This Period 925.00
D. Full Name, Mailing Address and ZIP Code Thornburg Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Purpose of Disbursement Contribution in-kind Consulting/Media Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/8/88	Amount of Each Disbursement This Period 2,000.00
E. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Purpose of Disbursement Contribution in-kind Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/8/88	Amount of Each Disbursement This Period 2,000.00
F. Full Name, Mailing Address and ZIP Code Jim Graham Committee P. O. Box 27647 Raleigh, NC 27611	Purpose of Disbursement Agric. Commissioner Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/15/88	Amount of Each Disbursement This Period 5,000.00
G. Full Name, Mailing Address and ZIP Code Ed Renfrow Committee P. O. Box 26322 Raleigh, NC 27611	Purpose of Disbursement State Auditor Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/15/88	Amount of Each Disbursement This Period 5,000.00
H. Full Name, Mailing Address and ZIP Code Committee to Elect Tony Rand P. O. Box 12045 Raleigh, NC 27605	Purpose of Disbursement Lt. Governor Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/15/88	Amount of Each Disbursement This Period 5,000.00
I. Full Name, Mailing Address and ZIP Code Jack Rhyne for Judge 503 Park Ave Belmont, N.C. 28011	Purpose of Disbursement Superior Court Judge Disbursement for ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 9/15/89	Amount of Each Disbursement This Period 5000.00

SUBTOTAL of Disbursements This Page (optional)

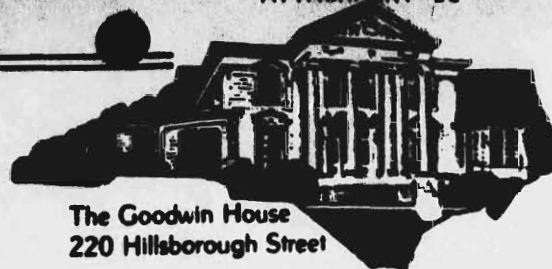
23,369.00

TOTAL This Period (optional)

The Democratic Party of North Carolina

Post Office Box 12196

Raleigh, North Carolina 27605-2196 • Telephone (919) 821-2777



The Goodwin House
220 Hillsborough Street

March 20, 1989

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

Dear Mr. Gibson:

I have recently taken over as the Executive Director of the North Carolina Democratic Party. In that context, I have been working to resolve your inquiry about contributions to our Congressional delegation from the North Carolina Election Campaign Fund.

We recently submitted a statement of organization for the North Carolina Election Campaign Fund. It is our understanding that since the contributions in question were within legal federal limitations and that the FEC views the source of these funds as acceptable, that the contributions are now legal and proper.

I would like to respectfully request that you acknowledge that the North Carolina Democratic Party has resolved this matter and that contributions made to our congressional candidates last fall are now legal and proper under FEC guidelines.

If you should have further questions, please feel free to contact me.

Sincerely,

Mark P. Longabaugh
Executive Director

MPL:cwj

89 MAR 22 AM 9:00

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

330034150891234951

TELECON

Conversation with: John Wallace
Counsel, North Carolina Democratic Party

FEC Representative: Lisa Stolaruk

During the week of April 3, 1989, Mr. Wallace and I had several conversations regarding the N.C. Election Campaign Fund ("the Fund"). Mr. Wallace and I primarily discussed the following subjects: the applicability of AO 1980-103; the activity of the Fund since 1980; the reporting of the Fund's activity in future years and the status of the Fund's contributions to candidate committees.

Mr. Wallace was curious as to why we were questioning the activities of the Fund at this time, since its existence and function was addressed by the Commission in AO 1980-103 and it has been a prime source of contributions to the Party since 1980.

I explained that the AO, in my opinion, addressed whether the Party could disburse tax check-off money in unlimited amounts to its federal candidates. The AO did not discuss the Fund as a separate, non-reporting entity which would make contributions directly to the candidates. Further, the AO did not mention the instrument by which the Party received the funds.

Mr. Wallace stated that the Fund has been contributing to candidates since 1980, without objection from the Commission. I explained that 1988 was the first year that the Fund made the contributions directly to the candidates. In previous years, either the Victory Fund or the Executive Committee (the two N.C. federal committees registered with the FEC) made the contributions and coordinated expenditures. I explained that we probably assumed that any tax check-off money was coming directly from the state of N.C., not from a separate account maintained by the Party, and was thus never questioned.

We then discussed prospective reporting requirements of the Fund. Mr. Wallace explained that any tax check-off monies received by any entity must be retained in a separate bank account and that it cannot be mingled with any other monies. He stated that he could maintain the Fund as a separate reporting entity, but that this would result in the filing of lengthy reports, as the Fund also engages in contributing to non-federal candidates. Alternatively, he proposed that any money transferred from the Fund could be reported by the Victory Fund as unitemized contributions received from individuals and identified as tax check-off money. Any contributions made to candidates would be reported by the Victory Fund.

I explained that I thought the only option was to allow the Fund to remain a registered entity. The second option would still involve the Victory Fund receiving money from an undisclosed account. I put forth a third option, that of reporting all Fund activity within the Victory Fund's reports.

Our final topic of discussion was RAD's advice that the recipient candidate committees refund all contributions received from the Fund. Mr. Wallace explained that this appeared to be unreasonable because 1) the money is permissible and 2) the Fund is now registered with the FEC. I explained that the contributions were not "permissible" at the time they were made and that we would recommend the same course of action in similar situations. I cited excessive contributions being made by committees that subsequently qualify as multicandidate committees as an example. However, Mr. Wallace pointed out that the Fund would be violating state law by receiving and depositing the refunds.

After discussing this problem with other staff, I told Mr. Wallace not to pursue requesting refunds, and that RAD would present the entire case to counsel and the Commission for its determination.

2004077503

DAVID F. KIRBY
JOHN R. WALLACE*
PAUL P. CREECH
PETER J. SARDA
ROBERT E. ZAYTOUN*
NARLEY L. CASHWELL
RICHARD P. NORDAN
WILLIAM H. PAGE, JR.
CHERYL M. SWART
*ALSO ADMITTED IN FLORIDA

**KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL**

ATTORNEYS AT LAW
UCB PLAZA
3806 GLENWOOD AVENUE, SUITE 300
RALEIGH, NORTH CAROLINA 27612

April 19, 1989

ATTACHMENT 13
(3 pages)

89 APR 21 AM 10:27

FEDERAL ELECTION COMMISSION
P. O. BOX 18065
RALEIGH, N.C. 27605
(919) 762-9322

FAX:
(919) 762-8113

Ms. Lisa Stolaruk, Chief
Party/Non-Party Branch
Reports Analysis Division
Federal Election Commission
Washington, D.C. 20463

Re: N. C. Democratic Party Victory Fund,
Election Campaign Fund, and Democratic
Candidates for the United States House
of Representatives in the 1988
General Elections

Dear Ms. Stolaruk:

I serve as counsel to the North Carolina Democratic Party and advise Democratic candidates for the United States House of Representatives with respect to matters arising under the Federal Elections Campaign Act. Your section and another within Reports Analysis have identified funds being received by the North Carolina Democratic Victory Fund, the Party's Federal Committee, and Democratic candidates for the United States House from a source not registered as a political committee with the Federal Election Commission. That source is the Election Campaign Fund account of the North Carolina Democratic Party, a tax check off fund account.

The Election Campaign Fund has been used as a source of contributions to Democratic candidates for the U.S. House and to federal activities of the Democratic Party dating back to at least 1980, and at no time has there ever been a question raised as to whether or not that account was required to be registered as a political committee with the Federal Election Commission. Nevertheless, during the 1988 general election cycle, the Reports Analysis Office raised the question and, in order to cure what your office has perceived to be a problem, the North Carolina Democratic Party has registered the Election Campaign Fund account as a federal account.

Ms. Lisa Stolaruk
April 19, 1989
Page 2

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We have discussed the Commission's position, and ours, at some length. We understand your feeling, in the abstract, that refunds of sums by both Democratic candidates and the Democratic Victory Fund to the Election Campaign Fund are appropriate. However, the tax check off funds are required to be maintained in a separate account and not commingled with funds from any other source. Therefore, we cannot, under State law, lawfully refund money to the Election Campaign Fund account. It is our position that the registration, retroactive for the period in which the challenged disbursements were made, along with continued reporting, should be sufficient to satisfy the Commission. I feel that our position is very reasonable in this respect, because that which was done in 1988 has been done in many prior years, and because there is no question about the legality of these funds for use in federal elections.

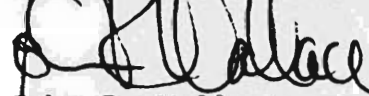
It is our present understanding and agreement that the Reporting Analysis Division will confer with the Commission with respect to the solution of these matters and that with respect to this issue, the Party need take no further action pending the Commission's review of this matter. Specifically, it is our understanding that for the moment, the Party need not seek refunds of contributions made to Democratic candidates for the United States House of Representatives.

Ms. Lisa Stolaruk
April 19, 1989
Page 3

Thank you for your kind assistance in this regard.

Sincerely,

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL



John R. Wallace

JRW:ct

cc: Mark Longabaugh, Executive Director
N. C. Democratic Party

00040775046

89 MAY 17 PM 12:42

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

RAD Referral 89L-13
STAFF MEMBERS: Jeffrey Long
George Rishel

SOURCE: INTERNALLY GENERATED

RESPONDENTS: North Carolina Election Campaign
Fund and Larry Shaw, as treasurer

RELEVANT STATUTES:
2 U.S.C. § 433
2 U.S.C. § 434
2 U.S.C. § 441a
11 C.F.R. § 102.6(a)
N.C. Gen. Stat. § 163-278.41(1987)
Advisory Opinion 1980-103
Advisory Opinion 1982-17
Advisory Opinion 1983-15
Advisory Opinion 1985-30

INTERNAL REPORTS CHECKED: Disclosure Reports for the North
Carolina Election Campaign Fund,
North Carolina Democratic Victory
Fund, North Carolina State
Democratic Executive Committee

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was referred to the Office of the General Counsel by the Reports Analysis Division ("RAD") on May 1, 1989, on the basis that the North Carolina Election Campaign Fund and Larry Shaw, as treasurer ("the Respondents" or "the Campaign Fund") had failed to register and report as a federal political committee. See Attachment 1. The referral notes that the Respondents were not registered with the Commission in 1988 but had made \$40,811 in contributions to nine federal candidates and a \$175,000 transfer to an affiliated committee during 1988. When the

0040775047

Respondents eventually filed a Statement of Organization on March 20, 1989, it identified itself as a state committee of the Democratic Party in North Carolina and affiliated with the North Carolina Democratic Victory Fund ("the Victory Fund") and the North Carolina Democratic Executive Committee ("the Executive Committee"). Both the Victory Fund and the Executive Committee were registered and filed reports with the Commission throughout the 1987-88 election cycle.

North Carolina has provided a method for individual taxpayers to designate on their state income tax return one dollar for the political party fund to be allocated between the parties according to the voter registration figures. N.C. Gen. Stat. § 105-159.1(1987). These funds are held by the state treasurer on behalf of the party in what is now called the North Carolina Political Parties Financing Fund and are paid, usually quarterly, to the party on application by its state chairman. N.C. Gen. Stat. § 163-278.41 (1987). See Attachment 2. In an election year the expenditure of these funds must be allocated between the state party and its candidates and "shall only be expended for legitimate campaign expenses." N.C. Gen. Stat. § 163-278.42. These include campaign advertising and materials, campaign staff salaries and travel expenses, compliance costs, contributions to or expenses on behalf of candidates, and party headquarters operations but not the primary or convention expenses of a candidate. Id.

Each political party and each candidate receiving funds from the state-maintained fund must keep certain records of the

receipt and expenditure of such funds and "shall maintain all such funds...in a separate account, and shall not allow the same to be commingled with the funds from any other source."¹ N.C. Gen. Stat. § 163-278.43. Each party and candidate receiving such funds shall by December 31 file an itemized statement reporting all receipts, expenditures and disbursements since the last report with a verification statement that all funds were legally spent.² Id.

II. FACTUAL AND LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended ("the Act"), states that a political committee includes any local committee of a political party that makes contributions or expenditures, aggregating in excess of \$1,000 in any calendar year. 2 U.S.C. § 431(4)(C). It must file a Statement of Organization with the Commission within 10 days of becoming a political committee under the Act and file periodic reports of its receipts and disbursements. 2 U.S.C. §§ 433 and 434. Transfers without limit are permitted between affiliated committees even if the transferor committee is unregistered, but if the transfer exceeds \$1,000 in any calendar year, the transferor committee may be required to register and report as a

1. The North Carolina Election Campaign Fund registered with the Commission is this separate account maintained by the party, not the account maintained by the state treasurer.

2. The question whether these provisions of North Carolina law may be applied to the authorized campaign committees of federal candidates is not raised in this referral and, therefore, is not addressed in this report. See 2 U.S.C. § 453 and 11 C.F.R. § 108.7.

federal political committee. 11 C.F.R. § 102.6(a).

Multicandidate political committees may contribute up to \$5,000 per election to a federal candidate. 2 U.S.C. § 441a(a)(2)(A).

A committee that itself does not meet all of the criteria of a multicandidate political committee (see 2 U.S.C. § 441a(a)(4)) may "borrow" such criteria from an affiliated committee. See Advisory Opinion 1985-30.

In the course of reviewing reports filed in 1988, RAD identified several federal candidates who had reported the receipt of contributions from an unregistered entity, the Campaign Fund, as well as the \$175,000 transfer from the Campaign Fund to the Victory Fund. On November 30, 1988, RAD sent a letter to the Victory Fund regarding the transfer, and on January 13, 1989, sent the Campaign Fund a registration notice. Several telephone calls between RAD and representatives of the Victory Fund and the Campaign Fund ensued. On March 20, 1989, the Campaign Fund filed its Statement of Organization with the Commission along with a Year-End Report that disclosed total receipts of \$861,251.25 and total disbursements of \$850,772.87. This report disclosed these contributions to federal candidates and transfers to federal political committees:

<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
8-31-88	120,000.00	Transfer to Victory Fund
9-15-88	38,000.00	Contributions to eight federal

10-6-88	55,000.00	candidates ³
11-4-88	3,811.00	Transfer to Victory Fund
	<u>\$216,811.00</u>	Contribution to federal candidate

A complete copy of the Year-End Report is included as Attachment 4 along with the summary pages of the reports filed by the Victory Fund and the Executive Committee for July through December 1988.

Subsequent to this filing, further discussion between RAD and counsel for the Campaign Fund occurred, which was followed by a letter from counsel. See Attachment 1 (at attachments 12 and 13). Several subjects of this exchange deserve further comment: (1) Advisory Opinion 1980-103; (2) refunds; and (3) reporting options.

In 1980, the North Carolina State Democratic Executive Committee asked whether the \$5,000 limitation for contributions to federal candidates applied to payments from funds distributed by the party from the tax check-off monies. See Attachment 3. In the issued advisory opinion, the Commission said the \$5,000 limit did apply to such payments because the party was not ministerially passing through individual contributions but was deciding the allocation formula. As such, the Commission concluded the payments were contributions from the state party to

3. One of these contributions is identified on the Campaign Fund's reports as made to Jack Rhyne for Judge. The referral materials show, however, that Rhyne for Congress reported its receipt. Therefore, it is considered to be a contribution to a federal candidate. See Attachment 1 (at attachments 2 and 10). The Campaign Fund did not properly report the name of the recipient of this contribution as required by 2 U.S.C. § 434(b)(6)(B)(i).

the federal candidates. We note that the advisory opinion request and the issued opinion did not address any registration and reporting questions regarding this activity. See 2 U.S.C. § 437f(c) and 11 C.F.R. § 112.5.

Next, the exchange between RAD and counsel for the Campaign Fund included the question of the permissibility of the funds and the need for any refunds of the contributions to federal candidates and transfers to federal political committees. Advisory Opinion 1980-103 did not address whether the source of the tax check-off monies constituted permissible sources of funds for the party to use in making contributions to federal candidates, although such a finding may be ascribed to the opinion. We note that under North Carolina law, the funds deposited into the Political Parties Financing Fund and then into the Campaign Fund are derived from the taxes of individuals and do not exceed \$1 per individual taxpayer. Thus, these funds are from permissible sources and in permissible amounts. See also Advisory Opinions 1982-17 and 1983-15. We further note that although the Campaign Fund itself had not met all of the criteria of 2 U.S.C. § 441a(a)(4) to avail itself of the \$5,000 rather than the \$1,000 limitation on contributions to federal candidates, its affiliated committees (the Executive Committee and the Victory Fund) had met such criteria. Therefore, we conclude that refunds of the contributions to federal candidates and transfers to federal political committees are not necessary.

The exchange between RAD and counsel also discussed three reporting options: (1) maintaining the Campaign Fund as a

separate reporting entity; (2) reporting all of the Campaign Fund's receipts and disbursements in the Victory Fund's reports (by essentially treating the Campaign Fund as another federal bank account maintained by the Victory Fund); or (3) having the Victory Fund report the contributions to federal candidates and the transfers to federal political committees and a transfer-in of unitemized tax check-off monies from the party's Campaign Fund. This Office agrees with RAD that either option 1 or 2 would be permissible under the Act and regulations but that option 3 would still implicate the registration and reporting provisions in that it would entail the transfer of more than \$1,000 in a calendar year from an unregistered affiliated committee to the federal political committee.

Whichever option is used in the future for reporting the Campaign Fund's federal activity, we note that prior to the 1988 general election, no report was filed by the North Carolina Democratic Party or its federal accounts disclosing the making of these contributions and transfers (though the recipients did report their receipt) or the source of the funds used to make them. Accordingly, this Office recommends that the Commission find reason to believe the Respondents violated 2 U.S.C. §§ 433 and 434. The Section 434 finding includes both the failure to file reports and the misreporting of the Jack Rhyne contribution noted at Footnote 3.

Because it does not appear further investigation is warranted in this matter and because it is similar to a late filer referral, we also recommend that the Commission offer to enter

into preprobable cause conciliation with the Respondents.

III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe the North Carolina Election Campaign Fund and Larry Shaw, as treasurer, violated 2 U.S.C. §§ 433 and 434 and enter into conciliation prior to a finding of probable cause to believe.
3. Approve the attached letter, Factual and Legal Analysis, and proposed conciliation agreement.

Lawrence M. Noble
General Counsel

20040775054
May 17, 1989
Date

BY:

George F. Rishel
George F. Rishel
Acting Associate General
Counsel

Attachments:

1. Referral Materials
2. Excerpts for N.C. General Statutes
3. Advisory Opinions 1980-103, 1982-17, and 1983-15 and AOR 1980-103
4. Reports filed by North Carolina Election Campaign Fund, and summary pages of reports filed by the North Carolina Democratic Victory Fund and North Carolina Democratic Executive Committee covering 7-1-88 to 12-31-88
5. Proposed Letter, Factual and Legal Analysis, and conciliation agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

North Carolina Election Campaign
Fund and Larry Shaw, as treasurer

RAD Ref. 89L-13

(MUR)
2886

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal
Election Commission, do hereby certify that on May 22,
1989, the Commission decided by a vote of 6-0 to take
the following actions in RAD Ref. 89L-13:

1. Open a MUR.
2. Find reason to believe the North Carolina
Election Campaign Fund and Larry Shaw, as
treasurer, violated 2 U.S.C. §§ 433 and
434 and enter into conciliation prior to
a finding of probable cause to believe.
3. Approve the letter, Factual and Legal Analysis,
and proposed conciliation agreement, as recommended
in the First General Counsel's report signed
May 17, 1989.

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

Attest:

5-22-89

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Wed., 5-17-89,	12:42
Circulated on 48 hour tally basis:	Thurs., 5-18-89,	11:00
Deadline for vote:	Mon., 5-22-89,	11:00



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 26, 1989

Larry Shaw, Treasurer
North Carolina Election
Campaign Fund
P.O. Box 12196
Raleigh, NC 27605

RE: MUR 2886
North Carolina Election
Campaign Fund and Larry
Shaw, as treasurer

Dear Mr. Shaw:

On May 22, 1989, the Federal Election Commission found that there is reason to believe the North Carolina Election Campaign Fund ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 433 and 434, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

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

In order to expedite the resolution of this matter, the Commission has also decided to offer 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.

Larry Shaw
Page 2

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, 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.

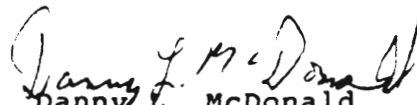
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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

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

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,


Danny L. McDonald
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

2004075057

06C 3036

FEDERAL
ADMINISTRATION

DAVID F. KIRBY
JOHN R. WALLACE*
PAUL P. CREECH
PETER J. SARDA
ROBERT E. ZAYTOUN*
NARLEY L. CASHWELL
RICHARD P. NORDAN
WILLIAM H. PAGE, JR.
CHERYL M. SWART
*ALSO ADMITTED IN FLORIDA

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL

ATTORNEYS AT LAW
UCB PLAZA
3605 GLENWOOD AVENUE, SUITE 300
RALEIGH, NORTH CAROLINA 27612

89 JUN 13 11:59:55
P. O. BOX 18088
RALEIGH, N.C. 27608
(919) 782-9388

June 9, 1989

FAX:
(919) 782-8113

Jeffrey Long, Esq.
Office of General Counsel
Federal Elections Commission
Washington, D.C. 20463

Re: MUR 2886, North Carolina Election
Campaign Fund, and Larry Shaw,
Treasurer

Dear Jeff:

As we have discussed, it is our hope to resolve MUR 2886 by conciliation agreement within thirty (30) days. Nevertheless, we do wish to respond to the allegations and have commenced preparation of that response. However, in order to complete our response, I must request a 15 day extension to complete the response.

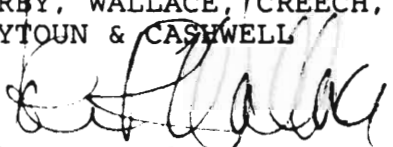
Larry Shaw, our Treasurer, has been away from his home city of Fayetteville, North Carolina, and has yet to receive and review the complaint and, in addition, has yet to sign the form designating me as counsel with respect to this matter.

It is my hope that in addressing and resolving matters raised by MUR 2886, we can agree with respect to reporting requirements for our Party for the future. Indeed, this to me is a very important aspect of the resolution of this matter. I look forward to your assistance and guidance in this regard.

Thank you for your kind assistance to date.

Sincerely,

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL


John R. Wallace

JRW:ct

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
JUN 13 11:59:55

00040713058

QBC 3118

LARRY SHAW
POST OFFICE BOX 1195
FAYETTEVILLE, NORTH CAROLINA 28302

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE
89 JUN 19 AM 10:51

June 13, 1989

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

CERTIFIED MAIL

RE: MUR 2886 - North Carolina Election
Campaign Fund and Larry Shaw, Treasurer

Dear Mr. Long:

This letter is in response to the Commission's letter and findings dated May 26, 1989 regarding the above-captioned matter.

Pursuant to the Commission's request, I hereby designate the following attorneys to be counsel of record and fully authorize them to represent the North Carolina Election Campaign Fund and Larry Shaw, Treasurer.

John R. Wallace
P.O. Box 12065
Raleigh, NC 27605
(919) 782-9322

R. Jonathan Charleston
P.O. Box 3113
Fayetteville, NC 28302
(919) 323-3055

My warmest personal regards,


Larry Shaw

LW/dg

cc: John R. Wallace, Esq.
R. Jonathan Charleston, Esq.
Lois G. Lerner, Esq.
Danny L. McDonald
Lawrence Davis, Esq.

Enclosure

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 19 PM 2:50

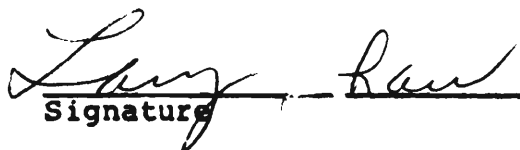
STATEMENT OF DESIGNATION OF COUNSEL

NUR 2886

NAME OF COUNSEL: John R. Wallace, Esq. R. Jonathan Charleston
ADDRESS: P.O. Box 12065 P.O. Box 3113
Raleigh, NC 27605 Fayetteville, NC 28302
TELEPHONE: (919) 782-9322 (919) 323-3055

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.

June 13, 1989
Date


Signature

RESPONDENT'S NAME: Larry Shaw
ADDRESS: P.O. Box 1195
Fayetteville, NC 28302
HOME PHONE: _____
BUSINESS PHONE: (919) 323-5303

00040775060



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 20, 1989

John R. Wallace, Esquire
Kirby, Wallace, Creech, Sarda,
Zaytoun & Cashwell
P.O. Box 12065
Raleigh, NC 27605

RE: MUR 2886
North Carolina Election
Campaign Fund and
Larry Shaw, as treasurer

Dear Mr. Wallace:

This is in response to your letter dated June 9, 1989, which we received on June 13, requesting an extension of 15 days for purposes of pre-probable cause conciliation. After considering the circumstances presented in your letter, I have granted the requested extension. In order that conciliation proceed in the prescribed time period, you should submit your response as soon as possible.

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

00040775051

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
North Carolina Election) MUR 2886
Campaign Fund and)
Larry Shaw, as treasurer)

GENERAL COUNSEL'S REPORT

On May 22, 1989, the Commission found that there is reason to believe the North Carolina Election Campaign Fund and Larry Shaw, as treasurer, violated 2 U.S.C. § 433 and 434, for failure to register and report as a political committee and for misreporting a contribution. The Respondents were notified on May 26, 1989, of the Commission's offer to settle this matter through pre-probalbe cause conciliation.

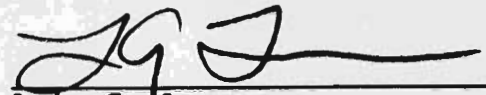
Staff from this Office have been in contact with John Wallace, who will be representing the Respondents. In a letter received by this Office on June 13, 1989, Mr. Wallace expressed his desire to settle this matter through pre-probable cause conciliation. However, because Larry Shaw is out of town and has not been able to review the Commission's findings or sign the designation of counsel form, Mr. Wallace requested a 15 day extension of the 30 day pre-probable cause conciliation period in order to prepare a response.

This Office has granted the request and extended the conciliation period. Once the counteroffer and response are received, this Office will report to the Commission with appropriate recommendations.

Lawrence M. Noble
General Counsel

6-20-89
Date

BY:


Lois G. Lerner
Associate General Counsel

Staff Person: Jeff Long

00040715060

DAVID F. KIRBY
JOHN R. WALLACE
PAUL P. CREECH
PETER J. SARDA
ROBERT E. ZAYTOUN
NARLEY L. CASHWELL
RICHARD P. NORDAN
WILLIAM M. PAGE, JR.
CHERYL M. SWART
*ALSO ADMITTED IN FLORIDA

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL

ATTORNEYS AT LAW
UCB PLAZA
3605 GLENWOOD AVENUE, SUITE 300
RALEIGH, NORTH CAROLINA 27612

MAILING:
P. O. BOX 12066
RALEIGH, N.C. 27605
(919) 782-9322

June 30, 1989

FAX:
(919) 782-8110

AIRBORNE EXPRESS

Jeffrey Long, Esq.
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2886, North Carolina Election
Campaign Fund and Larry Shaw,
as Treasurer

Dear Mr. Long:

Enclosed is a copy of our response to the Commission in MUR 2886. Along with the response is a proposed Conciliation Agreement. In addition, I enclose two other matters also previously discussed--the cancelled check payable to Rhyne for Congress and the amended report of the North Carolina Election Campaign Fund showing the contribution to Rhyne for Congress rather than Rhyne for Judge.

As we have discussed, I do not presently enclose a request for an advisory opinion but anticipate the submission of a request at a later time.

Thank you for your kind assistance with this matter. With best regards, I remain

Sincerely,

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL



John R. Wallace

JRW:ncp

Enclosure

00040775064

DAVID F. KIRBY
JOHN N. WALLACE*
PAUL F. CREECH
PETER J. SARDA
ROBERT E. ZAYTOUN*
NARLEY L. CASHWELL
RICHARD P. NORDAN
WILLIAM H. PAGE, JR.
CHERYL M. SWART
*ALSO ADMITTED IN FLORIDA

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL

ATTORNEYS AT LAW
UCB PLAZA
3608 GLENWOOD AVENUE, SUITE 390
RALEIGH, NORTH CAROLINA 27612

MAILING:
P. O. BOX 12065
RALEIGH, N.C. 27605
(919) 782-9322

June 30, 1989

FAX:
(919) 782-8

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
JUL -3 AM 11:08

The Hon. Danny L. McDonald, Chairman
Federal Elections Commission
Washington, D.C. 20463

Re: MUR 2886, North Carolina Election
Campaign Fund, and Larry Shaw, as
Treasurer

Dear Mr. McDonald:

I write in behalf of the North Carolina Election Campaign Fund and Larry Shaw as Treasurer, in response to MUR 2886. I also enclose for consideration by the Commission a proposed Conciliation Agreement.

By its response, the North Carolina Election Campaign Fund and Larry Shaw as Treasurer demonstrate that although the Election Campaign Fund during the 1988 general election cycle was not registered as a political committee with the Federal Election Commission, the funds received and expended were lawful funds in permissible amounts and that the receipt and expenditure of such funds by the North Carolina Victory Fund and federal candidates of the North Carolina Democratic Party were timely reported to the North Carolina State Board of Elections by the Respondents and to the Federal Election Commission by the recipients of those funds. The North Carolina Democratic Party relied on advisory opinion 1980-103 in which the Commission acknowledged its awareness that the Election Campaign Fund (now the North Carolina Political Parties Financing Fund) monies "pass through the State Party" to individual candidates. The North Carolina Democratic Victory Fund is a qualified multi-candidate committee registered pursuant to the provisions of Federal Election Campaign Act of 1971.

Additionally, in response to notification by the Commission's Reports Analysis Division, the North Carolina Democratic Party has registered and reported

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2004073066
The Hon. Danny L. McDonald
June 30, 1989
Page Two

the activity of the Election Campaign Fund account. It is therefore the contention of the Respondents that its reporting, as amended, brings the Campaign Fund into full compliance with the Federal Election Campaign Act. The respondent deems it unnecessary and inappropriate to levy a civil penalty to remedy the allegations this matter under review.

ALLEGATIONS

By MUR 2886, the Office of General Counsel alleges that the North Carolina Democratic Party maintained an account as authorized and prescribed by North Carolina law, which account constituted a committee required to be registered with the Federal Election Commission. The account, known as the Election Campaign Fund, made, in the 1988 general election cycle, transfers to the North Carolina Democratic Victory Fund in the amount of \$175,000.00 and contributions to federal candidates in the amount of \$41,811.00.

As set forth in the Factual and Legal Analysis of the Commission, there is no dispute that the tax check-off monies contained in the Election Campaign Fund constitute permissible sources of funds in making contributions to federal candidates or federal committees. Additionally, the Commission's Factual and Legal Analysis acknowledges that these funds derived from the taxes of individuals do not exceed \$1.00 per individual taxpayer, and therefore are in permissible amounts.

As is further set out in the Factual and Legal Analysis of the Commission, the North Carolina Democratic Executive Committee of 1980, through its Executive Director, requested an advisory opinion as to whether the \$5,000.00 limit for contributions to federal candidates from multi-candidate committees applied to the North Carolina Democratic Executive Committee. In Advisory Opinion 1980-103, the Commission said that the \$5,000.00 limit did apply to

20040713057

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Page Three

such payments. Indeed, the Commission concluded that the payments were contributions from the state party to the federal candidates of the party. Although the Factual and Legal Analysis of the Commission suggests that the Opinion did not address registration and reporting questions, the Respondents suggest that the contrary is true inasmuch as it is set forth in the advisory opinion the Commission's understanding that the funds were received from the state and "passed through the state party and the chairman disburses the funds to the individual candidates."

THE NORTH CAROLINA POLITICAL PARTIES FINANCING FUND

The original Article 22B providing for the Election Campaign Fund (Now the North Carolina Political Parties Financing Fund) was enacted by the North Carolina General Assembly in the session laws of 1975, effective for taxable years beginning on or after January 1, 1975. The present Article 22B was enacted in 1987 (Reg. Sess., 1988), effective with respect to taxable years beginning on or after January 1, 1988.

Article 22B of Chapter 163 of the North Carolina General Statutes establishes the North Carolina Political Parties Financing Fund, a fund maintained by the State Treasurer, funded by taxpayers on a voluntary basis by tax return check-off. From the Political Parties Financing Fund and upon application by the Chairmen of qualified political parties, funds may be paid over to the Chairman of the party in amounts prescribed by statute. The funds, upon receipt by a qualified party, may be expended as provided in N.C.G.S. §168-278.42(e). The funds may be allocated to a candidate, but may be disbursed only to the treasurer or committee appointed under Article 22A of Chapter 163 or designated under the Federal Election Campaign Act of 1971.

Each year the chairman of each party receiving funds from the North Carolina Political Parties

Hon. Danny L. McDonald
June 30, 1989
Page Four

Financing Fund must file with the State Board of The Elections an itemized statement reporting all receipts, expenditures, and disbursements from the date of the last report.

BACKGROUND

20040713038
In 1980, the Democratic Party of North Carolina maintained an account known as the Democratic Executive Committee Account, which engaged in both federal and non-federal activities. The account, known as the DEC Account, was a qualified multi-candidate committee under the Federal Election Campaign Act of 1971. At that time, the Democratic Party of North Carolina maintained no other federal committee. Specifically, the bank account into which funds were deposited upon receipt from the State Treasurer, pursuant to Article 22B of Chapter 163 of the North Carolina General Statutes, did not separately report its activities to the Federal Election Commission.

Instead, the Democratic Party of North Carolina reported the activities of the Election Campaign Fund account, along with all other activities, federal and non-federal, as part of the report of the DEC, a qualified multi-candidate committee under federal law.

On August 21, 1980, Congressman David Price, then Executive Director of the North Carolina Democratic Party, requested an advisory opinion with respect to the use and limitations on the use of tax check-off funds in making contributions to federal candidates. The Advisory Opinion, AO 1980-103, focused most directly on the question of limitations on disbursements from the Election Campaign Fund to federal candidates and established the proposition that the contribution limitation was in the amount of \$5,000.00. However, the advisory opinion established the Commission's awareness that the monies from the Election Campaign Fund maintained by the State "passed through the state party and the chairman disburses the

20040775037
The Hon. Danny L. McDonald
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Page Five

funds to individual candidates". The Commission further held "in light of the described role of the state party in the statutory scheme, the Commission concludes that the monies disbursed to the individual congressional candidates are contributions from the state party², and as such are subject to the \$5,000.00 contribution of Section 441(a)³." In footnote 2, it was recognized that the North Carolina State Democratic Executive Committee is a recognized multi-candidate committee. Footnote 3 established that coordinated expenditures could also be made from funds received from the Election Campaign Fund maintained by the State.

Thus, the Commission in 1980 in AO 1980-103 recognized that funds held by the State Treasurer pursuant to tax check-off by individuals were being transferred to the North Carolina Democratic Party and were to be distributed by the Party to candidates of the Party for federal office. The contributions were treated by the Commission as being made by the Democratic Executive Committee of the Party. The Commission recognized that the Party DEC Account was a qualified multi-candidate committee under federal law.

For the years 1980, 1981, 1982, 1983, 1984, 1985, 1986, and 1987, the Democratic Party of North Carolina maintained its DEC account as a mixed federal and non-federal account, and reported its activities to the Federal Election Commission as required by law. In the reports of the Committee, the receipt of funds from the State Treasurer was reported, as well as the distribution of those funds, whether to candidates, vendors, or other accounts of the state party. At no time was the bank account prescribed by North Carolina law and maintained by the Democratic Party of North Carolina and known as the Election Campaign Fund separately registered as a political committee under the Federal Election Campaign Act.

In 1984 the North Carolina Democratic Party established as an affiliated committee, in addition to

20040715070

The Hon. Danny L. McDonald
June 30, 1989
Page Six

the DEC Committee, a federal multi-candidate committee known as the North Carolina Democratic Victory Fund. The North Carolina Democratic Victory Fund also reported as required by the Federal Election Campaign Act to the Federal Election Commission its activities, including receipts and disbursements.

In 1988 the North Carolina Democratic Party determined, in order to avoid duplicative reporting, to terminate the DEC account, the mixed federal and non-federal account, and to create instead a new DEC account under state law, and through which the Party would conduct its non-federal activities. The Party also determined at that time to continue in existence its federal account, the North Carolina Democratic Victory Fund.

In the 1988 general election cycle, tax check off funds from the treasury of the State of North Carolina were made available by the State Treasurer to the North Carolina Democratic Party for the uses permitted in Article 22B of Chapter 163 of the North Carolina General Statutes. Funds were deposited to a bank account maintained by the Party and, as required by North Carolina law, separately maintained from other funds from other sources. From this account, funds which are the subject of this matter under review, were distributed to the federal candidates of the Democratic Party and funds were transferred to the North Carolina Victory Fund, from which such funds were expended. All the funds that are the subject of this matter under review, came from individual contributions in the amount of \$1.00 or less, and all such funds are lawful and permissible funds for use in federal elections. Upon receipt, the candidates of the North Carolina Democratic Party seeking federal office, all reported the receipt of such funds. Upon receipt of the transfer from the Election Campaign Fund account maintained by the Party, the North Carolina Democratic Victory Fund reported receipt of the sums transferred to it, their source, and the expenditure of these funds is reported by the North

200407/5071

The Hon. Danny L. McDonald
June 30, 1989
Page Seven

Carolina Democratic Victory Fund, itemized and detailed in its reports. Thus, all of the expenditures of these funds are detailed and itemized in the reports either of the candidates receiving the funds or in the alternative, in the reports of the North Carolina Democratic Victory Fund.

Therefore, only the receipt of the funds from the State Treasurer, admittedly permissible funds in the view of the Office of General Counsel, and the non-federal expenditures of these funds, have not been reported to the Commission in the reports of the North Carolina Democratic Party.

COMPLIANCE WITH THE REPORTS ANALYSIS SUGGESTION

Upon notice by the captioned Reports Analysis Division to the North Carolina Democratic Party of its concern about the reporting performed as a result of the 1988 general election cycle, the North Carolina Democratic Party was asked to take one of two courses of action. One course of action proposed by the Reports Analysis was to register the Election Campaign Fund which, as is set forth in the report of the Office of General Counsel, was accomplished on March 21, 1989. The other course of action proposed by Reports Analysis was to seek refunds from these candidates for federal office, as well as a refund from the North Carolina Democratic Victory Fund, and to place these refunds in an account known as the Election Campaign Fund maintained by the North Carolina Democratic Party. Extensive discussion and negotiation between the North Carolina Democratic Party, the Report Analysis Division, and counsel for the Democratic Party, ensued. Because North Carolina law prohibits a commingling of funds in the Election Campaign Fund account, counsel for the Party opposed soliciting refunds of contributions and the making of the refund by the North Carolina Democratic Victory Fund to the account maintained by the Election Campaign Fund inasmuch as the placement of these refunds in that account would constitute a commingling

200407/507
The Hon. Danny L. McDonald
June 30, 1989
Page Eight

of funds in violation of North Carolina law. Personnel in Reports Analysis apparently agreed and therefore the Commission, and specifically the Office of General Counsel, have in the report in the matter under review concluded that no such refunds are necessary.

As set out above, the North Carolina Election Campaign Fund on March 21, 1989, registered with the Federal Election Campaign Act and reported its activities for the year 1988.

It was the understanding of counsel herein, at the time of the agreement to register the Election Campaign Fund, that the registration of the Election Campaign Fund and subsequent reporting would resolve matters raised by reports analysis, subject to commission review. It is not the understanding of counsel that matter under review would be commenced and then a civil penalty would be sought.

Therefore counsel respectfully requests that the registration of the committee not constitute an admission of the need to register the Election Campaign Fund under federal law but instead the registration constituted the good faith response of the North Carolina Democratic Party to the expressed wishes of the Reports Analysis Division.

ARGUMENT

The contention of the Office of General Counsel in this matter under review is that the Election Campaign Fund is a political committee as defined under federal law which has failed to register and report its activities. The Election Campaign Fund, however, is a fund, that is a bank account, and not a committee. Its existence is established and prescribed by North Carolina law and the funds it holds are subject to the control of the Chairman of the Democratic Party; it is not a committee with a separate existence from that of the Democratic

270407/5070

The Hon. Danny L. McDonald
June 30, 1989
Page Nine

Executive Committee of the Party; it has no separate officers; it has no separate set of candidates, goals, or philosophies; it is merely a bank account into which funds, lawful in nature and permissible in size, are deposited to be distributed in the discretion of the Party and consistent with North Carolina law to candidates federal or non-federal and for expenses, operating or campaign related in nature.

In two other advisory opinions of this Commission, AO 1982-17, and AO 1983-15, this Commission has considered the use of unitemized individual contributions from the state, authorized by state statute, and the use of such funds in the federal election process. In each instance this Commission has expressly authorized the deposit of funds from the state treasury into the federal account of the Indiana and Virginia political parties, whose activities were addressed in the advisory opinions. The only distinction between that conduct which is permitted in those advisory opinions and that which the Democratic Party of North Carolina seeks here is that and because of North Carolina law, North Carolina law requires the transfer into a separate bank account and the maintenance in a separate bank account of election campaign funds prior to the decision to disburse such funds. Because North Carolina law prohibits the direct deposit of these funds into the federal account of the North Carolina Democratic Party, does not suggest that a bank account maintained by the Party pursuant to state law, arises to the level of a political committee, as defined by the Federal Election Campaign Act.

With respect to the reporting of transactions in the 1988 general election cycle, that which was reported by the North Carolina Democratic Victory Fund is parallel to that which would be reported pursuant to the advisory opinions hereinabove referenced by the Virginia Republican and Indiana Democratic Party. Admittedly, the North Carolina Election Campaign Fund made contributions directly to federal candidates,

20040775074

The Hon. Danny L. McDonald
June 30, 1989
Page Ten

whereas such contributions should have been made subsequent to transfer from the Election Campaign Fund to the Victory Fund so that they would have been included in the Victory Fund's report.

The error was an administrative and procedural oversight and not a concealment of information. All the information was timely reported by the Respondents to the State Board of Elections and by the recipients to the Federal Election Commission. A copy of the report filed by the Election Campaign Fund on December 30, 1988 with the State Board of Elections is enclosed.

The bank account maintained in the name North Carolina Election Campaign Fund by the Democratic Party is in essence a collection account or conduit for lawful permissible funds received from the State Treasurer and used to influence federal elections only to the extent permitted by law. The use of this account as a conduit account does not, in the view of counsel, dictate that registration and reporting are necessarily required. See IICFR 102.6(a).

The Election Campaign Fund Account, subject to vigorous reporting requirements under North Carolina law, is a permissible source of funds for use in federal elections. The fund is used primarily in non-federal elections and therefore the reporting of the activities of the fund to the Federal Election Commission appears to be unnecessary.

Upon the suggestion of the Federal Election Commission staff, the Respondent Election Campaign Fund has made arrangements with the Treasurer of North Carolina for the receipt of two checks instead of one check from the State's Political Parties Financing Fund. One of these checks will henceforth be deposited into an account of the Democratic Victory Fund, a committee registered with the Federal Election Commission which will at all times report completely and timely its activities with the Federal Election

The Hon. Danny L. McDonald
June 30, 1989
Page Eleven

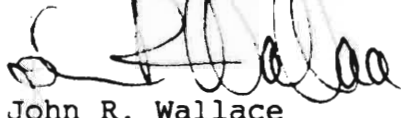
Commission. The other check will be deposited to a non-federal account which is registered with the State Board of Elections and which shall at all times file timely and complete reports with the State Board of Elections Campaign Reporting Office.

CONCLUSIONS

20040715075
The contributions in issue were contributions of permissible funds made in permissible amounts and properly reported by their recipients. The transfers in issue were made to a qualified multi-candidate committee and the expenditures therefrom were properly reported. These transactions were made in good faith and with intention to comply fully with both state and federal law. Furthermore, these transactions and the subsequent registration of the Election Campaign Fund with the Federal Election Commission were made in good faith reliance upon an Advisory Opinion issued in 1980 and on Federal Election Commission staff advice. Under these circumstances, Respondent respectfully contends that no civil penalty need be imposed in order to remedy the alleged failure to register and report.

Respectfully yours,

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL



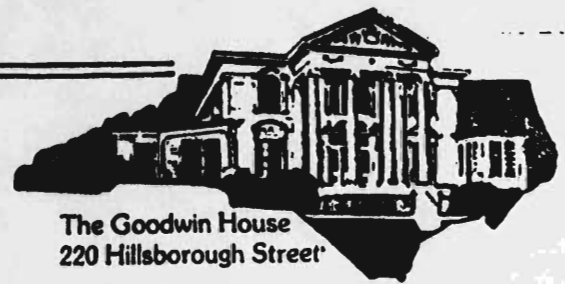
John R. Wallace

JRW/ncp

0530-0020-B
0530-0020-B
0530-0020-B

The Democratic Party of North Carolina

Post Office Box 12196
Raleigh, North Carolina 27605 • Telephone (919) 821-2777



The Goodwin House
220 Hillsborough Street

December 30, 1988

MEMORANDUM

TO: Yvonne L. Southerland
Campaign Reporting Office

FROM: R. Jonathan Charleston
Assistant Treasurer and Staff Counsel

RE: Annual Report of Receipts, Expenditures and Disbursements
from the North Carolina Campaign Election Fund and the
Presidential Election Year Campaign Fund

Please find enclosed herewith an itemized statement reporting all receipts, expenditures, and disbursements from the above-captioned funds during calendar year 1988.

This office has maintained a full and complete record of receipts and expenditures regarding the aforementioned funds and such records are available for public inspection.

All funds received were deposited with Mechanics and Farmers Bank.

RJC:cwj

Enclosure

00040775077

1991-1992

DEPOSITS TO N.C. CAMPAIGN ELECTION FUND, 1988

6/14	\$250,000.00	Treasurer's Office
6/16	57.26	Interest
7/15	250,000.00	Treasurer's Office
7/19	355.19	Interest
8/16	795.00	Interest
9/1	344,096.57	Treasurer's Office
9/19	1,293.09	Interest
10/18	769.39	Interest
11/2	13,700.48	Treasurer's Office
11/16	95.76	Interest
12/16	68.51	Interest
7/8	20.30	Refund/Overpmt. Cks.

20040775076

RECEIVED
861,231.25
20.30

9,185.59 YEMEN

CERTIFICATION

"I, R. Jonathan Charleston, Asst. Treasurer
(name) (treasurer or candidate)
for Election Campaign Fund do hereby certify,
(candidate or committee)
under oath, that all funds received from the North Carolina
Campaign Election Fund or the Presidential Election Year
Candidates Fund or both were expended only for the authorized
legitimate campaign expenses listed in G.S. 163-278.42 and
for no other purposes."

R. Jonathan Charleston
Candidate or Treasurer ASST.

Office and District

County of Wake
State of North Carolina

This day personally appeared before me R. Jonathan Charleston,
who after being sworn, affirms that this report is true and correct.

Charlotte W. Johnston
Notary Public

My commission expires: 3/17/90

2004071507

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/10/88

PAGE 1 OF 42

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
5/14/88	BRANCH BANKING AND TRUST HILLSBOROUGH ST. BRANCH RALEIGH, N.C. 27605	REPAYMENTS OF LOANS	99534.25	
5/14/88	BRANCH BANKING AND TRUST HILLSBOROUGH ST. BRANCH RALEIGH, N.C. 27605	REPAYMENTS OF LOANS	75787.50	
TOTAL THIS PAYEE			175321.75	175321.75
7/28/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING CONSULTING FE	2375.00	
8/15/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING CONSULTING FE	2375.00	
9/22/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING CONSULTING FE	2375.00	
9/22/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING COMMISSION	1381.00	
9/22/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING COMMISSION	2711.10	
9/23/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING COMMISSION	661.95	
1/29/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING EXPENSE	972.78	
2/22/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING CONSULTING FE	2375.00	

PAGE TOTAL -- 190548.58

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

PAGE 2 OF 42

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
2/22/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING EXPENSE	306.21	
2/22/88	CAPITAL CONSORTIUM, INC. P. O. BOX 26492 RALEIGH, N.C. 27611	FUNDRAISING COMMISSION	1626.98	
TOTAL THIS PAYEE			17160.02	17160.02
5/29/88	BELCH, TOBE & ASSOC., INC 5509C ARLINGTON BLVD. FALLS CHURCH, VA. 22044	COMPUTER CONSULTING FEES	6593.02	
5/24/88	BELCH, TOBE & ASSOC., INC 6509C ARLINGTON BLVD. FALLS CHURCH, VA. 22044	COMPUTER CONSULTING FEES	13418.15	
6/13/88	BELCH, TOBE & ASSOC., INC 6509C ARLINGTON BLVD. FALLS CHURCH, VA. 22044	COMPUTER CONSULTING FEES	10992.67	
TOTAL THIS PAYEE			36003.84	36003.84
9/01/88	HELEN COBURN 705 CALLOWAY DRIVE RALEIGH, N.C. 27610	TRAVEL PARTY STAFF	164.20	
9/30/88	HELEN COBURN 705 CALLOWAY DRIVE RALEIGH, N.C. 27610	SALARY-STAFF ASSISTANT	283.50	
10/05/88	HELEN COBURN 705 CALLOWAY DRIVE RALEIGH, N.C. 27610	SALARY-STAFF ASSISTANT	201.18	
TOTAL THIS PAYEE			648.88	648.98
7/26/88	CONG. BLACK CAUCUS FOUND. 1004 PENNSYLVANIA AVE. SE WASHINGTON, D.C. 20003	OTHER EXPENSES	50.00	
PAGE TOTAL --			38635.91	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			50.00	50.00
7/28/88	CAROLINA EMBOSsing 608 GASTON STREET RALEIGH, NC 27605	FUNDRAISER--POSTAGE	383.70	
8/13/88	CAROLINA EMBOSsing 608 GASTON STREET RALEIGH, NC 27605	FUNDRAISER--POSTAGE	75.00	
TOTAL THIS PAYEE			458.70	458.70
9/22/88	SUSAN B. CROSSON RT 6, BOX 263-G FAIRVIEW, NC 28730	VANCE-AYCOCK FOOD	600.00	
TOTAL THIS PAYEE			600.00	600.00
9/30/88	R. JONATHAN CHARLESTON 1342 ESSEX PLACE FAYETTEVILLE, NC 28301	SALARY ASST. TREAS./STAFF	886.46	
TOTAL THIS PAYEE			886.46	886.46
9/17/88	MEL DAVIS AND ASSOC. P. O. BOX 27523 RALEIGH, N.C. 27611	PRINTING	8924.82	
9/25/88	MEL DAVIS AND ASSOC. P. O. BOX 27523 RALEIGH, N.C. 27611	PRINTING	4355.79	
TOTAL THIS PAYEE			13280.61	13280.61
9/30/88	KEN EUDY 708 WEST MARGETT ST RALEIGH, NC 27603	SALARY EXECUTIVE DIRECTOR	1264.91	
PAGE TOTAL --			16490.68	

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TOTAL THIS PAYEE			1264.91	1264.91
7/09/88	FIRST CITIZENS BANK P. O. BOX 27607 RALEIGH, N.C. 27611	MASTER CHARGE FEES	3414.03	
9/23/88	FIRST CITIZENS BANK P. O. BOX 27607 RALEIGH, N.C. 27611	MASTER CHARGE FEES	1690.59	
9/23/88	FIRST CITIZENS BANK P. O. BOX 27607 RALEIGH, N.C. 27611	MASTER CHARGE FEES	324.02	
TOTAL THIS PAYEE			5428.64	5428.64
7/07/88	FIRST CITIZENS BANK FEDERAL UNEMPLOYMENT CAMERON VILLAGE BRANCH RALEIGH, N.C. 27605	FICA	6050.38	
9/09/88	FIRST CITIZENS BANK FEDERAL UNEMPLOYMENT CAMERON VILLAGE BRANCH RALEIGH, N.C. 27605	FICA	3156.23	
9/09/88	FIRST CITIZENS BANK FEDERAL UNEMPLOYMENT CAMERON VILLAGE BRANCH RALEIGH, N.C. 27605	FEDERAL PAYROLL TAX	2766.60	
TOTAL THIS PAYEE			11973.76	11973.76
9/01/88	GROVE PARK INN ASHEVILLE, N.C. 28302	VANCE-AYCOCK ACCOMODATION	1175.00	
9/04/88	GROVE PARK INN ASHEVILLE, N.C. 28302	VANCE-AYCOCK ACCOMODATION	10500.00	
TOTAL THIS PAYEE			11675.00	11675.00
PAGE TOTAL --			29077.40	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
6/11/88	GILLIES 126 E. CABARRUS ST. RALEIGH, N.C. 27601	FUNDRAISER-FOOD	200.00	
TOTAL THIS PAYEE			200.00	200.00
7/30/88	TOMMY GATTIS 2161 QUAIL RIDGE RD. RALEIGH, NC	JANITORIAL EXPENSE	238.24	
TOTAL THIS PAYEE			238.24	238.24
5/30/88	CAROLYN HONEYCUTT 5737 SENTINEL DRIVE RALEIGH, N.C. 27609	SALARY ADMIN. ASST.	808.93	
1/01/88	CAROLYN HONEYCUTT 5737 SENTINEL DRIVE RALEIGH, N.C. 27609	TRAVEL PARTY STAFF	111.93	
TOTAL THIS PAYEE			920.96	920.96
5/30/88	CHRISTOPHER HAINS P. O. BOX 712 PITTSBORO, N.C. 27312	SALARY-COMPUTER DIRECTOR	688.72	
TOTAL THIS PAYEE			688.72	688.72
5/30/88	CATHY HUDSON ROUTE 3, WAXHAW, NC 28173	TEEN DEVS. EXPENSES	10.00	
TOTAL THIS PAYEE			10.00	10.00
5/27/88	I.B.M. 100 COLONY SQUARE ATLANTA, GA. 30361	COMPUTER SOFTWARE-LEASE R	717.00	
PAGE TOTAL --			2774.92	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			717.00	717.00
6/17/88	INTERNAL REVENUE SERVICE MEMPHIS, TN	FICA	3281.56	
6/17/88	INTERNAL REVENUE SERVICE MEMPHIS, TN	FEDERAL PAYROLL TAX	3103.74	
6/17/88	INTERNAL REVENUE SERVICE MEMPHIS, TN	FEDERAL UNEMPLOYMENT TAX	189.84	
TOTAL THIS PAYEE			5575.14	6575.14
6/30/88	CHARLOTTE JOHNSTON 4000 CASTLE COURT RALEIGH, NC 27612	SALARY-WORD PROCESSOR	592.23	
TOTAL THIS PAYEE			592.23	592.23
6/19/88	JONES FOR CONGRESS COMM. 108 E. WILSON ST., FARMVILLE, NC 27923	CONTR. TO FED. CAND. AND	5000.00	
TOTAL THIS PAYEE			5000.00	5000.00
9/30/88	MARGARET LAWTON 405 EAST JONES ST. RALEIGH, NC	SALARY-RESEARCH DIRECTOR	766.13	
TOTAL THIS PAYEE			766.13	766.13
7/17/88	N.C. EMPLOYMENT SEC. COMM P. O. BOX 25903 RALEIGH, N.C. 27611	STATE UNEMPLOYMENT TAX	21.43	
TOTAL THIS PAYEE			21.43	21.43
PAGE TOTAL --			12954.93	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
7/15/88	N. C. DEPT. OF REVENUE P. O. BOX 25000 RALEIGH, N.C. 27640	STATE PAYROLL TAX	1075.56	
8/31/88	N. C. DEPT. OF REVENUE P. O. BOX 25000 RALEIGH, N.C. 27640	STATE PAYROLL TAX	1271.78	
9/17/88	N. C. DEPT. OF REVENUE P. O. BOX 25000 RALEIGH, N.C. 27640	STATE PAYROLL TAX	1175.40	
11/15/88	N. C. DEPT. OF REVENUE P. O. BOX 25000 RALEIGH, N.C. 27640	STATE PAYROLL TAX	1161.40	
		TOTAL THIS PAYEE	4684.14	4684.14
6/15/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	TRANSFERS TO AFFILIATED C	10591.20	
6/30/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	TRANSFERS TO AFFILIATED C	15344.23	
7/15/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	TRANSFERS TO AFFILIATED C	53712.35	
7/21/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	TRANSFERS TO AFFILIATED C	2267.02	
7/29/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	TRANSFERS TO AFFILIATED C	7942.22	
8/12/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	IN-KIND CONTRIBUTION as per Harlan Boyles	200.00	
		PAGE TOTAL --	94741.16	

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6/12/88	NORTH CAROLINA DEC P. O. BOX 12196 RALEIGH, N.C. 27605	IN-KIND CONTRIBUTION <i>AS per Harlan Boyle</i>	225.00	
TOTAL THIS PAYEE			90282.02	90282.02
8/25/88	NAACP-GREENSBORO CHPT. PO BOX 1995 GREENSBORO, NC 27420	OTHER EXPENSES	60.00	
TOTAL THIS PAYEE			60.00	60.00
8/31/88	NC DEM. VICTORY FUND P.O. BOX 12196 RALEIGH, NC 27605	TRANSFERS TO AFFILIATED C	120000.00	
8/31/88	NC DEM. VICTORY FUND P.O. BOX 12196 RALEIGH, NC 27605	TRANSFERS TO AFFILIATED C	55000.00	
TOTAL THIS PAYEE			175000.00	175000.00
8/17/88	ORANGE CTY D.E.C. 1406 BRIGHAM RD. CHAPEL HILL, NC 27514	TRANSFERS TO AFFILIATED C	600.00	
TOTAL THIS PAYEE			600.00	600.00
9/30/88	POLY DATA, INC. P. O. BOX 12764 RES. TRIANGLE PK., N.C. 27709	COMPUTER CONSULTING FEES	294.30	
TOTAL THIS PAYEE			294.30	294.30
8/20/88	POLITICAL AMERICANA SUITE 301 A ONE OAK PLAZA ASHEVILLE, NC. 28801	IN-KIND CONTRIBUTION <i>per Lacy Thornburg</i>	2877.11	
PAGE TOTAL --			179056.41	

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9/27/88	POLITICAL AMERICANA SUITE 301 A ONE OAK PLAZA ASHEVILLE, NC. 28801	IN-KIND CONTRIBUTION as per Jack Lewis Comm.	562.50	
10/20/88	POLITICAL AMERICANA SUITE 301 A ONE OAK PLAZA ASHEVILLE, NC. 28801	IN-KIND CONTRIBUTION as per Jack Lewis Comm.	776.26	
TOTAL THIS PAYEE			4215.87	4215.87
10/04/88	RALEIGH OFFICE SUPPLY P. O. BOX 2060 RALEIGH, N.C. 27602	OFFICE SUPPLIES	1352.19	
TOTAL THIS PAYEE			1352.19	1352.19
7/29/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	TRAVEL PARTY STAFF	144.76	
8/12/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	TRAVEL PARTY STAFF	350.00	
9/12/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	SALARY-VOTER FILE COORDIN	721.09	
9/00/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	SALARY-VOTER FILE COORDIN	721.09	
9/15/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	SALARY-VOTER FILE COORDIN	721.09	
9/30/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	SALARY-VOTER FILE COORDIN	721.09	
PAGE TOTAL --			6070.07	

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6/14/88	GREG RIDEOUT 111 N. WOODLAWN ST. GREENVILLE, NC 27834	SALARY-VOTER FILE COORDIN	721.09	
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TOTAL THIS PAYEE			4100.21	4100.21
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6/15/88	CHARLIE ROSE FOR CONGRESS CONTR. TO FED. CAND. AND 208 POST OFFICE BUILDING WILMINGTON, NC 28401		5000.00	
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TOTAL THIS PAYEE			5000.00	5000.00
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6/15/88	SHORR & ASSOCIATES 2012 WALNUT STREET PHILADELPHIA, PA 19103	IN-KIND CONTRIBUTION <i>as per Tom Gilmore</i>	4000.00	
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TOTAL THIS PAYEE			4000.00	4000.00
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6/23/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	834.04	
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6/23/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	FUNDRAISER--POSTAGE	300.00	
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6/23/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	FUNDRAISER--POSTAGE	829.51	
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6/27/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	35.00	
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6/28/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	SPECTRUM MAILING FEES	2961.00	
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6/05/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	1000.00	
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PAGE TOTAL --			15680.64	
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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
C/05/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	13250.00	
C/19/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	1000.00	
C/20/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	528.00	
C/20/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	680.00	
2/29/88	U. S. POSTMASTER NEW BERN AVE. STA. RALEIGH, N.C. 27601	POSTAGE	500.00	
TOTAL THIS PAYEE			21917.55	21917.55
C/17/88	UNITED PARCEL SERVICE WINTON ROAD RALEIGH, N.C. 27604	POSTAGE	556.00	
TOTAL THIS PAYEE			556.00	556.00
9/23/88	UNION CTY D.E.C. PO BOX 1321 MONROE, NC 28110	TRANSFERS TO AFFILIATED C	50.00	
TOTAL THIS PAYEE			50.00	50.00
9/01/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	OTHER EXPENSES	189.77	
9/01/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	TRAVEL-OTHERS	50.66	
PAGE TOTAL --			16804.43	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
9/01/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	TELEPHONE	374.54	
9/04/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	OTHER EXPENSES	208.73	
9/11/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	TRAVEL PARTY STAFF	72.50	
9/11/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	TELEPHONE	3.70	
9/11/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	OTHER EXPENSES	4.75	
9/20/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	STAFF LODGING	226.09	
9/20/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	TRAVEL PARTY STAFF	484.45	
9/20/88	JAMES VAN HECKE, JR. PO DRAWER 5583 GREENSBORO, NC 27435	OTHER EXPENSES	124.31	
		TOTAL THIS PAYEE	1739.50	1739.50
9/30/88	EVERETT WARD 4008 TWICKENHAM COURT RALEIGH, N.C. 27612	SALARY-DIRECTOR OF POL GP	870.57	
9/30/88	EVERETT WARD 4008 TWICKENHAM COURT RALEIGH, N.C. 27612	TRAVEL PARTY STAFF	93.28	
		PAGE TOTAL --	2462.92	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			963.85	963.85
9/15/88	HON. JAMES A. GRAHAM 1810 SUTTON DRIVE RALEIGH, NC 27605	CONTR. TO FED. CAND. AND	5000.00	
TOTAL THIS PAYEE			5000.00	5000.00
7/28/88	UNIVERSAL PRINTING 452 OBERLIN ROAD RALEIGH, NC 27605	PRINTING	34.00	
TOTAL THIS PAYEE			34.00	34.00
8/23/88	PRUDENTIAL INSURANCE CO. EMPLOYEE HEALTH INSURANCE POST OFFICE BOX 2980 JACKSONVILLE, NC 32231		651.69	
TOTAL THIS PAYEE			651.69	651.69
8/15/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	CONSULTANT FEE	600.00	
8/30/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	CONSULTANT FEE	600.00	
9/15/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	CONSULTANT FEE	600.00	
9/29/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	TRAVEL PARTY STAFF	464.73	
9/30/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	COMPUTER SOFTWARE-LEASE R	159.30	
PAGE TOTAL --			8109.72	

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9/30/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	CONSULTANT FEE	600.00	
9/14/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	CONSULTANT FEE	600.00	
9/14/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	CONSULTANT FEE	23.38	
9/31/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	TRAVEL PARTY STAFF	198.44	
9/31/88	SONNY KIRKLEY 902 JEFFERSON STREET HAMLET, NC 28345	TRAVEL PARTY STAFF	200.00	
		TOTAL THIS PAYEE	4045.85	4045.85
9/29/88	BETH BARRINGER 5544-C KAPLAN DRIVE RALEIGH, NC 27606	TRAVEL PARTY STAFF	192.94	
9/29/88	BETH BARRINGER 5544-C KAPLAN DRIVE RALEIGH, NC 27606	TRAVEL PARTY STAFF	135.96	
9/30/88	BETH BARRINGER 5544-C KAPLAN DRIVE RALEIGH, NC 27606	CONGRESSIONAL CAMP. CO-OR	737.47	
1/01/88	BETH BARRINGER 5544-C KAPLAN DRIVE RALEIGH, NC 27606	PRINTING	1.25	
		TOTAL THIS PAYEE	1067.62	1067.62
9/29/88	RESEARCH TRIANGLE OFFICE SYSTEMS P.O. BOX 31074 RALEIGH, NC 27622	COMPUTER SOFTWARE-LEASE R	182.41	

PAGE TOTAL -- 2871.85

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			182.41	182.41
6/15/88	MECHANICS & FARMERS BANK P.O. BOX 1466 RALEIGH, NC 27602	BANKING EXPENSES	65.00	
9/08/88	MECHANICS & FARMERS BANK P.O. BOX 1466 RALEIGH, NC 27602	CERTIFICATE OF DEPOSIT PU	25000.00	
TOTAL THIS PAYEE			25065.00	25065.00
9/27/88	BUSINESS TELECOM, INC. P.O. BOX 791 RALEIGH, NC 27602	TELEPHONE	930.13	
TOTAL THIS PAYEE			930.18	930.18
7/29/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	CONSULTANT FEE	2920.00	
8/12/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	TELEPHONE	196.22	
8/30/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	CONSULTANT FEE	2920.00	
8/14/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	OTHER EXPENSES	12.67	
8/14/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	TELEPHONE	122.25	
9/30/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	CONSULTANT FEE	2920.00	
PAGE TOTAL --			35086.32	

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6/14/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	CONSULTANT FEE	1460.00	
6/14/88	HOWARD JONES 3977 HAITHCOCK ROAD RALEIGH, NC 27604	TELEPHONE	136.20	
TOTAL THIS PAYEE			10687.34	10687.34
7/29/88	SONNY KIRKLEY DESKTOP PUBLISHING 220 HILLSBOROUGH STREET RALEIGH, NC 27603	COMPUTER SOFTWARE-LEASE R	210.00	
TOTAL THIS PAYEE			210.00	210.00
9/27/88	JAV PRODUCTIONS 920 AIRPORT ROAD CHAPEL HILL, NC 27514	AUDIO VIDEO EXPENSES	120.00	
TOTAL THIS PAYEE			120.00	120.00
7/07/88	AMERICAN TRAVEL P.O. BOX 25399 RALEIGH, NC 27611	TRAVEL PARTY STAFF	1195.00	
7/09/88	AMERICAN TRAVEL P.O. BOX 25399 RALEIGH, NC 27611	TRAVEL PARTY STAFF	492.50	
TOTAL THIS PAYEE			1687.50	1687.50
8/27/88	AT&T 3201 JERMANTOWN ROAD #24 FAIRFAX, VA 22030	TELEPHONE	85.00	
TOTAL THIS PAYEE			85.00	85.00
PAGE TOTAL --			3698.70	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
7/01/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	2259.09	
7/01/88	SOUTHERN BELL 2301 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	1653.78	
8/01/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	278.68	
8/01/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	92.76	
8/01/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	4221.83	
9/27/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	76.22	
9/27/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	84.16	
9/27/88	SOUTHERN BELL 2801 CRISTMAN STREET CHARLOTTE, NC	TELEPHONE	3940.81	
		TOTAL THIS PAYEE	12607.33	12607.33
12/14/88	ARMSTRONG & ASSOC. 1418 MORDECAI DRIVE RALEIGH, NC	ADVERTISING	3675.00	
12/14/88	ARMSTRONG & ASSOC. 1418 MORDECAI DRIVE RALEIGH, NC	ADVERTISING	3583.32	
		PAGE TOTAL --	19865.65	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
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TOTAL THIS PAYEE			7258.32	7258.32
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7/29/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	CONSULTANT FEE	600.00	
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7/29/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	TRAVEL PARTY STAFF	227.70	
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7/15/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	CONSULTANT FEE	600.00	
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8/30/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	CONSULTANT FEE	600.00	
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9/15/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	CONSULTANT FEE	600.00	
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9/30/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	CONSULTANT FEE	600.00	
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10/14/88	JOHN SNOW 7749 N. POINT BLVD. WINSTON-SALEM, NC	CONSULTANT FEE	600.00	
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TOTAL THIS PAYEE			3827.70	3827.70
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9/15/88	LINDA SHROPSHIRE GRISSOM C/O 220 HILLSBOROUGH ST. RALEIGH, NC	CONSULTANT FEE	404.25	
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9/30/88	LINDA SHROPSHIRE GRISSOM C/O 220 HILLSBOROUGH ST. RALEIGH, NC	CONSULTANT FEE	378.00	
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10/14/88	LINDA SHROPSHIRE GRISSOM C/O 220 HILLSBOROUGH ST. RALEIGH, NC	CONSULTANT FEE	392.00	
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PAGE TOTAL --			5001.95	
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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
6/14/88	LINDA SHROPSHIRE GRISSOM C/O 220 HILLSBOROUGH ST. RALEIGH, NC	TRAVEL PARTY STAFF	128.26	
TOTAL THIS PAYEE			1302.51	1302.51

6/04/88	GRAY & CREECH P.O. BOX 30909 RALEIGH, NC	EQUIPMENT RENTAL	2304.75	
TOTAL THIS PAYEE			2304.75	2304.75

7/06/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	STAFF LODGING	568.00	
7/22/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	600.00	
8/15/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	600.00	
8/15/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL PARTY STAFF	123.14	
8/15/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	SALARY-PART TIME HELP	8.58	
8/30/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	600.00	
8/02/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	400.00	
9/02/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	OTHER EXPENSES	342.19	
PAGE TOTAL --			5674.92	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
6/14/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL PARTY STAFF	245.52	
9/14/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	700.00	
9/30/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	700.00	
9/30/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL PARTY STAFF	51.95	
9/30/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	SALARY-PART TIME HELP	22.00	
9/30/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	STAFF LODGING	389.34	
10/13/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	CONSULTANT FEE	700.00	
10/13/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL PARTY STAFF	214.06	
10/13/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	STAFF LODGING	127.28	
11/13/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL-OTHERS	18.64	
12/13/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL PARTY STAFF	158.96	

PAGE TOTAL --

3328.25

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6/13/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	STAFF LODGING	94.77	
1/01/88	WILLIAM THORPE 709 TINKERLAND ROAD CHAPEL HILL, NC	TRAVEL PARTY STAFF	288.05	
TOTAL THIS PAYEE			6952.98	6952.98
7/06/88	ATLANTA '88 1 CNN CENTER SUITE 850, S. TOWER ATLANTA, GA 30303	SALARY-PART TIME HELP	80.00	
TOTAL THIS PAYEE			80.00	30.00
7/13/88	LOWE'S NC 54 HWY CARY NC	OFFICE FURNISHINGS	179.80	
TOTAL THIS PAYEE			179.80	179.80
7/29/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	CONSULTANT FEE	700.00	
8/12/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	TRAVEL PARTY STAFF	139.04	
8/12/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	TRAVEL-OTHERS	14.18	
8/12/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	CONSULTANT FEE	700.00	
8/30/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	CONSULTANT FEE	700.00	
PAGE TOTAL --			2895.84	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
8/30/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	TRAVEL PARTY STAFF	12.32	
8/15/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	CONSULTANT FEE	700.00	
9/30/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	CONSULTANT FEE	700.00	
5/30/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	TRAVEL PARTY STAFF	66.56	
5/30/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	TRAVEL PARTY STAFF	37.40	
5/30/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	TRAVEL PARTY STAFF	54.12	
6/14/88	LUIS NAVARRO 1215 HILLSBOROUGH ST #L RALEIGH, NC 27603	CONSULTANT FEE	700.00	
TOTAL THIS PAYEE			4523.72	4523.72

7/29/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	CONSULTANT FEE	1000.00	
7/15/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	CONSULTANT FEE	1000.00	
8/15/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	OTHER EXPENSES	35.22	
PAGE TOTAL --			4305.72	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
6/30/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	CONSULTANT FEE	1000.00	
7/14/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	OTHER EXPENSES	20.95	
8/15/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	CONSULTANT FEE	1000.00	
9/15/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	TRAVEL PARTY STAFF	100.54	
9/30/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	CONSULTANT FEE	1000.00	
10/14/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	CONSULTANT FEE	1000.00	
10/14/88	KAYE GATTIS 216 QUAIL RIDGE ROAD RALEIGH, NC 27615	TRAVEL PARTY STAFF	66.68	
TOTAL THIS PAYEE			6223.39	6223.39
7/29/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	CONSULTANT FEE	1000.00	
8/15/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	CONSULTANT FEE	1000.00	
8/29/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	CONSULTANT FEE	1000.00	
PAGE TOTAL --			7188.17	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
9/15/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	CONSULTANT FEE	1000.00	
9/30/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	CONSULTANT FEE	1000.00	
10/14/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	CONSULTANT FEE	1000.00	
10/14/88	JAMILLA HARRIS C/O P.O. BOX 12196 RALEIGH NC 27605	OTHER EXPENSES	5.70	
		TOTAL THIS PAYEE	6005.70	6005.70
7/29/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	CONSULTANT FEE	1000.00	
8/15/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	CONSULTANT FEE	1000.00	
8/30/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	CONSULTANT FEE	1000.00	
9/14/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	TRAVEL PARTY STAFF	34.10	
9/15/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	CONSULTANT FEE	1000.00	
		PAGE TOTAL --	7039.80	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
9/30/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	CONSULTANT FEE	1000.00	
9/30/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	TRAVEL PARTY STAFF	71.50	
9/14/88	CHARLES POOLE 1213 POPLAR AVENUE GARNER, NC 27529	CONSULTANT FEE	1000.00	
		TOTAL THIS PAYEE	6105.60	6105.60
7/29/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	CONSULTANT FEE	1562.50	
8/15/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	CONSULTANT FEE	1562.50	
8/15/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	253.68	
8/15/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	STAFF LODGING	373.07	
8/15/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	TRAVEL-OTHERS	356.97	
7/30/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	CONSULTANT FEE	1562.50	
9/09/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	TRAVEL-OTHERS	50.00	

PAGE TOTAL -- 7792.72

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
9/13/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	CONSULTANT FEE	1562.50	
9/14/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	OTHER EXPENSES	154.12	
9/30/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	CONSULTANT FEE	1562.50	
9/30/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	283.25	
9/30/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	SALARY-PART TIME HELP	14.00	
9/30/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	STAFF LODGING	439.15	
10/13/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	CONSULTANT FEE	1562.50	
10/13/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	OTHER EXPENSES	789.37	
10/13/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	OTHER EXPENSES	790.65	
10/13/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	STAFF LODGING	87.90	
10/13/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	127.60	

PAGE TOTAL --

7373.54

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DATE	NAME/ADDRESS OF PAYEE	PURPCSE	AMCUNT	TOTAL TO DATE
1/01/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	657.11	
1/01/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	STAFF LODGING	262.78	
1/01/88	WAYNE LOFTON C/O P.O. 12196 RALEIGH, NC 27605	OTHER EXPENSES	38.00	
TOTAL THIS PAYEE			14052.65	14052.65
3/17/88	CHARLESTON'S SEAFOOD 2047 NEW BERN AVENUE RALEIGH, NC 27610	OTHER EXPENSES	120.00	
3/11/88	CHARLESTON'S SEAFOOD 2040 NEW BERN AVENUE RALEIGH, NC 27610	FUNDRAISER-FOOD	65.00	
TOTAL THIS PAYEE			185.00	185.00
3/17/88	BUDGET RENT A CAR AIRPORT ROAD MORRISVILLE, NC	EQUIPMENT RENTAL	1060.39	
TOTAL THIS PAYEE			1060.39	1060.39
5/01/88	MCKINNEY FURNITURE 4103 NORTH BLVD. RALEIGH, NC	EQUIPMENT RENTAL	109.20	
7/30/88	MCKINNEY FURNITURE 4103 NORTH BLVD. RALEIGH, NC	EQUIPMENT RENTAL	644.09	
8/10/88	MCKINNEY FURNITURE 4103 NORTH BLVD. RALEIGH, NC	OFFICE FURNISHINGS	102.90	
PAGE TOTAL --			3059.47	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
			TOTAL THIS PAYEE	856.19 856.19
9/08/88	DEMOCRATS TOGETHER COMM 721 TUCKER STREET RALEIGH, NC 27603	IN-KIND CONTRIBUTION <i>as per Thornburg Comm.</i>	2000.00	
9/08/88	DEMOCRATS TOGETHER COMM 721 TUCKER STREET RALEIGH, NC 27603	IN-KIND CONTRIBUTION <i>as per Harlon Bayles Comm.</i>	2000.00	
9/19/88	DEMOCRATS TOGETHER COMM 721 TUCKER STREET RALEIGH, NC 27603	IN-KIND CONTRIBUTION <i>as per Edmisten Comm.</i>	2000.00	
9/28/88	DEMOCRATS TOGETHER COMM 721 TUCKER STREET RALEIGH, NC 27603	IN-KIND CONTRIBUTION <i>as per John Brooks Comm.</i>	2000.00	
1/02/89	DEMOCRATS TOGETHER COMM 721 TUCKER STREET RALEIGH, NC 27603	IN-KIND CONTRIBUTION <i>as per John Brooks Comm.</i>	444.00	
			TOTAL THIS PAYEE	8444.00 8444.00
9/09/88	HILTON INN WILMINGTON, NC	STAFF LODGING	218.40	
			TOTAL THIS PAYEE	218.40 218.40
9/20/88	PAT RICHARDSON C/O P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	656.00	
9/12/88	PAT RICHARDSON C/O P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	616.00	
9/30/88	PAT RICHARDSON C/O P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	168.00	
			PAGE TOTAL --	10102.40

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C/14/88	PAT RICHARDSON C/O P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	560.00	
TOTAL THIS PAYEE			2000.00	2000.00

9/14/88	ARMSTRONG & ASSOCIATES 1418 MORDECAI DRIVE RALEIGH, NC 27604	AUDIO VIDEO EXPENSES	3675.00	
9/14/88	ARMSTRONG & ASSOCIATES 1418 MORDECAI DRIVE RALEIGH, NC 27604	AUDIO VIDEO EXPENSES	3583.32	
TOTAL THIS PAYEE			7258.32	7258.32

E/30/88	CLAIRE JOHNSON 202 ASHE AVE #2 RALEIGH, NC27605	CONSULTANT FEE	288.00	
9/15/88	CLAIRE JOHNSON 202 ASHE AVE #2 RALEIGH, NC27605	CONSULTANT FEE	324.00	
9/30/88	CLAIRE JOHNSON 202 ASHE AVE #2 RALEIGH, NC27605	CONSULTANT FEE	450.00	
C/14/88	CLAIRE JOHNSON 202 ASHE AVE #2 RALEIGH, NC27605	CONSULTANT FEE	384.00	
TOTAL THIS PAYEE			1446.00	1446.00

/15/89	KELLY CHAMBERS MORGAN STREET APT. J28 RALEIGH, NC 27603	CONSULTANT FEE	700.00	
9/29/88	KELLY CHAMBERS MORGAN STREET APT. J28 RALEIGH, NC 27603	PRINTING	28.54	
PAGE TOTAL --			9992.86	

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9/30/88	KELLY CHAMBERS MORGAN STREET APT. J2B RALEIGH, NC 27603	TRAVEL PARTY STAFF	45.76	
9/30/88	KELLY CHAMBERS MORGAN STREET APT. J2B RALEIGH, NC 27603	CONSULTANT FEE	700.00	
10/14/88	KELLY CHAMBERS MORGAN STREET APT. J2B RALEIGH, NC 27603	CONSULTANT FEE	700.00	
10/14/88	KELLY CHAMBERS MORGAN STREET APT. J2B RALEIGH, NC 27603	STAFF LODGING	225.96	
10/14/88	KELLY CHAMBERS MORGAN STREET APT. J2B RALEIGH, NC 27603	TRAVEL PARTY STAFF	106.04	
11/01/88	KELLY CHAMBERS MORGAN STREET APT. J2B RALEIGH, NC 27603	PRINTING	13.03	
		TOTAL THIS PAYEE	2519.33	2519.33
9/15/88	JACK RHYNE FOR CONGRESS 503 PARK AVE BELMONT, NC 28012	CONTR. TO FED. CAND. AND	5000.00	
		TOTAL THIS PAYEE	5000.00	5000.00
11/15/88	SHOLANDER FOR CONGRESS 211 MAIN STREET PINEVILLE, NC 28134	CONTR. TO FED. CAND. AND	5000.00	
		TOTAL THIS PAYEE	5000.00	5000.00
9/15/88	COMM. TO ELECT TONY RAND P.O. BOX 11800 RALEIGH, NC 27605	CONTR. TO FED. CAND. AND	5000.00	
		PAGE TOTAL --	16790.79	

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			5000.00	5000.00
6/21/88	RALPH CAMPBELL SCHOLARSHI FUND RALEIGH, NC	OTHER EXPENSES	100.00	
TOTAL THIS PAYEE			100.00	100.00
6/21/88	TARHEEL CONCEPTS, INC. 211 SIX FORKS ROAD SUITE 118 RALEIGH, NC 27609	IN-KIND CONTRIBUTION <i>as per Etheridge Comm.</i>	5000.00	
TOTAL THIS PAYEE			5000.00	5000.00
6/22/88	MIKE WEISEL 1029 30TH STREET, NW WASHINGTON, DC 20007	VANCE-AYCOCK ACCOMMODATION	745.20	
TOTAL THIS PAYEE			745.20	745.20
6/22/88	BILL HODGES P.O. BOX 1056 WASHINGTON, NC 27889	TELEPHONE	300.00	
TOTAL THIS PAYEE			300.00	300.00
6/23/88	COPYMATIC 1509 OLD LOUISBURG ROAD RALEIGH, NC 27604	PRINTING	510.30	
6/29/88	COPYMATIC 1509 OLD LOUISBURG ROAD RALEIGH, NC 27604	PRINTING	42.53	
TOTAL THIS PAYEE			552.83	552.83
PAGE TOTAL --			6698.03	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

PAGE 32 OF 42

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
9/23/88	HOLIDAY INN HWY 74 MONROE, NC	STAFF LODGING	75.39	
TOTAL THIS PAYEE			75.39	75.39

9/27/88	AMWARD PUBLICATIONS, INC. MEDIA AND SUBSCRIPTIONS 2000 NATL PRESS BLDG WASHINGTON, DC 20045		145.00	
TOTAL THIS PAYEE			145.00	145.00

9/27/88	THOMAS & HOWARD CO. P.O. BOX 2427 ROCKY MOUNT, NC 27802	OTHER EXPENSES	400.76	
TOTAL THIS PAYEE			400.76	400.76

9/28/88	FOCUS MARKETING P.O. BOX 16131 GREENSBORO, NC 27406	ADVERTISING	125.00	
9/31/88	FOCUS MARKETING P.O. BOX 16131 GREENSBORO, NC 27406	POSTAGE	225.00	
TOTAL THIS PAYEE			350.00	350.00

9/28/88	COMM TO ELECT JUDGE FRIDY CONTR. TO FED. CAND. AND P.O. BOX 371 LINCOLNTON, NC 28092		2500.00	
TOTAL THIS PAYEE			2500.00	2500.00

9/28/88	JAMES MCCLURE CLARKE COMM CONTR. TO FED. CAND. AND RT 6 BOX 268-R FAIRVIEW, NC 28730		4000.00	
PAGE TOTAL --			7471.15	

NC DEMOCRATIC EXECUTIVE COMMITTEE N.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 5/14/88 TO 12/31/88

DATE 6/19/89

PAGE 33 OF 42

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			4000.00	4000.00
9/29/88	CHARLOTTE POST P.O. BOX 30744 CHARLOTTE, NC	MEDIA AND SUBSCRIPTIONS	6.00	
TOTAL THIS PAYEE			6.00	6.00
9/29/88	WILMINGTON JOURNAL P.O. BOX 1618 WILMINGTON, NC 28402	MEDIA AND SUBSCRIPTIONS	5.00	
TOTAL THIS PAYEE			5.00	5.00
9/29/88	CAROLINA INDIAN VOICE P.O. BOX 1025 PEMBROKE NC 28372	MEDIA AND SUBSCRIPTIONS	4.00	
TOTAL THIS PAYEE			4.00	4.00
9/29/88	PROFESSIONAL MAIL SERVICE 5609 SPRING STREET RALEIGH NC 27601	SPECTRUM MAILING FEES	778.05	
TOTAL THIS PAYEE			778.05	778.05
9/30/88	OWEN SPEARS 710 MARKETVIEW COURT FAYETTEVILLE NC 28305	TEEN DEMS. EXPENSES	23.16	
TOTAL THIS PAYEE			23.16	23.16
9/30/88	LIBBY LEFLER P.O. BOX 451 DURHAM NC 27702	TEEN DEMS. EXPENSES	34.00	
TOTAL THIS PAYEE			34.00	34.00
PAGE TOTAL --			850.21	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
9/30/88	RADISSON 420 FAY. ST. MALL RALEIGH, NC 27601	FUNDRAISING ACCOMODATIONS	100.00	
TOTAL THIS PAYEE			100.00	100.00
9/30/88	JULIA BARBER C/O P.O. BOX 12196 RALEIGH, NC 27605	ADVERTISING	40.00	
TOTAL THIS PAYEE			40.00	40.00
C/03/88	CASHWELL FOR SUPERIOR CT. CONTR. TO FED. CAND. AND P.O. BOX 12065 RALEIGH, NC 27605		1000.00	
TOTAL THIS PAYEE			1000.00	1000.00
C/03/88	CV GRANT COMMITTEE RT 2 BOX 94 SULSFERT, NV 27805	CONTR. TO FED. CAND. AND	1000.00	
TOTAL THIS PAYEE			1000.00	1000.00
C/04/88	PERSIMMON GROVE AVE CH 404 DOLLY MADISON RD. GREENSBORO, NC 27410	ADVERTISING	100.00	
TOTAL THIS PAYEE			100.00	100.00
C/05/88	S & S MAILINGS 4 FAYETTEVILLE ST. FAY, NC 28305	CAMPAIGN EXPENSES -MAIL C	4500.00	
TOTAL THIS PAYEE			4500.00	4500.00
C/12/88	LUTHER HODGES 2345 AIRLINE DRIVE RALEIGH, NC 27607	IN-KIND CONTRIBUTION as per Harlon Boyle's	1000.00	
PAGE TOTAL --			7740.00	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

PAGE 35 OF 42--

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
1/16/88	LUTHER HODGES 2345 AIRLINE DRIVE RALEIGH, NC 27607	IN-KIND CONTRIBUTION <i>as per Harlon Bayles</i>	925.00	
TOTAL THIS PAYEE			1925.00	1925.00

8/14/88	AB DATA 3050 N. PORT-WASH. RD. MILWAUKEE, WI 53217	COMPUTER CONSULTING FEES	504.00	
8/18/88	AB DATA 3050 N. PORT-WASH. RD. MILWAUKEE, WI 53217	POSTAGE	300.00	
TOTAL THIS PAYEE			804.00	304.00

8/15/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	CONSULTANT FEE	600.00	
8/30/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	CONSULTANT FEE	600.00	
8/30/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	TRAVEL PARTY STAFF	346.17	
8/02/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	CONSULTANT FEE	200.00	
8/13/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	CONSULTANT FEE	700.00	
8/14/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	TRAVEL PARTY STAFF	234.96	
8/30/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	CONSULTANT FEE	700.00	
PAGE TOTAL --			5110.13	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

PAGE 36 OF 42

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
6/13/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	CONSULTANT FEE	700.00	
6/13/88	MICHAEL JONES P.O. BOX 37202 CHARLOTTE, NC	TRAVEL PARTY STAFF	868.41	
TOTAL THIS PAYEE			4949.54	4949.54
9/28/88	GEORGE GREENE COMMITTEE	CONTR. TO FED. CAND. AND	1000.00	
TOTAL THIS PAYEE			1000.00	1000.00
9/28/88	JOHN BROOKS COMMITTEE	CONTR. TO FED. CAND. AND	2556.00	
TOTAL THIS PAYEE			2556.00	2556.00
9/21/88	ROBESON COUNTY BLACK CAUCUS	ADVERTISING	100.00	
TOTAL THIS PAYEE			100.00	100.00
9/21/88	LARRY WOMBLE	CAMPAIGN EXPENSES	250.00	
TOTAL THIS PAYEE			250.00	250.00
9/15/88	HEFNER FOR CONGRESS	CONTR. TO FED. CAND. AND	4000.00	
TOTAL THIS PAYEE			4000.00	4000.00
9/15/88	STEVE NEAL FOR CONGRESS	CONTR. TO FED. CAND. AND	5000.00	
TOTAL THIS PAYEE			5000.00	5000.00
9/15/88	ED RENFROW COMMITTEE	CONTR. TO FED. CAND. AND	5000.00	
PAGE TOTAL --			19474.41	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

PAGE 37 OF 42--

DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
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TOTAL THIS PAYEE			5000.00	5000.00
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6/13/88	NC TEACHERS/ST. EMPLOYEES EMPLOYEE HEALTH INSURANCE MAJOR MEDICAL P.O. BOX 3011 DURHAM NC 27702		287.04	
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TOTAL THIS PAYEE			287.04	287.04
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6/14/88	YASAN JONES P.O. BOX 775 RALEIGH, NC 27610	CONSULTANT FEE	200.00	
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TOTAL THIS PAYEE			200.00	200.00
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6/14/88	CHERYL JONES BAKER HALL P-4 RALEIGH NC 27611	CONSULTANT FEE	200.00	
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TOTAL THIS PAYEE			200.00	200.00
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6/14/88	TIM ABRAMS PO BOX 13186 WINSTON SALEM NC	CONSULTANT FEE	400.00	
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TOTAL THIS PAYEE			400.00	400.00
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6/14/88	STEVEN DAVIS UPD BOX 774 CHARLOTTE NC 28216	CONSULTANT FEE	400.00	
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TOTAL THIS PAYEE			400.00	400.00
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6/14/88	SONYA BARNES 1518 BEN LLOYD DR RALEIGH NC	CONSULTANT FEE	1166.67	
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PAGE TOTAL --			2653.71	
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NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
1/01/88	SONYA BARNES 1518 BEN LLOYD DR RALEIGH NC	TRAVEL PARTY STAFF	173.44	
TOTAL THIS PAYEE			1340.11	1340.11

6/14/88	KEITH JOHNSON 145 CASARRUS AVE CONCORD NC 28025	CONSULTANT FEE	200.00	
TOTAL THIS PAYEE			200.00	200.00

6/14/88	CHARLES KING 112 DANCY HALL SALISBURY NC 28144	CONSULTANT FEE	400.00	
TOTAL THIS PAYEE			400.00	400.00

6/14/88	CHARISSA MC CULLERS BOX 2739 GREENSBORO NC 27411	CONSULTANT FEE	200.00	
TOTAL THIS PAYEE			200.00	200.00

6/14/88	UNC COLLEGE DEMOCRATS 125 COLERIDGE CT CARRBORO NC	ADVERTISING	87.00	
TOTAL THIS PAYEE			87.00	87.00

6/18/88	DAPHNE PAGE 700 E. FLORIDA ST GREENSBORO NC	CONSULTANT FEE	200.00	
TOTAL THIS PAYEE			200.00	200.00

6/18/88	QUINCY SANDERS ELIZABETH CITY STATE UNIV WOMACK RM 210 ELIZABETH CITY NC27909	CONSULTANT FEE	400.00	
PAGE TOTAL --			1660.44	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			400.00	400.00
6/18/88	DAWN SHROPSHIRE 14048 FAYETTE ST FAYETTEVILLE NC 28301	CONSULTANT FEE	400.00	
TOTAL THIS PAYEE			400.00	400.00
6/20/88	SEANC INC PO BOX 27727 RALEIGH NC 27611	ADVERTISING	450.00	
TOTAL THIS PAYEE			450.00	450.00
6/20/88	COMMITTEE TO ELECT JACK LEWIS 403 MAY CT FARMVILLE NC 27828	CONTR. TO FED. CAND. AND	1161.24	
TOTAL THIS PAYEE			1161.24	1161.24
6/25/88	RAY STROTHERS LTD PO BOX 25816 RALEIGH NC 27611	IN-KIND CONTRIBUTION <i>as per Edmisten Comm.</i>	3000.00	
TOTAL THIS PAYEE			3000.00	3000.00
6/26/88	LARRY HINTON 404 DOLLY MADISON RD GREENSBORO NC 27410	TRAVEL-OTHERS	100.00	
TOTAL THIS PAYEE			100.00	100.00
1/01/88	DAVID SULLIVAN C/O 220 HILLSBOROUGH ST RALEIGH NC 27603	TRAVEL PARTY STAFF	44.63	
PAGE TOTAL --			5155.92	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
REPORT OF EXPENDITURES
COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
TOTAL THIS PAYEE			44.68	44.68
1/02/88	FRANK BALLANCE COMMITTEE PO BOX 616 WARRENTON NC 27585	CONTR. TO FED. CAND. AND	1000.00	
TOTAL THIS PAYEE			1000.00	1000.00
1/04/88	PRICE FOR CONGRESS P.O. BOX 1936 RALEIGH NC 27602	CONTR. TO FED. CAND. AND	3811.00	
TOTAL THIS PAYEE			3811.00	3811.00
3/04/88	BAY COMMUNICATIONS 5 DEEP WATER COURT EDGEWATER MD 21037	POSTAGE	13500.00	
TOTAL THIS PAYEE			13500.00	13500.00
1/02/88	RALEIGH PRINTING & TYPING PRINTING 105 EAST MARTIN STREET RALEIGH, NC		650.15	
TOTAL THIS PAYEE			650.15	650.15
7/29/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	600.00	
1/29/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	348.26	
3/15/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	600.00	
PAGE TOTAL --			20509.41	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
 REPORT OF EXPENDITURES
 COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

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DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
8/15/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	348.48	
9/30/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	600.00	
9/15/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	600.00	
9/30/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	600.00	
10/14/88	JON DEHART P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	600.00	
		TOTAL THIS PAYEE	4296.74	4296.74
7/26/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	328.46	
7/28/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TELEPHONE	80.25	
7/26/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TRAVEL-OTHERS	96.09	
7/29/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	700.00	
8/15/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	700.00	
		PAGE TOTAL --	4653.28	

NC DEMOCRATIC EXECUTIVE COMMITTEE E.C.F.
 REPORT OF EXPENDITURES
 COVERING PERIOD FROM 6/14/88 TO 12/31/88

DATE 6/19/89

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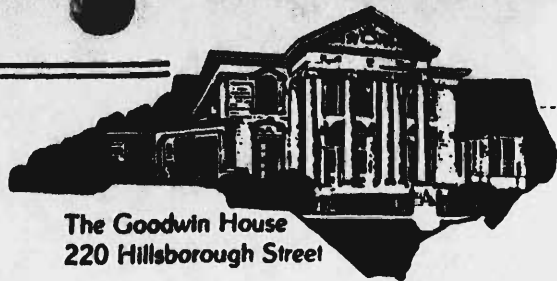
DATE	NAME/ADDRESS OF PAYEE	PURPOSE	AMOUNT	TOTAL TO DATE
E/15/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	305.38	
J/15/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TELEPHONE	87.59	
B/30/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	700.00	
S/15/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	700.00	
S/30/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	700.00	
C/14/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	CONSULTANT FEE	700.00	
I/03/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TELEPHONE	12.53	
I/03/88	NORMA CAMPBELL P.O. BOX 12196 RALEIGH, NC 27605	TRAVEL PARTY STAFF	113.96	
		TOTAL THIS PAYEE	5224.26	5224.26

PAGE TOTAL -- 3319.46

ITEMIZED DETAIL 850772.87
 TOTAL ALL 850772.87

The Democratic Party of North Carolina

Post Office Box 12196
Raleigh, North Carolina 27605-2196 • Telephone (919) 821-2777



The Goodwin House
220 Hillsborough Street

June 14, 1989

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

RE: ID #C00236075
Election Campaign Fund Year End
Report 6/14/88-12/31/88

Dear Ms. Herbert:

This letter is in response to an error noted by the Commission on the above-referenced report. Specifically, an itemized disbursement was incorrectly reported as being made to "Jack Rhyne for Judge." The disbursement should have been shown as a contribution to "Jack Rhyne for Congress" and disclosed on line 21 of the detailed summary page.

Enclosed are the amended pages to this report.

If you have any further questions regarding this matter, please contact me at 919/821-2777.

Yours truly,



Linda Shropshire-Grissom
Assistant Treasurer

LSG:cwj

Enclosure

00040775122

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL
OR
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) North Carolina Election Campaign Fund		2. FEC IDENTIFICATION NUMBER
ADDRESS (number and street) ☐ Check if different than previously reported 220 Hillsborough Street		
CITY, STATE and ZIP CODE Raleigh, NC 27602		
		3. ☐ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

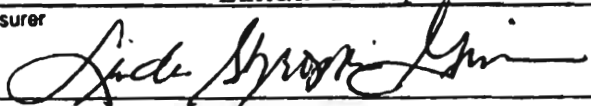
- (a) ☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Termination Report

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 _____ (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>6/14/88</u> through <u>12/31/88</u>		
6. (a) Cash on Hand January 1, 19 <u>88</u>			\$ 0
(b) Cash on Hand at Beginning of Reporting Period		\$ 0	
(c) Total Receipts (from Line 18)		\$ 861,251.25	\$861,251.25
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)		\$ 861,251.25	\$861,251.25
7. Total Disbursements (from Line 28)		\$ 835,056.88	\$835,056.88
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))		\$ 26,194.37	\$835,056.88
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)		\$ 0	
I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.			
Type or Print Name of Treasurer Linda Shropshire-Grisson			
Signature of Treasurer 			Date 6-14-89

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

FEC FORM 278

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in full) N. C. Election Campaign Fund		Report Covering the Period From: 6/14/88 To: 12/31/88	
		COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (use Schedule A)		0	0
(ii) Unitemized		0	0
(iii) Total of contributions from individuals		0	0
(b) Political Party Committees		0	0
(c) Other Political Committees (such as PACs)		0	0
(d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c))		0	0
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES		0	0
13. ALL LOANS RECEIVED		0	0
14. LOAN REPAYMENTS RECEIVED		0	0
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)		20.30	20.30
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		0	0
17. OTHER RECEIPTS (Dividends, Interest, etc.)		861,231.25	861,231.25
18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17)		861,251.55	861,251.55
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES		304,990.00	304,990.00
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES		265,707.02	265,707.02
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		40,811.00	40,811.00
22. INDEPENDENT EXPENDITURES (use Schedule E)		0	0
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F)		0	0
24. LOAN REPAYMENTS MADE		175,321.75	175,321.75
25. LOANS MADE		0	0
26. 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 26(a), (b), and (c))		0	0
27. OTHER DISBURSEMENTS		48,227.11	48,227.11
28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)		835,056.88	835,056.88
III. NET CONTRIBUTIONS/OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) (from Line 11(d))		0	0
30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d))		0	0
31. NET CONTRIBUTIONS (other than loans) (subtract Line 30 from 29)		0	0
32. TOTAL OPERATING EXPENDITURES (from Line 19)		304,990	304,990
33. OFFSETS TO OPERATING EXPENDITURES (from Line 15)			

000040775124

SCHEDULE A

ITEMIZED RECEIPTS

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

PAGE	OF
1	1
FOR LINE NUMBER	
15	

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

NAME OF COMMITTEE (in Full)

N. C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Refund for over- payment of checks Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 7/8/88	Amount of Each Receipt this Period 20.30
B. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
C. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)

000407/5125

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedule(s)
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Detailed Summary PagePAGE 1 OF 2
FOR LINE NUMBER 17

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NAME OF COMMITTEE (in Full)

NC Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code Dept. of the State Treasurer 325 N. Salisbury Street Raleigh, NC 27611 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Tax check-off funds Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 6/14/88	Amount of Each Receipt this Period 250,000.00
B. Full Name, Mailing Address and ZIP Code Dept. of the State Treasurer 325 N. Salisbury Street Raleigh, NC 27611 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Tax check-off funds Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 7/15/88	Amount of Each Receipt this Period 250,000.00
C. Full Name, Mailing Address and ZIP Code Dept. of the State Treasurer 325 N. Salisbury Street Raleigh, NC 27611 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Tax check-off funds Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 9/1/88	Amount of Each Receipt this Period 344,096.57
D. Full Name, Mailing Address and ZIP Code Dept. of the State Treasurer 325 N. Salisbury Street Raleigh, NC 27611 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Tax check-off funds Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 11/2/88	Amount of Each Receipt this Period 13,700.48
E. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 6/16/88	Amount of Each Receipt this Period 57.26
F. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 7/19/88	Amount of Each Receipt this Period 355.19
G. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 8/16/88	Amount of Each Receipt this Period 795.00

SUBTOTAL of Receipts This Page (optional)

859,004.50

00040775128

SCHEDULE A

ITEMIZED RECEIPTS

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NAME OF COMMITTEE (in Full)

N. C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 9/19/88	Amount of Each Receipt this Period 1,293.09
B. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 10/18/88	Amount of Each Receipt this Period 769.39
C. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 11/16/88	Amount of Each Receipt this Period 95.76
D. Full Name, Mailing Address and ZIP Code Mechanics & Farmers Bank 13 E. Hargett Street Raleigh, NC 27602 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Interest Occupation Aggregate Year-to-Date > \$	Date (month, day, year) 12/16/88	Amount of Each Receipt this Period 68.51
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)

2,226.75

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SCHEDULE B

ITEMIZED DISBURSEMENTS

 Use separate schedule(s)
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Detailed Summary Page

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20

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NAME OF COMMITTEE (in Full)

N. C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
N.C. Democratic Exec. Comm. P.O. Box 12196 (State Reg.) Raleigh, NC 27605	Staff Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	6/15/88	10,591.20
B. Full Name, Mailing Address and ZIP Code N.C. Democratic Exec. Comm. P. O. Box 12196 (State Regis) Raleigh, NC 27605	Staff Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	6/30/88	15,544.23
C. Full Name, Mailing Address and ZIP Code NC Democratic Exec. Comm. P. O. Box 12196 (State Regis) Raleigh, NC 27605	Postage, Consultant Fees, Printg, Salaries, Travel, Telephone, Legal, etc. Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	7/15/88	53,712.35
D. Full Name, Mailing Address and ZIP Code N.C. Democratic Exec. Comm. P.O. BOX 12196 Raleigh, NC 27605	Staff Salaries Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	7/29/88	7,942.22
E. Full Name, Mailing Address and ZIP Code Orange Co. Democcratic ExCom 1406 Briqham Road Chapel Hill, NC 27514	Phone bank expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	8/17/88	600.00
F. Full Name, Mailing Address and ZIP Code N.C. Democratic Victory Fund P. O. Box 12196 Raleigh, NC 27605	Trans. to Affiliated Sal., Travel, Media Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	8/31/88	120,000.00
G. Full Name, Mailing Address and ZIP Code Union Co. Dem. Exec. Comm. P. O. Box 1321 Monroe, NC 28110	Trans to Other Party Comm. for TD Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/23/88	50.00
H. Full Name, Mailing Address and ZIP Code NC Dem. Victory Fund P. O. Box 12196 Raleigh, NC 27605	Transfer Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	10/6/88	55,000.00
I. Full Name, Mailing Address and ZIP Code NC Dem. Exec. Comm. P. O. Box 12196 Raleigh, NC 27605	Transfer Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	7/21/88	2,267.02

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

265,707.02

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SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s)
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NAME OF COMMITTEE (in Full)

N.C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Hefner for Congress Comm. 180 Church Street Concord, NC 28025	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	4,000.00
B. Full Name, Mailing Address and ZIP Code Steve Neal for Cong. Comm. P. O. Box 2102 Winston-Salem, NC 27102	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
C. Full Name, Mailing Address and ZIP Code Charlie Rose for Cong. Comm. 208 Post Office Bldg. Wilmington, NC 28401	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
D. Full Name, Mailing Address and ZIP Code Sholander for Congress Comm. 211 Main Street Pineville, NC 28134	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
E. Full Name, Mailing Address and ZIP Code Jones for Congress Comm. 108 E. Wilson Street Farmville, NC 28730	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
F. Full Name, Mailing Address and ZIP Code James M. Clarke for Cong. Comm. Route 6, Box 268 R Fairview, NC 28730	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	4,000.00
G. Full Name, Mailing Address and ZIP Code Price for Congress Comm. P. O. Box 1986 Raleigh, NC 27610	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	11/4/88	3,811.00
H. Full Name, Mailing Address and ZIP Code Tom Gilmore Committee (Shorr & Associates) 2012 Walnut St. Philadelphia, PA 19103	Contribution in-kind consulting Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	4,000.00
I. Full Name, Mailing Address and ZIP Code Jack Rhyne for Congress 503 Park Avenue Belmont, NC 28011	Campaign Expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00

SUBTOTAL of Disbursements This Page (optional)

40,811.00

TOTAL This Period (last page this line number only)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s)
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FOR LINE NUMBER 24

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NAME OF COMMITTEE (in Full)

N.C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code Branch Banking & Trust Co. University/Hillsborough St. Raleigh, NC 27606	Purpose of Disbursement Repayment of Loan Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 6/14/88	Amount of Each Disbursement This Period 99,534.25
B. Full Name, Mailing Address and ZIP Code Branch Banking & Trust Co. Hillsborough Street Raleigh, NC 27606	Purpose of Disbursement Repayment of Loan Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 6/14/88	Amount of Each Disbursement This Period 75,787.50
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

175,321.75

SCHEDULE B

ITEMIZED DISBURSEMENTS

 Use separate schedule(s)
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NAME OF COMMITTEE (in Full)

NC Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code Edmisten Comm. c/o Dems. Together Comm., 721 Tucker St., Raleigh, NC 27603	Purpose of Disbursement Contribution in-kind <u>consulting/media</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/19/88	Amount of Each Disbursement This Period 2,000.00
B. Full Name, Mailing Address and ZIP Code Thornburg Comm. c/o Political Americana 301A Oak Plaza Asheville, NC 28801	Purpose of Disbursement Contribution in-kind <u>Media</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/20/88	Amount of Each Disbursement This Period 2,877.11
C. Full Name, Mailing Address and ZIP Code Etheridge Comm. c/o Tarheel Concepts 211 Six Forks Rd., Raleigh NC 27609	Purpose of Disbursement Contribution in-kind <u>Media</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/21/88	Amount of Each Disbursement This Period 5,000.00
D. Full Name, Mailing Address and ZIP Code Jack Lewis Committee c/o Political Americana 301A Oak Plaza Asheville, NC 28801	Purpose of Disbursement Contribution in-kind Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/27/88	Amount of Each Disbursement This Period 562.50
E. Full Name, Mailing Address and ZIP Code John Brooks Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Purpose of Disbursement Contribution in-kind <u>Media/consulting</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/28/88	Amount of Each Disbursement This Period 2,000.00
F. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o NC Dem Exec. Comm. Raleigh, NC 27605	Purpose of Disbursement Contribution in-kind <u>Event</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/21/88	Amount of Each Disbursement This Period 200.00
G. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o NC Dem. Exec. Comm. P.O. Box 12196 Raleigh, NC 27605	Purpose of Disbursement Contribution in-kind- <u>Advertisement</u> <u>Advertisement</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/12/88	Amount of Each Disbursement This Period 225.00
H. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o Luther Hodges 2345 Airline Drive Raleigh, N.C. 27607	Purpose of Disbursement Contribution in-kind <u>Consulting</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/12/88	Amount of Each Disbursement This Period 1,000.00
I. Full Name, Mailing Address and ZIP Code Jack Lewis Committee c/o Political Americana Suite 301 A One Oak Plaza Asheville, NC 28801	Purpose of Disbursement Contribution in-kind <u>Media</u> Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/20/88	Amount of Each Disbursement This Period 776.26

SUBTOTAL of Disbursements This Page (optional)

14,640.87

TOTAL This Period (last page this line number only)

SCHEDULE B

ITEMIZED DISBURSEMENTS

 Use separate schedule(s)
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NAME OF COMMITTEE (in Full)

N.C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Edmisten Comm. c/o Ray Strothers, Ltd. P. O. Box 25816 Raleigh, NC 27611	Contribution in-kind Consulting Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	10/26/88	3,000.00
B. Full Name, Mailing Address and ZIP Code John Brooks Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Contribution in-kind Consulting/Media Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	11/4/88	444.00
C. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o Luther Hodges 2345 Airline Drive Raleigh, NC 27607	Contribution in-kind Consulting Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	11/16/88	925.00
D. Full Name, Mailing Address and ZIP Code Thornburg Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Contribution in-kind Consulting/Media Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/8/88	2,000.00
E. Full Name, Mailing Address and ZIP Code Harlan Boyles Committee c/o Dems. Together 721 Tucker Street Raleigh, NC 27603	Contribution in-kind Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/8/88	2,000.00
F. Full Name, Mailing Address and ZIP Code Jim Graham Committee P. O. Box 27647 Raleigh, NC 27611	Agric. Commissioner Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
G. Full Name, Mailing Address and ZIP Code Ed Renfrow Committee P. O. Box 26322 Raleigh, NC 27611	State Auditor Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
H. Full Name, Mailing Address and ZIP Code Committee to Elect Tony Rand P. O. Box 12045 Raleigh, NC 27605	Lt. Governor Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	9/15/88	5,000.00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)

23,369.00

TOTAL This Period (last page this line number only)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s)
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FOR LINE NUMBER 27

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NAME OF COMMITTEE (in Full)

N.C. Election Campaign Fund

A. Full Name, Mailing Address and ZIP Code George Green Committee 2101 Lyndhurst Drive Raleigh, NC 27610	Purpose of Disbursement Superior Court Judge Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 7/28/88	Amount of Each Disbursement This Period 1,000.00
B. Full Name, Mailing Address and ZIP Code John Brooks Committee P. O. Box 11201 Raleigh, NC 27604	Purpose of Disbursement Commissioner of Labor Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/28/88	Amount of Each Disbursement This Period 2,556.00
C. Full Name, Mailing Address and ZIP Code Comm. to Elect Judge Friday P. O. Box 371 Lincolnton, NC 28092	Purpose of Disbursement Judge Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 9/28/88	Amount of Each Disbursement This Period 2,500.00
D. Full Name, Mailing Address and ZIP Code Cashwell for Superior Ct. P. O. Box 12065 Raleigh, NC 27605	Purpose of Disbursement Superior Court Judge Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/3/88	Amount of Each Disbursement This Period 1,000.00
E. Full Name, Mailing Address and ZIP Code Cy Grant Committee Route 2, Box 94 Aulander, NC 27805	Purpose of Disbursement Superior Court Judge Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/3/88	Amount of Each Disbursement This Period 1,000.00
F. Full Name, Mailing Address and ZIP Code Comm. to Elect Jack Lewis 408 May Court Farmville, NC 27828	Purpose of Disbursement Judge Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/20/88	Amount of Each Disbursement This Period 1,161.24
G. Full Name, Mailing Address and ZIP Code Frank Ballance Committee P. O. Box 358 Warrenton, NC 27589	Purpose of Disbursement General Assembly Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 11/02/88	Amount of Each Disbursement This Period 1,000.00
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)

10,217.24

TOTAL This Period (last page this line number only)

48,227.11

89 AUG -7 PM 1:10

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
North Carolina Election) MUR 2886
Campaign Fund and)
Barton W. Baldwin,¹)
as treasurer)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On May 22, 1989, the Commission found reason to believe the North Carolina Election Campaign Fund and its treasurer ("Respondents") had violated 2 U.S.C. §§ 433 and 434 for the failure to register and report as a political committee under the Federal Election Campaign Act of 1971, as amended ("the Act") and for misreporting a contribution to a federal candidate. At that time, the Commission also determined to enter into preprobable cause conciliation with the respondents.

1. On June 30, 1989, the Election Campaign Fund filed an amended Statement of Organization to disclose Barton W. Baldwin as the new treasurer replacing Larry Shaw.

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II. DISCUSSION OF CONCILIATION AND COUNTEROFFER

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III. RECOMMENDATIONS

1. Reject the counteroffer of the North Carolina Election Campaign Fund and Barton W. Baldwin, as treasurer.
2. Approve the attached counterproposal and letter.

Lawrence M. Noble
General Counsel

8/4/89
Date

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Respondent's counteroffer
2. Proposed counterproposal and letter

Staff Assigned: Jeffrey Long
George F. Rishel

2274075144



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DELORES R. HARRIS *ORN*
COMMISSION SECRETARY

DATE: AUGUST 11, 1989

SUBJECT: MUR 2886 - GENERAL COUNSEL'S REPORT
DATED AUGUST 4, 1989

The above-captioned document was circulated to the
Commission on Wednesday, Aug. 9, 1989 at 11:00 a.m..

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

Commissioner Aikens	_____
Commissioner Elliott	_____
Commissioner Josefiak	<u> X </u>
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____

This matter will be placed on the meeting agenda
for Tuesday, August 22, 1989 at 10:00 a.m..

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

0004075145

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

North Carolina Election Campaign
Fund and Barton W. Baldwin, as
treasurer

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MUR 2886

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session of August 22,
1989, do hereby certify that the Commission decided by a
vote of 6-0 to take the following actions in MUR 2886:

1. Reject the counteroffer of the North Carolina
Election Campaign Fund and Barton W. Baldwin,
as treasurer.
2. Approve the counterproposal and letter
recommended in the General Counsel's report
dated August 4, 1989.

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

Attest:

8-22-89

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

August 30, 1989

John R. Wallace, Esquire
Kirby, Wallace, Creech, Sarda,
Zaytoun & Cashwell
3605 Glenwood Avenue, Suite 390
Raleigh, NC 27612

RE: MUR 2886
North Carolina Election
Campaign Fund and Barton
W. Baldwin, as treasurer

Dear Mr. Wallace:

This letter is to confirm the Federal Election Commission's receipt of the counter-proposed conciliation agreement you submitted on behalf of your clients on July 3, 1989. The Commission has reviewed and rejected the counterproposal. In an effort to resolve this matter, however, the Commission approved alternative proposed agreements with the following changes.

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John R. Wallace
Page 2

Enclosed herewith is a conciliation agreement incorporating these changes which we submit for your client's signature. The Commission is still hopeful that this matter can be settled through a conciliation agreement. Insofar as the 30 day period for pre-probable cause conciliation has elapsed, you should return a signed conciliation agreement and civil penalty check within ten days of your receipt of this notification. If a signed agreement is not received within this period, this matter will proceed to the next stage of the enforcement process.

Should you have any further questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

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06C 3999

DAVID F. KIRBY
JOHN R. WALLACE*
PAUL R. CREECH
PETER J. SARDA
ROBERT E. ZAYTOUN*
MARLEY L. CASHWELL
RICHARD F. NORDAN
WILLIAM H. PAGE, JR.
CHERYL M. SWART
*ALSO ADMITTED IN FLORIDA

KIRBY, WALLACE, CREECH, SARDA,
ZAYTOUN & CASHWELL
ATTORNEYS AT LAW
UCB PLAZA
3605 GLENWOOD AVENUE, SUITE 390
RALEIGH, NORTH CAROLINA 27612

MAILING:
P. O. BOX 12065
RALEIGH, N.C. 27605
(919) 788-0022

September 11, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
SEP 14 AM 9:56
FAX:
(919) 788-8111

The Honorable Danny L. McDonald,
Chairman
Federal Election Commission
Washington, D.C. 20463

VIA AIRBORNE EXPRESS

Re: MUR 2886, North Carolina Election
Campaign Fund, and Larry Shaw,
Treasurer

Dear Chairman McDonald:

Enclosed herewith is an executed Conciliation Agreement incorporating certain modifications to the Commission's proposed Conciliation Agreement of August 30, 1989. The Election Campaign Fund, in agreeing to enter into this Conciliation Agreement, acknowledges that inadvertent and unintentional errors were made in its reporting processes. None of the acknowledged errors arise from any knowing or intentional violations of the Act.

As the Commission is aware, the Election Campaign Fund has at all times been registered with and reports in a timely fashion to the North Carolina Campaign Reporting Office. Furthermore, the transfers and contributions which are addressed in the Conciliation Agreement are lawful funds in permissible amounts. In this regard, the Fund has relied on the Advisory Opinion of the Federal Election Commission 1980-103, in which the Commission acknowledged that election campaign fund monies "passed through the State Party" to individual candidates.

As the Commission is aware, under previous practice the respondent has included such transfers as are addressed in this matter under review, in the report filed by the North Carolina Democratic Executive Committee with the Commission, and such reports were accepted by the Commission without the necessity of filing a separate statement of organization on behalf of the Election Campaign Fund. At the direction of the Commission, the respondent

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SEP 12 PM 12:00

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The Honorable Danny L. McDonald
September 11, 1989
Page 2

herein on March 20, 1989 filed a statement of organization instead of amending prior reports of the Democratic Executive Committee to show the transfer and use of funds and the manner in which the reporting had been carried out in previous years. The information not timely reported to the Federal Election Commission was timely reported to the North Carolina Campaign Reporting Office. At all times it has been the policy of the Fund to fully comply with the requirements of the Federal Election Campaign Act.

The respondent respectfully requests that this transmittal correspondence, along with the Conciliation Agreement, be put on the public record.

Sincerely,

KIRBY WALLACE, CREECH, SARDA,
LAYTON & CASHWELL



John R. Wallace

JRW:ct

RECEIVED

FEDERAL ELECTION COMMISSION

89 DEC 13 AM 8:30

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of

North Carolina Election	)	
Campaign Fund and Barton W.	)	MUR 2886
Baldwin, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by John R. Wallace, counsel for the North Carolina Election Campaign Fund and Barton W. Baldwin, as treasurer ("Committee").

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II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with the North Carolina Election Campaign Fund, and Barton W. Baldwin, as treasurer.
2. Close the file.

3. Approve the attached letter.

Lawrence M. Noble
General Counsel

12-15-89
Date

BY:


Lois G. Lerner
Associate General Counsel

Attachments

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

Staff Assigned: Jeffrey Long

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
North Carolina Election) MUR 2886
Campaign Fund and Barton W.)
Baldwin, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 20, 1989, the Commission decided by a vote of 5-0 to take the following actions in MUR 2886:

1. Accept the conciliation agreement with the North Carolina Election Campaign Fund, and Barton W. Baldwin, as treasurer, as recommended in the General Counsel's Report dated December 15, 1989.
2. Close the file.
3. Approve the letter as recommended in the General Counsel's Report dated December 15, 1989.

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

Attest:

12/21/89

Date


for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Monday, Dec. 18, 1989 8:30 a.m.
Circulated to the Commission: Monday, Dec. 18, 1989 11:00 a.m.
Deadline for vote: Wednesday, Dec. 20, 1989 11:00 a.m.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 27, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John R. Wallace, Esquire
Kirby, Wallace, Creech, Sarda,
Zaytoun & Cashwell
3605 Glenwood Avenue
Suite 390
Raleigh, North Carolina 27612

RE: MUR 2886
North Carolina Election
Campaign Fund, and Barton
Baldwin, as treasurer

Dear Mr. Wallace:

On December 20, 1989, the Federal Election Commission accepted the signed conciliation agreement and the civil penalty submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 433 and 434, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days.

If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

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

Enclosed you will find a copy of the fully executed

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John R. Wallace, Esquire
Page 2

conciliation agreement for your files. If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Lois G. Lerner

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

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MUR 2886

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

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

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

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

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

1. The North Carolina Election Campaign Fund ("Campaign Fund") is a fund into which tax check-off monies are deposited pursuant to North Carolina General Statutes and from which the North Carolina Democratic Party makes payments.

2. Larry Shaw was the Treasurer of the North Carolina Election Campaign Fund at the time of the subject transfers and contributions. Following the Commission's Reason to Believe Finding, the Respondent Committee, on June 30, 1989, filed an Amended Statement of Organization naming Barton W. Baldwin as its Treasurer.

3. The Federal Election Campaign Act of 1971, as amended ("the Act"), defines a political committee to include any local committee of a political party that makes contributions or expenditures, aggregating in excess of \$1,000 in any calendar year. 2 U.S.C. § 431(4)(C).

4. The Act provides a committee which qualifies as a political committee under the Act shall file a Statement of Organization with the Commission within 10 days of becoming a political committee. 2 U.S.C. § 433.

5. A political committee under the Act must file periodic reports of its receipts and disbursements. 2 U.S.C. § 434(a).

6. The Act requires political committees filing reports to disclose the name and address of each political committee which has received a contribution from the reporting committee. 2 U.S.C. § 434(b)(6)(B)(i).

7. Respondents made a transfer to the North Carolina Democratic Victory Fund ("Victory Fund"), a federal political committee under the Act, of \$120,000 on August 31, 1988, thus qualifying the Campaign Fund as a political committee under the Act and requiring it to file a Statement of Organization with the Commission within 10 days. The Respondents filed a Statement of Organization with the Commission on March 20, 1989.

8. Respondents made contributions of \$38,000 to eight candidates for federal office on September 15, 1988, and a \$3,811 contribution to a candidate for federal office on November 4, 1988, and a transfer of \$55,000 to the Victory Fund on October 6, 1988 in addition to the \$120,000 transfer to the Victory Fund on August 31, 1988. Respondents filed a single Year-End Report on March 20, 1989, covering the period from June 14, 1988, through December 31, 1988, and disclosing receipts of \$861,251.25 and disbursements of \$850,772.87.

9. Respondents made a contribution to Jack Rhyne, a candidate for federal office, but initially reported the contribution as made to Jack Rhyne for Judge, instead of Rhyne for Congress Committee, which reported its receipt. Respondents filed an amendment on July 3, 1989, to report the correct name of the committee.

V. 1. Respondent Committee failed to timely register as a political committee as defined in 2 U.S.C. § 431(4)(C) in violation of 2 U.S.C. § 433.

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2. Respondent Committee failed to timely file periodic reports of its receipts and disbursements in violation of 2 U.S.C. § 434(a)(4).

3. Respondent Committee failed initially to report the correct name of a political committee to which it made a contribution in violation of 2 U.S.C. § 434(b)(6)(B)(1).

4. Respondent Committee contends that the above violations were not knowing and willful.

VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Five Thousand Dollars (\$5,000), pursuant to 2 U.S.C. § 437(g)(a)(5)(A).

2. Respondents have registered and reported as required by 2 U.S.C. § 433 and 434 and shall as provided in 2 U.S.C. § 434 timely report its receipts and expenditures.

3. Respondents shall henceforth, upon receipt of funds from the State Treasurer from the North Carolina Political Parties Financing Fund, deposit funds for federal election purposes to an account maintained as an account of the North Carolina Democratic Victory Fund and shall report the receipt and expenditure of such funds in a timely and complete fashion with the Federal Election Commission.

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

a civil action for relief in the United States District Court for the District of Columbia.

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

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

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:

Lois G. Lerner
Lois G. Lerner
Associate General Counsel

Date: December 27, 1989

FOR THE RESPONDENTS:

John R. Wallace
John R. Wallace
Kirby, Wallace, Creech, Sarda,
Zaytoun and Cashwell
Attorney for Respondents

Date: November 15, 1989



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2884

DATE FILMED 4/12/90 CAMERA NO. 4

CAMERAMAN AS

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