



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4083

DATE FILMED 4/19/95 CAMERA NO. 2

CAMERAMAN E.E.S.

250433633383

REPUBLICAN STATE COMMITTEE OF PENNSYLVANIA

George I. Bloom Republican Center • 112 State Street • Harrisburg, Pennsylvania 17101 • Telephone (717) 234-4901

Anne B. Austine
Chairman

October 11, 1994

MUR 4083

OCT 12 9 43 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Lawrence Noble, Esquire
General Counsel
Federal Elections Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: Violations of the Federal Election Campaign Act
Campaign Act, Citizens for Senator Harris Wofford,
Pennsylvania Democratic State Committee, Paul E. Begala/James Carville

Dear Mr. Noble:

Pursuant to provisions of the Federal Election Campaign Act of 1971 as amended (Act)¹ the Republican State Committee of Pennsylvania is filing this complaint with your office. It regards activities of the principle campaign committee of Senator Harris Wofford (Citizens for Senator Wofford), the Pennsylvania Democratic State Committee, James Carville and Paul Begala.

The action of these organizations and individuals are in violation of the Act and the Federal Elections Commission (Commission) regulations. In addition to filing this complaint with the Commission, identical materials are being provided to the Election Crimes branch of the Public Integrity Section of the United States Department of Justice. These materials are being provided to the Department of Justice since this matter involves knowing and willful actions by these parties and significant sums of money. These factors provide the basis for a criminal investigation in addition to civil enforcement by the Commission.²

¹ 2 U.S.C. § 437g

² 2 U.S.C. § 437g (d) United States v. Jackson, 433 F. Supp. 239 (W.D.N.Y. 1977), aff'd, 586 F. 2d 832 (2nd Cir. 1977), denied 440 U.S. 239 (1978); United States v. Tonry, 433 F. Supp. 620 (W.D.L.A. 1977); United States v. International Union of Operating Engineers, 638 F. 2d 1161 (9th Cir. 1979), cert. Denied 444 U.S. 1077 (1980). Criminal cases ground on the Act's penal section are ordinary federal crimes and will be prosecuted first without having been processed by the Federal Elections Commission.

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The Republican State Committee is seeking an immediate investigation by the Commission into the illegal practices of these parties. As the available public record clearly shows and or Commission investigation can confirm, the Wofford campaign has conspired with the Pennsylvania Democratic State Committee, James Carville and Paul Begala to violate the Act. The experience and sophistication of the individuals involved with this program is such that there can be no reasonable doubt that this violation is a knowing and willful effort by them to circumvent and violate the Act.

The Pennsylvania Democratic State Committee has been paying Carville and Begala for consulting services provided to Senator Wofford's principle campaign committee. These payments represent in-kind contributions by the Democratic State Party to the Wofford campaign. An examination of the state party's federal and Pennsylvania disclosure reports expose the payments to Carville and Begala. So far, the payments in election year 1994 from the Pennsylvania Democratic State Committee to Carville and Begala total \$116,000.00.

Carville and Begala are the general consultants to Harris Wofford's 1994 campaign. They also claimed much of the credit for Wofford's victory in 1991. Carville and Begala's daily involvement in the present Wofford campaign was revealed by campaign press secretary Greta Creech.

I asked the Wofford campaign this week how often it is in contact with Carville.

"At least daily," replied press secretary Greta Creech.

(Al Neri, Capitol View, Erie Times-News, July 24, 1994).

Begala recently went on the record defending Wofford's legislative record in a New York Times article.

...He (Begala) said the Senator was the driving force behind the national service law...In addition, Mr. Begala said Mr. Wofford was the author of a provision to allow a family to exempt their home from their worth when calculating student loans and sponsored a measure to make it easier for high school students not going to college to get vocational training.

(New York Times, July 27, 1994)

Begala was quoted concerning the Wofford campaign in the Los Angeles Times (September 7, 1994). The article noted that "Begala now serves as a consultant to Wofford's campaign." The relationship between Wofford and his consultants is further documented through the financial disclosure statements Carville and Begala were asked to file by the White House following Congressional inquiries. Both list Harris Wofford as a current client. (Financial Disclosure Statements for January 1, 1994 through June 30, 1994 attachment A).

Yet, Wofford has not paid his top consultants. According to Wofford's Commission filings, Citizens for Wofford has not made any expenditures to Carville and Begala in 1994. However, Pennsylvania Democratic State Committee has paid them substantial amounts. Federal Election Commission filings for Pennsylvania Democratic State Committee federal account shows the following amounts paid to Carville and Begala:

	Total	Fed Share	Non-fed Share
March 7	29,000.00	8,285.30	20,714.70
April 1	29,000.00	8,285.30	20,714.70
April 22	29,000.00	8,285.30	20,714.70
June 3	29,000.00	8,285.30	20,714.70

It is clear from their own statements and their own personal disclosure reports filed with the federal government (attachment A) that they are providing services to the Wofford Campaign, which are being paid for by the Democratic State Committee. The Act is clear that these services are an in-kind contribution to the campaign.

The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing and election for federal office. The term "anything of value" includes all in-kind contributions. 11 C.F.R. §100.7 (a) (i) (iii) (A); 11 C.F.R. §100.7 (b). The Democratic State Committee and the Wofford Campaign have violated provisions of the Act by failing to properly disclose these contributions. 2 U.S.C. §434b; 11 C.F.R. §§104.3, 104.8, 104.9, 104.10, 104.13. These expenditures by the Democratic State Committee, which have resulted in in-kind contributions to the Wofford Campaign, far exceed the amount permitted by the Act violating provisions of 2 U.S.C. §441a.

The Democratic State Committee has used in excess of \$80,000 of funds raised outside the limitations and restrictions of the Act to pay for the political consulting services of Carville and Begala to the Wofford Campaign. The use of these illegal funds by the State Committee and the Wofford Campaign also violates the Act.³ The Democratic State Committee is using prohibited funds including union treasury funds and donations from individuals designated for non-federal use, to fund in-kind contributions to the Wofford Campaign.

To provide additional funding for its in-kind contributions to the Wofford campaign, the State Committee has conspired with the Campaign to obtain funding from the Wofford donors who have already contributed to the Wofford campaign the maximum permitted

³ 2 U.S.C. § 441b; 11 C.F.R. § 114.2 prohibits any candidate, political committee, or other person from knowingly accepting or receiving any contribution from a corporation or labor organization in connection with a federal election.

under the Act.⁴ Much of the money being spent by Pennsylvania Democratic State Committee on Carville and Begala has been donated by donors who have also contributed consistently to Citizens for Harris Wofford.

The individuals listed in attachment B stopped contributing directly to Wofford by June 1993. In 1994 these individuals started to contribute to Pennsylvania Democratic State Committee. None have contributed to Citizens for Harris Wofford during 1994 (Through the reporting period closing June 30, 1994). These contributions in amounts of \$5,000 or more were accepted by the state committee's non-federal account.

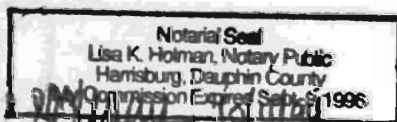
Such funds are being manipulated by Pennsylvania Democratic State Committee and the Wofford campaign to pay Carville and Bagala and other Wofford operatives. They are transferred between Pennsylvania State Committee's federal account and non-federal accounts. Once in the accounts, they are used to pay Carville and Begala, as well as Marsha Miller, Timothy Eaton and Alicia Alexion, all of whom work on the Wofford campaign.

CONCLUSION

These facts from the public record and the statements of Carville and Begala, make clear to all who examine them, that there has been a carefully orchestrated conspiracy of these parties to circumvent the reporting, disclosure and limitation provisions of the Act. Their nature and size clearly demonstrates that they are knowing and willful violations of the Act. The Commission should move expeditiously to review this matter, enjoin and impose appropriate penalties.

Respectfully,

State Vice-Chairman



Subscribed and Sworn to

⁴ 2 U.S.C. §441a(a)(1)(A). No person shall make contributions to any candidate and his or her authorized political committee with respect to any election for federal office which, in the aggregate, exceed \$1,000.

JAMES CARVILLE PERSONAL DISCLOSURE STATEMENT
from 1/1/94 to 6/30/94

1. CLIENT INFORMATION

CLIENT NAME

Democratic National Committee
Senator Wofford
Pennsylvania Democratic Party
Governor Zell Miller
Georgia Democratic Party

NATURE OF SERVICES

Political Consulting
Political Consulting
Political Consulting
Political Consulting
Political Consulting

2. ASSETS AND SOURCES OF INCOME

4. Delicious Heritage Cookbook, Inc.

Income Produced
Ordinary income

5. Book (being written with Mary Matalin)

Income Produced (in '93)
Advance on Royalties

6. Washington Speaker's Bureau

Income Produced
Speaking honoraria (list attached)

7. Two certificates of deposit
w/ Towns County Bank

Income Produced
Interest

8. David Letterman

Income Produced
Appearance fee

9. Conan O'Brien

Income Produced
Appearance fee

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10. Wheat First Securities Portfolio

RegularStocks

Bank of Boston
 Coke
 Walt Disney
 Hibernia
 Royal Dutch Petroleum

Income Produced

Dividends
 Dividends
 Dividends
 Dividends
 Dividends

Bonds

Houston, Texas
 Independent School District
 Philadelphia, PA
 Sewage & Water
 Metropolitan Airport Authority

Income Produced

Interest

Interest

Interest

Mutual Funds

Capital World Growth
 Mentor Strategy Fund
 Smallcap World Fund

Income Produced

Dividends/Capital Gains
 Dividends/Capital Gains
 Dividends/Capital Gains
 Interest

CashRetirementZero CouponsAttributable Income Prod.

Interest

Cash

Interest

PensionStocks

Shawmut

Income Produced

Dividends

Mutual Funds

Capital World Growth
 Zero Coupon Bonds and Maturity

Dividends/Capital Gains
 Interest

Defined Benefit PlanStocks

Walt Disney

Income Produced

Dividends

Assets/Income generating more than \$200.00 as a result of being sold

Stocks

Pacific Telecys
 Signet Bank
 Citicorp
 Inacovex
 MCI Communications

Income Produced

Capital Gains
 Capital Gains
 Capital Gains
 Capital Gains
 Capital Gains

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Mutual Funds
Investment Company of America

Income Produced
Capital Gains

Zero Coupon Bonds

Income Produced
Capital Gains

11. US Savings Bond (Treasury Bonds)

Attrib. Income Produced
Dividends

12. NY Life Insurance (cash value)

13. Transamerica Life Company, Inc.
IRA fixed annuity

Attrib. Income Produced
Dividends and Interest

3. LIABILITIES

James Carville loan

Creditor: Towns County Bank

Address: PO Box 729, Hiwassee, GA 30546

4. POSITIONS

Organization	Type of Organization	Position
Carville & Begala	Political Consulting Firm	Partner

5. AGREEMENTS AND ARRANGEMENTS

Carville and Begala Pension Plan

Zero Coupons

(previously a money market until 6/1/94)

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PROJECTED 1ST & 2ND QUARTER 1994 INCOME FOR JAMES CARVILLE

(from Washington Speakers Bureau)

• As of July 15, 1994

01/13/94 National Multi Housing Council
01/26/94 Printing Industry Association of Minnesota
01/28/94 GTE
02/10/94 Citibank
02/02/94 Association of Advanced Life Underwriters
03/07/94 CIT Group
03/23/94 GE First Boston
03/23/94 Trinity University
03/28/94 Group W
04/07/94 West Texas A&M
04/11/94 Seagrams
04/26/94 Prudential
04/28/94 First USA Bank
05/03/94 National Organization of Investment Professionals
05/04/94 National Retail Federation
05/14/94 American Association of Advertising Agencies
05/19/94 Investment Company Institute
05/21/94 Arkansas Bankers Association
06/01/94 Greater Sursum Chamber of Commerce
06/06/94 Group Health Association
06/06/94 Equifax
06/13/94 Aetna Life & Casualty
06/16/94 Pacific Coast Builders
06/22/94 Institute of Real Estate Management
06/30/94 Council for Marketing & Opinion Research

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FINANCIAL DISCLOSURE STATEMENT

- PAUL E. BEGALA -

Reporting Period: 01/01/94 - 06/30/94

CLIENT INFORMATION

Client Name

Democratic National Committee
Georgia Democratic Party
Zell Miller for Governor '94
Pennsylvania Democratic Committee
Citizens for Senator Harris Wofford

Nature of Services

Political consulting
Political consulting
Political consulting
Political consulting
Political consulting

ASSETS AND SOURCES OF INCOME

Asset/Investment Sources

Nature of Income

- Zero Coupons
Individual
Retirement

Interest

(Formerly Money Market Acct—Purchased 6/15/94)

- Mutual Funds
Individual:

Dividends

Pioneer Growth
Washington Mutual Investors
Joins (w/ wife Diane Begala):
Overland Express Asset
Pioneer Growth
Pioneer II

- Latin American Assn of Pharmaceutical Manufacturers

Speaking Honorarium for
Int'l Conf on Health Care

- Nat'l Alcohol Beverage Control Assn

Speaking Honorarium

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ASSETS AND SOURCES OF INCOME (Cont.)

- University of Texas
- Twentieth Century Fund
- Conan O'Brien Show

Speaking Honorarium
Honorarium for Panel
Discussion
Appearance Fee

Assets/Income Sources Exceeding \$200.00 as a Result of Being Sold

Asset/Income Source:

Mutual Funds:
Individual:
Investment Company of America
Joint (w/ wife Diane Begala):
Washington Mutual Fund

Nature of Income
Capital Gains

LIABILITIES

None exceeding \$10,000

POSITIONS

Organization

Type of Organization

Position

Carville & Begala

Political Consulting Firm

Partner

AGREEMENTS AND ARRANGEMENTS

Pension Plan between James Carville and Paul Begala
(Formerly Money Market Account--Purchased 6/15/94)

ATTACHMENT B

The following large donors to Pennsylvania Democratic State Committee contributed to Citizens for Harris Wofford in 1993, and in 1991-2:

Daniel E. Bacine (Contributed 5,000 to PDSC on 5/2/94)

mid year report 24 May 93	general 1000
year end report 2 July 92	primary 1000
pre-special 16 July 91	primary 1000
pre-special 16 July 91	general 1000

Leonard Barrack (contributed 10,000 to PDSC on 2/10/94)

mid year report 30 June 93	general 1000
mid year report 18 June 92	primary 1000
pre-special 16 July 91	primary 1000

Peter L. Bittenweiser (contributed 10,000 PDSC on 2/28/94)

mid year report 30 June 93	general 1000
year end report 20 Nov 92	primary 1000
pre-special	general

11 Sept 91

1000

pre-special
16 July 91

primary
1000

John E. Connelly (contributed 15,000 to PDSC on 5/06/94)

mid year
30 June 93

general 1
1000

mid year
30 June 91

primary
1000

mid year
30 June 91

general
1000

mid year
22 June 92

primary
1000

Stephen A. Cozen (contributed 5,000 to PDSC on 5/06/94)

mid year
30 June 93

primary 1
583

mid year
30 June 93

general
583

pre-special
23 Sept 91

general
1000

Matthew L. Garfield (contributed 10,000 to PDSC on 2/11/94)

mid year
13 May 93

primary
1000

post special
26 Oct 91

general
500

year end
21 Oct 92

general
1000

year end
1 July 92

primary
1000

5043633395

26 Aug 91

1000

Kristina M. Hartman (contributed 10,000 to PDSC on 4/05/94) (contributed in 1993 only)

mid year
3 June 93

primary
1000

year end
18 Oct 93

general
500

John B. Torkelson (contributed 10,000 to PDSC on 5/17/94) (contributed in 1993 only)

mid year
30 June 93

primary 1
1000

mid year
30 June 93

general 1
1000

The individuals listed below have not contributed to Citizens for Harris Wofford, but have made large contributions to Pennsylvania Democratic State Committee during 1994. All of the contributors are on the Board of MacAndrews and Forbes, New York, New York.

Donald G. Drapin (contributed 5,000 to PDSC on 3/15/94)

Howard Gittis (contributed 5,000 to PDSC on 3/15/94)

Ronald O. Perleman (contributed 10,000 to PDSC on 3/15/94)

Bruce Slovin (contributed 5,000 to PDSC on 3/15/94)

1 — noted as Memo (filers% on contrb given to jt fr)

5043633396

Bernard Rapoport (contributed 5000 to PDSC on 2/02/94)

mid year
29 Mar 93

general
1000

mid year
28 June 91

general
1000

mid year
17 June 91

primary
1000

year end
31 Dec 92

primary
1000

Gerald J. Rodos (contributed 5000 to PDSC on 5/02/94)

mid year
30 June 93

general
1000

post special
17 Oct 91

general
1000

year end
1 July 92

primary
1000

pre-special
16 July 91

primary
1000

Oliver Rosenberg (contributed 15,000 to PDSC on 5/06/94)

mid year
30 June 93

general
1000

year end
12 Dec 92

primary
1000

pre-special
26 Aug 91

primary
1000

pre-special

general

25043633397



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 18, 1994

**Mr. Paul Begala
Carville & Begala
329 Maryland Ave. NE
Washington, D.C. 20002**

RE: MUR 4083

Dear Mr. Begala:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4083. Please refer to this number in all future correspondence.

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

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

250433398

If you have any questions, please contact Joan McNery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

25043633399



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 18, 1994

**Mr. James Carville
Carville & Begala
329 Maryland Ave. NE
Washington, D.C. 20002**

RE: MUR 4083

Dear Mr. Carville:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4083. Please refer to this number in all future correspondence.

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

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

25043633400

If you have any questions, please contact Joan McNery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

25043633401



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 18, 1994

**Michael F. Coyne, Treasurer
Pennsylvania Democratic Party
510 W. Third St.
Harrisburg, PA 17101**

RE: HUR 4083

Dear Mr. Coyne:

The Federal Election Commission received a complaint which indicates that the Pennsylvania Democratic Party ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter HUR 4083. Please refer to this number in all future correspondence.

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

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

2504363402

If you have any questions, please contact Joan McNery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

250433633403



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 18, 1994

John D. Sheridan, Treasurer
Citizens for Senator Wofford Committee
3905 Front St.
Harrisburg, PA 17110

RE: MUR 4083

Dear Mr. Sheridan:

The Federal Election Commission received a complaint which indicates that the Citizens for Senator Wofford Committee ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4083. Please refer to this number in all future correspondence.

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

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

35043633404

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary J. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

25043633405



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

October 18, 1994

William Lamb
Republican State Committee of Pennsylvania
George I. Bloom Republican Center
112 State St.
Harrisburg, PA 17101

RE: MUR 4083

Dear Mr. Lamb:

This letter acknowledges receipt on October 12, 1994, of the complaint which you filed on behalf of the Republican State Committee of Pennsylvania alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4083. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

25043633406

SCHNADER, HARRISON, SEGAL & LEWIS

ATTORNEYS AT LAW

SUITE 3600

1600 MARKET STREET

PHILADELPHIA, PENNSYLVANIA 19103-4252

215-751-2000

FAX 215-751-2205

TELEX 63-4280 • CABLE WALEW

SHERRY A. SWIRSKY
215-751-2182

October 26, 1994

Oct 28 12 39 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

VIA FACSIMILE AND FIRST CLASS MAIL

Joan McEnery, Esquire
Enforcement Division
Office of the General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: **MUR 4083**

Dear Ms. McEnery:

The Pennsylvania Democratic Party and its present Treasurer, Michael F. Coyne, request an extension of time until and including November 22, 1994 to respond to MUR 4083. Due to the approaching Pennsylvania elections on November 8, 1994, it is extremely difficult to schedule meetings with the individuals who might have factual information and materials pertinent to the Commission's analysis of this matter. In addition, while the Pennsylvania Democratic Party is currently searching its financial records for all relevant information, that process takes time, especially given the pressures of the fast-approaching elections. Once the elections are over, however, we believe the appropriate individuals will have sufficient time to review records and to meet with counsel so that the Pennsylvania Democratic Party and Michael F. Coyne, as Treasurer of the Pennsylvania Democratic Party, may submit materials to refute the allegations made against them in MUR 4083.

Sincerely yours,

Sherry A. Swirsky

Sherry A. Swirsky
For SCHNADER, HARRISON, SEGAL & LEWIS

Enclosure

25043633407

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4083

NAME OF COUNSEL: Sherry A. Swirsky, Karen L. Tomlinson

ADDRESS: Schnader, Harrison, Segal & Lewis
Suite 3600, 1600 Market Street
Philadelphia, Pennsylvania 19103

TELEPHONE: (215) 751-2182, (215) 751-2274

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

10-25-94
Date

Michael F. Coyne
Signature

RESPONDENT'S NAME: Michael F. Coyne, Treasurer

ADDRESS: The Pennsylvania Democratic Party
510 North Third Street
Harrisburg, Pennsylvania 17101

HOME PHONE:

BUSINESS PHONE: (717) 238-9381

OCT 28 12 39 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

5043633408

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

OCT 20 8 34 AM '94

October 27, 1994

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

Re: MUR 4083

Dear Ms. McEnery:

On behalf of Citizens for Wofford and John D. Sheridan, as treasurer, we request an extension of time to respond to the complaint filed by the Republican State Committee of Pennsylvania on October 11, 1994, and received by the Committee on October 20, 1994. Due to the recent designation of Perkins Coie as counsel (attached), we do not have an adequate opportunity to respond. An extension of time is necessary in order to review the record, have an adequate opportunity to discuss the issues with our client, collect factual information, and prepare a comprehensive response. Therefore, we are requesting an extension of 20 days until November 24, 1994.

Sincerely,



Robert F. Bauer
B. Holly Schadler
Counsel to Respondents

Attachments

[16368-0001/DA942990.044]

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 31 9 46 AM '94

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 4083

NAME OF COUNSEL: Perkins Cole

ADDRESS: Attn: E. Holly Schadler/Robert E. Bauer

607 14th Street, N.W.

Washington, DC 20005

TELEPHONE: (202) 434-1634

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COMMISSION
OFFICE OF GENERAL
COUNSEL
OCT 31 9 46 AM '94

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

10/24/94
Date

John B. Sheridan
Signature

RESPONDENT'S NAME: Citizens for Hoefford, and
John B. Sheridan as treasurer

ADDRESS: 3905 North Front Street

Harrisburg, PA 17110

HOME PHONE: _____

BUSINESS PHONE: (717) 234-8585

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 1, 1994

Sherry A. Swirsky, Esq.
Schnader, Harrison, Segal & Lewis
1600 Market Street, Suite 3600
Philadelphia, PA 19103-4252

RE: MUR 4083
Pennsylvania Democratic Party
and Sherry A. Swirsky,
as Treasurer

Dear Ms. Swirsky:

This is in response to your letter dated October 26, 1994, requesting an extension until November 22, 1994 to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on November 22, 1994.

If you have any questions, please contact Joan McNery at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

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PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATION
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

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MAIL ROOM

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ROBERT F. BAUER
(202) 434-1602

November 2, 1994

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Lawrence Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Attn: Joan McEnery

Re: MUR 4083

Dear Ms. McEnery:

This firm has been retained to represent Messrs. James Carville and Paul Begala in this matter. Our retention became effective, and we received the Complaint and Commission transmittal letter, on October 26, 1994.

Since that time, Messrs. Carville and Begala have been traveling on business and have been unable to execute designation of counsel formally identifying this firm as their counsel for purposes of this case. We expect that by later this week, we will have this designation and will forward it to you at that time.

We also would like to request an extension of time for response to the Complaint. As noted, the pending November 8 elections are consuming all of the time of Messrs. Carville and Begala and we will have no opportunity to review the matter with them until the week after elections, the week of November 14, 1994.

[09901-0001/DA943060.010]

Lawrence Noble
November 2, 1994
Page 2

For these reasons, we would like to request an extension of time to
November 28, 1994.

Respectfully submitted,



Robert F. Bauer
Counsel for James Carville
and Paul Begala

RFB:rfb

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STATEMENT OF DESIGNATION OF COUNSELNUR 4083

NAME OF COUNSEL:

ROBERT E. BAUER, Esq.

ADDRESS:

PERKINS, COPE, STONE, OLSEN & WILLIAMS
607 14TH STREET, NW, #800
WASHINGTON, DC 20005

TELEPHONE:

202-628-6600NOV 2 3 00 PM '94
FEDERAL ELECTION
COMMISSION
OFFICE OF CHIEF COUNSEL

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

10/31/94
DATEPaul E. Begala
Signature

RESPONDENT'S NAME:

PAUL E. BEGALA

ADDRESS:

1805 RAMPART DR
ALEXANDRIA, VA 22308

HOME PHONE:

BUSINESS PHONE:

202-543-1196

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STATEMENT OF DESIGNATION OF COUNSELNUR 4083

NAME OF COUNSEL:

Robert F. Anner, Esquire

ADDRESS:

Perkins, Cole, Stone, Olsen & Williams1607 14th Street, NWSuite 500, Washington D.C. 20005

TELEPHONE:

202/028-1600

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COMMISSION
OFFICE OF CLERK
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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.

11/1/94
DateJan Anner
Signature

INDEPENDENT'S NAME:

James Cackille

ADDRESS:

329 Maryland Ave, NEWashington, DC20002

HOME PHONE:

BUSINESS PHONE:

202/543-1196

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 7, 1994

Robert F. Bauer, Esq.
Perkins Cole
607 Fourteenth Street, N.W.
Washington, DC 20005-2011

RE: MUR 4083
James Carville and
Paul Begala

Dear Mr. Bauer:

This is in response to your letter dated November 2, 1994, requesting an extension until November 28, 1994 to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on November 28, 1994.

If you have any questions, please contact Joan McEnery at (202) 219-3400.

Sincerely,

Mary L. Taksar (JST)
Mary L. Taksar, Attorney
Central Enforcement Docket

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SCHNADER, HARRISON, SEGAL & LEWIS

ATTORNEYS AT LAW

SUITE 3600

1600 MARKET STREET

PHILADELPHIA, PENNSYLVANIA 19103-4252

215-751-2000

FAX 215-751-2208

TELEX 83-4280 • CABLE WALEW

November 21, 1994

SHERRY A. SWIRSKY
215-751-2182

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

NOV 22 12 20 PM '94

VIA UPS NEXT DAY AIR

Joan McEnery, Esquire
Enforcement Division
Office of the General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: **MUR 4083**

Dear Ms. McEnery:

Enclosed please find for filing the Response of the
Pennsylvania Democratic Party and Michael F. Coyne, Treasurer,
to MUR 4083.

Sincerely yours,

Sherry A. Swirsky

Sherry A. Swirsky
For SCHNADER, HARRISON, SEGAL & LEWIS

25043633417

BEFORE THE FEDERAL ELECTION COMMISSION

Nov 22 12 20 PM '94

Re: MUR 4083

Pennsylvania Democratic Party, Citizens for Wofford and
Paul E. Begala/James Carville

RESPONSE OF THE PENNSYLVANIA DEMOCRATIC PARTY
AND MICHAEL F. COYNE, TREASURER

The Pennsylvania Democratic Party ("PDP"), formerly known as Pennsylvania Democratic State Committee, and Michael F. Coyne, Treasurer, submit this response to MUR 4083. As we shall show, this complaint by the Republican State Committee of Pennsylvania ("RSCP") should be dismissed because, contrary to the unsubstantiated assertions by the RSCP, the PDP has not conspired with Citizens for Wofford, James Carville or Paul Begala to violate the Federal Election Campaign Act of 1971 (as amended) (the "Act"). The PDP has made no illegal contributions, in-kind or otherwise, to Citizens for Wofford. Nor has the PDP solicited or received illegal funds as alleged in this complaint.

PAYMENTS TO CARVILLE & BEGALA BY THE PDP

In its complaint, the RSCP alleges that the PDP "has been paying Carville and Begala for consulting services provided to Senator Wofford's principle [sic] campaign committee," and that these alleged payments on behalf of Citizens for Wofford "represent in-kind contributions by the [PDP] to the Wofford campaign." (Letter from William H. Lamb to Lawrence Noble, Esquire, dated October 11, 1994 ("Complaint") at 2). Even a

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cursory comparison of the facts concerning the PDP's relationship with Carville & Begala in 1994 and the "facts" supplied in the complaint, however, plainly reveals that these allegations are baseless. All payments made to Carville & Begala by the PDP were for consulting services rendered by Carville & Begala to the PDP for the direct benefit of the PDP.¹

As Richard W. Bloomingdale, the Executive Director of the PDP from October 1993 through May 1994, explains in his Declaration (attached), the PDP retained Carville & Begala, a political consulting firm very familiar with the political landscape of Pennsylvania, in February 1994 to advise the PDP in designing and implementing a statewide election strategy, party-building activities and fundraising programs. See Declaration of Richard W. Bloomingdale ("Bloomingdale Declaration") at ¶ 3; Bloomingdale Declaration Exhibit 2. According to Mr. Bloomingdale, these services were intended solely to support the interests of the PDP, and most certainly were not intended for the specific benefit of the re-election campaign of Senator Wofford. Bloomingdale Declaration at ¶ 4. Indeed, Mr. Bloomingdale asserts that, at no time while he was Executive Director of the PDP, did he ever consult with anyone at Carville & Begala for the purpose of seeking advice for Citizens for

1. We note that the complaint does not challenge the appropriateness of the allocation ratio used for PDP's payments for the consulting services rendered to PDP by Carville & Begala. Indeed, the information derived from PDP's FEC reports as set forth in the complaint makes clear that the allocation was appropriate under 11 C.F.R. § 106.5. (Complaint at 3).

Wofford; nor did he instruct any employee of PDP to do so.
Bloomingdale Declaration at ¶ 14.

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The PDP is at a loss to understand the RSCP's allegation that the payments by the PDP to Carville & Begala were for consulting services provided to Senator Wofford's campaign committee. During the period from February through July 1994, Carville & Begala provided the services to the PDP contemplated by the consulting agreement with the PDP. Bloomingdale Declaration at ¶¶ 9-13. These services included advice to the PDP on communications with party members, candidates, supporters and the public; development of and participation in PDP fundraising events; and planning and participation in the PDP's Campaign College for candidates for various offices, party officials and staff members from various Pennsylvania campaigns. Bloomingdale Declaration at ¶¶ 9-13. In short, it is clear that the PDP paid Carville & Begala for services rendered to PDP in accordance with the consulting agreement between these two parties. See Bloomingdale Declaration Exhibit 1.

The basis for the flimsy allegations made by the RSCP seems to be the facts that: (1) the PDP, as it disclosed in its FEC reports, made payments to Carville & Begala from March through June 1994 (Complaint at 2); and (2) Citizens for Wofford did not report any expenditures to Carville & Begala in that same time period. (Complaint at 3). Contrary to the RSCP's interpretation, however, these two facts are not related in any

sinister or conspiratorial fashion. Rather, as Mr. Bloomingdale explains in his Declaration, the PDP contracted for, and then paid for, services from Carville & Begala, a respected political consulting firm that also had as a client the principal campaign committee for Senator Wofford's re-election -- Citizens for Wofford.²

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In a display of patent illogic, the RSCP attempts to link the PDP's payments to Carville & Begala in the time period from March 7, 1994 through June 3, 1994 with purported quotations from news articles about Carville & Begala's services to Citizens for Wofford. The dates of the quotations belie the attempted linkage. In fact, the statements concerning Carville & Begala's work for Citizens for Wofford that the complaint purports to quote are all from the time period of July 24, 1994 through September 7, 1994, which is after the PDP payments to Carville & Begala that the RSCP has challenged. Thus, the RSCP's own "evidence" contradicts its allegations. Indeed, review of the FEC reports filed by Citizens for Wofford for the period beginning July 1, 1994 will reflect that campaign committee's

2. We note that the PDP's choice of Carville & Begala for consulting services is hardly surprising since that firm was previously involved in two Democratic gubernatorial campaigns in Pennsylvania, in 1984 and 1990, and in Senator Wofford's 1991 campaign for the United States Senate. The PDP obviously retained a firm with demonstrated familiarity with Pennsylvania politics. Retention of such a firm was extremely important in this election cycle because of the number of key races, including the gubernatorial race; the Pennsylvania House races, which would determine control of that body; a number of Pennsylvania Senate races; a number of significant United States House of Representative races; and the United States Senate race.

payments to Carville & Begala. Those reports are legitimate evidence and they unequivocally rebut the RSCP's allegation that "Wofford has not paid his own consultants." (Complaint at 3).

In sum, the PDP paid Carville & Begala for services that firm rendered to the PDP, not to Citizens for Wofford. Consequently, the PDP's payments to Carville & Begala do not constitute an in-kind contribution, as defined in 11 C.F.R. § 100.7 (1994), to Citizens for Wofford. Because these payments were not contributions to the Wofford campaign, the PDP did not violate the Act by failing to report these payments as an in-kind contribution to Citizens for Wofford, and the PDP did not exceed the permissible amount it may contribute to Citizens for Wofford under 2 U.S.C. § 441a.

SALARY PAYMENTS TO PDP EMPLOYEES

The RSCP also alleges that funds of the PDP were used to pay employees of the Citizens for Wofford campaign. (Complaint at 4). This allegation is baseless. Although Alicia Alexion, Marshall Miller and Timothy Eaton worked for both the PDP and Citizens for Wofford, the PDP paid these individuals only for services for the PDP, as outlined in their PDP Victory '94 job descriptions. See Bloomingdale Declaration at ¶¶ 15, 17; see also Bloomingdale Declaration Exhibits 4-7. The PDP's payments for the services rendered by these individuals to the PDP honored the appropriate allocation ratio between federal and non-federal accounts pursuant to 11 C.F.R. § 106.5. See PDP FEC Reports of

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Receipts and Disbursements, Disbursement Schedule H4

(incorporated herein by reference). Further, these individuals were paid separately and independently by Citizens for Wofford for duties performed expressly for that campaign committee. The RSCP has produced absolutely no evidence showing otherwise.

DONATIONS TO THE PDP

The RSCP finally alleges that the PDP used funds "raised outside the limitations and restrictions of the Act to pay for the political consulting services of Carville and Begala to the Wofford Campaign," and that the PDP violated the Act by using "illegal funds." (Complaint at 3). Once again, the RSCP grasps at non-existent straws.

As we have already demonstrated, the PDP did not pay for any services provided by Carville & Begala to Citizens for Wofford. Thus, the PDP did not, as alleged by the RSCP, "us[e] prohibited funds including union treasury funds and donations from individuals designated for non-federal use to fund in-kind contributions to the Wofford Campaign." (Complaint at 3).

Further, the hypothesis presented by the RSCP that the PDP "conspired with the [Wofford] Campaign to obtain funding from the Wofford donors who have already contributed to the Wofford campaign the maximum permitted under the Act" (Complaint at 3) borders on sheer fantasy.

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The PDP does not dispute that it solicited contributions from individuals who had already made their maximum contributions to Citizens for Wofford, as well as individuals who had made no contributions to Citizens for Wofford. Bloomingdale Declaration at ¶ 16. Individuals who had in the past contributed to Citizens for Wofford were approached by the PDP on the theory that they would be willing to support not just Senator Wofford's re-election effort, but also efforts by the PDP that would benefit all Democratic campaigns in Pennsylvania. Bloomingdale Declaration at ¶ 16. As noted in the complaint, however, the PDP did not limit its fundraising efforts there, but also solicited contributions from other individuals.³ See Complaint Attachment B at 4. Donations received from all of these fundraising efforts went to support the PDP's activities, which of course included Carville & Begala's services to the PDP.

In sum, the individuals listed in Attachment B to the complaint made legal contributions to the non-federal account of the PDP. The funds in that account were legitimately used to pay for the PDP's party-building activities. Moreover, as the complaint itself acknowledges, the PDP paid Carville & Begala in accordance with the appropriate allocation ratio pursuant to 11

3. The PDP does not understand the point the RSCP attempts to make when it notes that a number of contributors to the PDP are members of the Board of Directors of MacAndrews and Forbes. Complaint Attachment B at 4. There is absolutely no indication that the contributions by these individuals were intended to be anything other than permissible individual contributions to the PDP's non-federal account.

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C.F.R. § 106.5, using permissible funds to do so. (Complaint at 3). Nothing in the complaint points to any prohibited or illegal fundraising activity undertaken by the PDP, or to any prohibited use of non-federal funds.

CONCLUSION

The Pennsylvania Democratic Party and Michael F. Coyne, Treasurer, have demonstrated by the Declaration of Richard W. Bloomingdale and the other factual materials attached hereto that the allegations made in the complaint have no basis in fact. It is therefore respectfully requested that the Commission find no reason to believe that a violation of the Act has occurred and that this file therefore be closed.

Respectfully submitted,

Sherry A. Swirsky

Sherry A. Swirsky
Karen L. Tomlinson
Attorneys for Respondents
Pennsylvania Democratic Party
and Michael F. Coyne, Treasurer

SCHNADER, HARRISON, SEGAL & LEWIS
1600 Market Street, Suite 3600
Philadelphia, Pennsylvania 19103

Of Counsel.

Dated: November 21, 1994.

BEFORE THE FEDERAL ELECTION COMMISSION

Nov 22 12 20 PM '94

Re: MUR 4083

Pennsylvania Democratic Party, Citizens for Wofford and Paul
E. Begala/James Carville

DECLARATION OF RICHARD W. BLOOMINGDALE

I, Richard W. Bloomingdale, declare under penalty of perjury that the following statements are true and correct to the best of my knowledge, information and belief.

1. I have personally reviewed the complaint filed by William H. Lamb, the State Vice-Chairman of the Republican State Committee of Pennsylvania (MUR 4083), and I submit this declaration in support of the response of the Pennsylvania Democratic Party ("PDP"), formerly known as the Pennsylvania Democratic State Committee.

2. I was Executive Director of the Pennsylvania Democratic Party from October 1993 through May 1994. My responsibilities as Executive Director included the day-to-day management and operations of the PDP.

3. In January and early February of 1994, in preparation for the upcoming general election in November 1994, I had discussions with Paul Begala of Carville & Begala, a political consulting firm. I was well-acquainted with Carville & Begala and its two principals from prior campaigns in Pennsylvania, dating back to Governor Casey's 1986 campaign, and

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I knew that both James Carville and Paul Begala were intimately familiar with the political landscape in Pennsylvania. We discussed the possibility of the PDP retaining Carville & Begala as political consultants to the PDP to help achieve its objective of strengthening the state party. Specifically, we discussed retaining Carville & Begala to work with the PDP: (a) in designing and implementing a statewide election strategy; (b) in coordinating the state party message with the message of the Democratic National Committee; (c) in delivering the state party message to the public; and (d) in fundraising. We also discussed Carville & Begala's fee, which Paul Begala told me would be \$29,000 per month.

4. The consulting services of Carville & Begala were intended solely for the direct benefit of the PDP. They were not intended to, and did not, benefit Senator Wofford's re-election campaign, except to the extent that services to promote party-building activities would enhance the campaigns of all Democratic candidates in Pennsylvania.

5. As Executive Director of the PDP, I had authority to discuss contract terms and enter into an agreement with Carville & Begala, with the consent of the Chairman of the PDP. I sought and received the consent of Senator J. William Lincoln, the then-Chairman of the PDP, prior to entering into an agreement for consulting services with Carville & Begala on behalf of the PDP.

6. On February 17, 1994, the PDP entered into a contract with Carville & Begala for the period of February 1 through April 30, 1994. See Exhibit 1 attached hereto (Carville & Begala consulting agreement). I believe that I signed the agreement on behalf of the PDP and then returned it to Carville & Begala, but the PDP has not been able to locate a signed copy of the agreement at this time. Under this agreement, Carville & Begala would, as requested by the PDP: (a) assist the PDP in the development of its message and political strategy; (b) assist the PDP with strategic planning for the PDP's party structure and operations; (c) assist the PDP in designing and implementing communications strategy, including advice on tactics, scheduling, speeches and events; and (d) provide other political advice as requested. I believe that this agreement fairly embodied the services and terms I had discussed with Paul Begala in January and February 1994.

7. Carville & Begala's fees under the consulting agreement were intended to be paid for, and were paid for, pursuant to the appropriate administrative split and, to the best of my knowledge, were paid with permissible funds.

8. On March 8, 1994, the PDP issued a press release announcing its retention of Carville & Begala. See Exhibit 2 attached hereto (Pennsylvania Democratic State Committee press release).

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9. During the period from February through April 1994, at my request, Carville & Begala provided advice on communications with party members and the public, particularly with regard to the PDP's position on national policy matters. Carville & Begala also provided advice on party-building, free media and grass roots support. This advice was implemented by the PDP in the form of newsletter items; discussions with candidates, key supporters and county party officials; and strategic planning.

10. I was the PDP employee with the primary responsibility for requesting services from Carville & Begala pursuant to the consulting agreement. My primary contacts at Carville & Begala were Paul Begala and Jan Smith, the assistant of Carville & Begala. Typically, when I wanted to speak to these individuals, I would call the Washington office of Carville & Begala ((202) 543-1196) or Ms. Smith's home and leave a message for them to call me. See Exhibit 3 (selected PDP telephone records). Someone from Carville & Begala was always available when I requested services on behalf of the PDP during the term of the agreement.

11. At the request of the PDP, Carville & Begala also helped to plan a fundraiser for PDP held in Philadelphia, Pennsylvania on April 27, 1994, at which the film "The War Room" was shown. Both James Carville and Paul Begala were present and spoke at that event.

12. In April 1994, the PDP began planning for a Campaign College to be held in July 1994 and to be attended by candidates for various offices, state and county party officials and staff members from various Pennsylvania campaigns. I discussed this project with Ms. Smith beginning in April. After the decision to hold the Campaign College was made, PDP decided to extend its contract with Carville & Begala. It was agreed that Carville & Begala would help plan and participate in the 1994 Campaign College. In fact, it was my understanding that Carville & Begala would provide the services of Ms. Smith to coordinate the Campaign College planning.

13. Carville & Begala provided advice on the 1994 Campaign College from beginning to end, including advice on the concept, faculty and the curriculum. Both James Carville and Paul Begala were scheduled to speak at the Campaign College. I left my position as Executive Director of the PDP on May 31, 1994, but it is my understanding that Ms. Smith continued to participate in the Campaign College planning, and that James Carville spoke at that event on July 30, 1994. Paul Begala was not able to attend, however, due to a last-minute commitment to accompany the President on a speaking engagement.

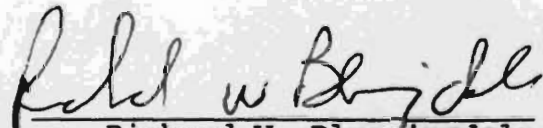
14. For all of the reasons set forth above, I vigorously dispute the allegations in the complaint that the PDP was paying Carville & Begala for services actually being rendered to or on behalf of Citizens for Wofford. At no time during my tenure as Executive Director of the PDP did I consult Carville & Begala for the purpose of seeking advice for the Wofford campaign and I never instructed any PDP employee to do so.

15. The allegation in the complaint that the PDP "manipulated" funds to pay Citizens for Wofford employees is likewise untrue. Alicia Alexion, the Pennsylvania Fundraising Supervisor for PDP Victory '94 (the Pennsylvania Democratic coordinated campaign), was employed by both the PDP and Citizens for Wofford. As a PDP Victory '94 employee, Ms. Alexion had responsibility for all aspects of the party's finance operation. See Exhibit 4 attached hereto (Victory '94 Job Description for Alicia Alexion). She managed the coordination of fundraising efforts for Citizens for Wofford and Victory '94, and worked with both groups on expanding their donor bases. This position was paid for equally by Citizens for Wofford and Victory '94. See Exhibit 5 attached hereto (PDP Pay Schedule for Alicia Alexion); PDP FEC Reports of Receipts and Disbursements, Disbursement Schedule H4 (incorporated herein by reference). Ms. Alexion and I worked together to raise funds for PDP's party-building activities and operating expenses, which included, among many other things, the Carville & Begala contract.

16. One fundraising idea of Ms. Alexion's was to approach individuals who had already made their maximum contributions to Citizens for Wofford and solicit contributions from them for the PDP on the theory that these individuals would be willing to support PDP efforts that would benefit all Democratic campaigns in Pennsylvania.

17. The allegation in the complaint that the PDP "manipulated" funds to pay Wofford campaign employees Marshall Miller (incorrectly referred to in the complaint as "Marsha Miller") and Timothy Eaton is similarly untrue. Both of these individuals, like Ms. Alexion, worked for both the PDP and Citizens for Wofford. The PDP paid these individuals for specific services to PDP, as outlined in their PDP Victory '94 job descriptions. See Exhibit 6 (PDP Job Descriptions for Marshall Miller and Timothy Eaton); Exhibit 7 (Pay Schedules for Marshall Miller and Timothy Eaton); PDP FEC Reports of Receipts and Disbursements, Disbursement Schedule H4 (incorporated herein by reference).

18. Finally, I dispute the allegation in the complaint that the PDP used "prohibited funds" to "fund in-kind contributions to the Wofford Campaign." As set forth above, neither the Carville & Begala consulting agreement with PDP nor the employment relationships between PDP and Ms. Alexion and Messrs. Marshall and Eaton were contributions to the Wofford campaign, in-kind or otherwise. Moreover, I am not aware of any instances in which the PDP used prohibited funds to pay Carville & Begala or the three PDP Victory '94 employees mentioned in the complaint.


Richard W. Bloomingdale

Executed on November 20, 1994.

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CONSULTING AGREEMENT

This Agreement, entered into this 17th day of February, 1994 and made effective as of the 1st day of February, 1994, by and between Democratic Party of Pennsylvania ("Client"), and Carville & Begala, a District of Columbia partnership ("Consultant"), witnesseth:

In consideration of the mutual covenants contained herein, it hereby agreed as follows:

1. Services to be Performed

A. During the term of this Agreement, the Client may request Consultant to perform, and the Consultant agrees to perform when and if requested by the Client, the following services:

(i) Assist in development of message and political strategy generally and for specific initiatives;

(ii) Assist with strategic planning of party structure and operations;

(iii) Assist in designing and implementing communications strategy for specific initiatives, including written and oral advice on tactics, scheduling, speeches and events;

(iv) Provide other strategic political advice as requested.

B. Consultant will brief Client officials and staff with regard to its advice and recommendations.

C. Consultant shall devote such time to the services to be performed hereunder as Consultant shall in its reasonable professional judgement deem necessary to ensure timely satisfactory performance of said services. All services hereunder shall conform to the highest professional standards applicable to the work being performed.

2. Compensation

A. As consideration for the services to be provided hereunder, Client shall pay Consultant a fee of \$87,000, payable in monthly installments throughout the term of this Agreement. Consultant shall submit its invoice on the first day of each such month and the Client will pay the invoice within thirty (30) days of receiving it. Any amounts due hereunder that are not paid within five (5) business days of the date due shall bear interest from the date due at a rate equal to eighteen percent (18%) per year (but in no event at a rate greater than the maximum rate allowed by law in the District of Columbia). Any amounts paid shall be credited first to any accrued and unpaid interest and then to principal.

B. The Client will reimburse Consultant for out of pocket expenses actually incurred in the performance of the Agreement, including copying, long distance telephone, freight and postage, and lodging, food and transportation for travel by Consultant's partners, employees and contractors incurred in the performance of services hereunder. Consultant shall include an itemization of expenses in its monthly invoice submitted under section 2(A).

3. Term and Termination

A. This agreement shall be deemed effective as of February 1st, 1994 and shall continue in effect through and including April 30th, 1994, unless sooner terminated pursuant to the provisions of subparagraph B.

B. Either party hereto may terminate this Agreement upon thirty (30) days' prior written notice to the other party. In the event of termination, the Client shall pay Consultant completed through the date of termination, plus out of pocket expenses incurred on or before the date on which Consultant has received the notice of termination. If the termination date does not fall on the last business day of the calendar month, Client shall pay Consultant a fraction of the monthly fee, in which fraction the numerator shall be the number of calendar days of the month occurring up to and including the termination date and the denominator shall be the total number of calendar days in the month.

4. Miscellaneous

A. All copyright and other rights in and to any and all writings and any and all other works and materials produced by Consultant in the course of performing services hereunder shall be held jointly and belong jointly to Consultant and Client and shall become and remain the joint property of Consultant and Client. The Consultant and Client hereby grant each other mutual, royalty-free, perpetual licenses to use any such writings, works or materials internally. No external use of any such writings, works or materials shall be made by either party without the consent of the other.

B. Neither party hereto shall disclose to any third person any information, data or the like designated as confidential by either party and disclosed by one party to the other in connection with the performance of this Agreement. This provision applies without limitation to any information relating to activities, contracts, plans or proposals of the Client.

C. Neither party hereto may delegate its obligations or assign its rights hereunder to any other person or entity without the prior written consent of the other, except that the Client may assign its rights or delegate its obligations, in whole or in part, to any of its affiliated party committees.

504363435

10101

D. This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia. Any action whatsoever to enforce any right hereunder shall be brought only in the courts of the District of Columbia.

E. All services provided under this Agreement will be provided by the Consultant as an independent contractor. The Client and Consultant are independent parties. Nothing in this agreement shall be deemed to establish between them (or between either of them and the partners and/or employees of the other) a relationship of principal and agent, employment, partnership or joint venture. Neither the Client nor Consultant will make any representations or commitments to the contrary, and neither will bind or seek to bind the other to any agreement or representation without the prior written consent of the other.

F. Any notice required or desired to be given hereunder shall be deemed sufficient if sent by telecopy or certified mail, return receipt requested and, (i) if to the Client, addressed to _____ and (ii) if to Consultant, addressed to Paul Begala, Carville & Begala, 329 Maryland Avenue, N.E., Washington, D.C. 20002.

G. This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof, supersedes all prior written and oral agreements and understandings relating to such subject matter and cannot be modified or amended except by a written instrument executed by both parties hereto.

In witness whereof, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Democratic Party of Pennsylvania

By _____

Title: _____

Carville & Begala

By _____

Title: _____



The Pennsylvania Democratic State Committee

510 North Third Street, Harrisburg, Pennsylvania 17101 • (717) 238-9381 • Fax (717) 233-3472

N E W S

FOR IMMEDIATE RELEASE

Contact: Veronica Varga
717-238-9381

DEMOCRATIC STATE COMMITTEE SIGNS UP CARVILLE/BEGALA TEAM

HARRISBURG (March 8) -- The Pennsylvania Democratic State Committee (PDSC) has hired the nationally acclaimed political consulting team of James Carville and Paul Begala to assist in continuing efforts to build and strengthen the state Democratic Party, according to state Sen. J. William Lincoln, chairman.

"We are delighted to join once again in partnership with the proven success and expertise of Carville and Begala," Lincoln said. "They are certainly no strangers to Pennsylvania, and they've demonstrated a clear understanding of the real needs of real people, which has always been the focus of our Democratic Party."

Under the agreement, the firm will assist the PDSC in designing and implementing a statewide strategy including communications, special projects and fundraising activities.

The consultants, largely credited with refining the message and charting the tactics behind the Clinton victory in 1992, first broke on the national scene with a stunning win by U.S.

J. William Lincoln
Chairman

Rena Baumgartner
Vice-Chair

Frank J. McDonnell
Treasurer

Paid for by Pennsylvania Democratic State Committee

© 1994



Sen. Harris Wofford in the 1991 special election against former Pennsylvania Governor and U.S. Attorney General Dick Thornburgh.

With that repudiation of conventional political expectations, Wofford became the first Democratic United States Senator elected in the Commonwealth in over 30 years.

Carville and Begala are renowned in the Keystone State for their help as well in masterminding the election of the "real" Bob Casey as Governor in 1986 and his landslide re-election victory in 1990.

"The Democratic party remains strong in Pennsylvania and, with the able assist of James Carville and Paul Begala, we anticipate even greater days to come," Lincoln said.

#

1994

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4

**Victory '94
Job Description
Pennsylvania Fundraising Supervisor**

Employee: Alicia Alexion

The fundraising supervisor is primarily responsible for all aspects of statewide finance operation. This person manages the coordination of fundraising efforts for Citizens for Wofford and Victory '94, working directly with them on expanding the donor base of both groups. This position is paid 1/2 by Citizens for Wofford and 1/2 by Victory '94.

Other responsibilities include:

- ◆ Organization and follow up for fundraising events including dealing with vendors and thanking contributors.
- ◆ Management of fundraising staff
- ◆ Directs compliance with federal and state law

Signature of Employee

Alicia Alexion

Signature of Supervisor

Ralph J. L.

25043633439

6

Victory '94
Job Description
Researcher - Eastern PA

Employee: Marshall Miller

The Researcher for Eastern PA is responsible for gathering information with regards to all of the elections in November. He monitors Pennsylvania candidates and utilizes the Democratic State and County Committee members as a base for monitoring all regions of Pennsylvania.

Other responsibilities include:

Media Monitoring
Constituency outreach

25043633440

**Victory '94
Job Description
Researcher - Western PA**

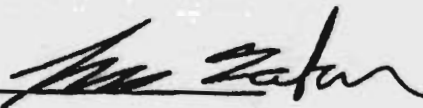
Employee: Tim Eaton

The Researcher for Western PA is responsible for gathering information with regards to all of the elections in November. She monitors Pennsylvania candidates and utilizes the Democratic State and County Committee members as a base for monitoring in all regions of Pennsylvania.

Other responsibilities include:

- ◆ Media Monitoring
- ◆ Constituency outreach

Signature of Employee



Signature of Supervisor

1 4 4 3 3 6 3 4 5 2

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

November 23, 1994

Nov 23 3 45 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Lawrence M. Noble, Esq.
Federal Election Commission
Office of the General Counsel
999 E Street, N.W.
Washington, D.C. 20515

Re: MUR 4083 - Citizens for Wofford and John D. Sheridan, as
Treasurer

Dear Mr. Noble:

We are responding on behalf of Citizens for Wofford ("the Committee") and John D. Sheridan, as Treasurer, to the complaint dated October 11, 1994, filed against the Committee by Mr. William Lamb, State Vice-Chairman of the Republican State Committee of Pennsylvania.

Complainant's allegations of wrongdoing by the Wofford Committee are groundless. Mr. Lamb has misrepresented certain facts and entirely ignored others that demonstrate that this complaint is without merit. Most importantly, Mr. Lamb's complaint is premised on the allegation that the Wofford Committee did not make payments to Carville & Begala, the consulting firm of Messrs. James Carville and Paul Begala, in 1994. In fact, the Committee made monthly payments to Carville & Begala for consulting services provided to the Committee -- payments that were fully disclosed on the Committee's FEC reports.

Moreover, Mr. Lamb's allegations entirely ignore the express provisions of the Federal Election Campaign Act of 1971, as amended, (the "FECA") designed to enable, and indeed encourage, the conduct of generic party building activities that benefit the party as well as the entire ticket of federal and nonfederal candidates.

Respondents request that the Commission dismiss this complaint and take no further action.

[16568-0001/DA943250.023]

November 23, 1994

Page 2

1. Complainant Appears Unaware that the Wofford Committee Retained Carville & Begala and Paid for Their Services

Contrary to Complainant's allegations, the Wofford Committee retained Carville & Begala to provide consulting services from the period June 1, 1994, through the date of the general election. Patricia M. Ewing, the manager of the Wofford campaign, negotiated a contract with the firm to provide advice on campaign strategy, message development, and communications. Affidavit of Patricia M. Ewing ¶ 4. A copy of the final contract is attached as Exhibit 1 to the Ewing Affidavit. In consideration for these services, the Committee paid Carville & Begala \$14,500 per month.

The invoices from the firm and corresponding checks from the Committee in payment of these invoices are attached as Exhibit A. In addition, the relevant pages of the Committee's October 15 Quarterly Report and Pre-election Report disclose these payments made to Carville & Begala. See Exhibit B. The Committee has one remaining invoice from Carville & Begala for consulting services provided during November. If it is not paid prior to November 28, it will appear as an outstanding debt on the Committee's Thirty Day Post-General Report.

This complaint was filed by the Republican Committee on October 11, four days before the filing date for the Wofford Committee's third quarterly report covering the period July 1 through September 30. Nevertheless, Complainant asserts on page 2: "According to Wofford's Commission filings, Citizens for Wofford has not made any expenditures to Carville & Begala in 1994." (emphasis added). If Complainant had waited four days, he would have had information on the public record demonstrating that this complaint was based on numerous false and inaccurate statements. Nevertheless, Mr. Lamb proceeded to file the complaint even though he had not reviewed the Wofford Committee's reports for a three month period -- precisely the period during which the Wofford Committee launched its general election campaign.¹

The Wofford Committee made the judgment that Carville & Begala's services were not required during the primary. Ewing Affidavit ¶ 6. Because Senator Wofford

¹Indeed, if Mr. Lamb and the Republican Committee had consulted the Committee's reports, they would have discovered these payments and would have had no basis on which to file this complaint.

did not have primary election opposition, his campaign was not conducting the types of activities for which Carville & Begala would be retained - general election message and strategy. Ewing Affidavit ¶ 7. Moreover, while it was likely that Congressman Santorum would emerge as the Republican nominee, he had significant primary opposition. Therefore, until May 10 it was not clear who Senator Wofford would be running against and, accordingly, how the Committee would craft its general election message. Thus, the Wofford Committee hired Carville & Begala as consultants for the general election, not during the primary period.

It was the Wofford Committee's judgment that the best pre-general strategy was to concentrate on raising money and conducting some limited polling and opposition research. Ewing Affidavit ¶ 7. In light of this strategy, the Committee did not and had no need to retain its full team of consultants until June. It brought on only those consultants that provided fundraising, polling and opposition research services. Carville & Begala did not perform these services for the Committee.²

2. This Consulting Arrangement is Entirely Consistent With Messrs. Carville's & Begala's Financial Disclosure Statements and Other Public Statements Cited by Complainant

Complainant cites as evidence for his allegations Messrs. Carville's and Begala's declarations on their personal financial disclosure statements that they were consultants to Citizens for Wofford. See Complaint at 2. Mr. Lamb seems to suggest that there is an inconsistency between this disclosure and their consulting arrangement with the Committee. Indeed, their statements are entirely consistent with the Wofford Committee's consulting arrangement. The financial disclosure statements cover a period from January 1 through June 30, 1994. The Wofford Committee's contract

² Complainant also alleges that the Pennsylvania Democratic Party ("State Committee") paid certain employees for performing services for the Wofford Committee. Ms. Alexion was retained by both the State Committee and the Wofford Committee. Her responsibilities to the Wofford Committee included overseeing the administrative, fundraising and compliance activities of the Committee on a day-to-day basis. She was paid for her services by the Wofford Committee. Relevant pages of the Committee's 1994 FEC reports disclosing these payments are attached as Exhibit C. Again, there is no basis for Mr. Lamb's allegation that the State Committee was somehow paying for Ms. Alexion's services to the Wofford Committee. The Wofford Committee had an employment relationship with Ms. Alexion and it paid for the services she performed for the Committee. We understand that Marshall Miller and Timothy Eaton were State Committee employees.

with them began on June 1, 1994. Therefore, at the time they filed their reports, and during the period covered by the reports, the Wofford Committee was a client of Carville & Begala. Moreover, the Wofford Committee was paying on a monthly basis for their services.

Complainant also cites a reporter's conversation with Gretta Creech, the Wofford Committee's press secretary, as evidence that Carville & Begala were providing services to the Wofford Committee. See Complaint at 2. Again, this conversation was entirely consistent with the Wofford Committee's contractual arrangement with Carville & Begala. According to the Complaint, Al Neri of the Erie Times-News called Ms. Creech on July 24, 1994, and she confirmed that the Wofford Committee was in daily contact with Carville & Begala. At that time Carville and Begala had been providing consulting services to the Wofford Committee. Therefore, it is not surprising, and indeed consistent with their contractual arrangement, that the Committee was consulting with Carville & Begala on a daily basis.

Similarly, Complainant cites quotes attributed to Mr. Begala from the New York Times and The Los Angeles Times in which he is discussing the Wofford campaign. Again the quotes appear on July 27 and September 7, 1994, respectively, both during the period Carville & Begala were being paid under a retainer arrangement to the Wofford Committee.

3. The Pennsylvania Democratic Party Retained Carville & Begala to Provide Services to the State Party, Not Citizens for Wofford

Complainant alleges that the State Committee's payment to Carville & Begala constituted in-kind contributions to the Wofford Committee. See Complaint at 3. The State Committee retained Carville & Begala to provide strategic advice on party building activities and message development. Party building activities are not candidate specific. They are intended to assist the entire Democratic ticket in the election. Indeed, this type of generic party building activity is expressly contemplated under the FECA and its regulations. Contrary to Complainant's allegations, these activities do not constitute in-kind contributions to specific candidates.

Equally, specious is Mr. Lamb's allegation that the Wofford Committee specifically benefited from the State Committee's use of nonfederal funds to pay for Carville & Begala. Again, the FEC regulations provide that a state party may finance

generic party activities with both federal and nonfederal funds. See 11 C.F.R. § 102.5. The party is required to allocate these expenditures in accordance with a prescribed ratio. Complainant has no basis for suggesting that somehow the State Committee's generic party building expenditures should be characterized as in-kind contributions to the Wofford Committee in direct contravention of the FEC regulations.

The regulations are intended to encourage activities to strengthen political parties at the grassroots level. The fact that the State Committee and Citizens for Wofford each used and compensated the same consultants in 1994 certainly provides no basis whatsoever for recharacterizing legitimate party building activities intended to benefit the Democratic ticket as prohibited in-kind contributions. Senator Wofford's campaign stood to benefit, as did campaigns of all other Democratic candidates running in Pennsylvania, from the State Committee's activities. But such a benefit is contemplated under the FECA, and expressly exempt from the definition of contribution.

Moreover, the Commission examined the requirements of lawful state party activity in connection with the regulations promulgated in 1991. See 11 C.F.R. § 106. Those regulations are extensive. Nowhere do they suggest that a party committee and a candidate may not employ the same consultants, or even that there is a legal presumption for restricting such an arrangement. And Complainant does not even suggest that these regulations were violated in any respect.³

4. Fundraising from Wofford Committee Donors

Similarly, Mr. Lamb's "conspiracy" theory about State Committee fundraising from Wofford donors is equally groundless. Mr. Lamb provides the names of eight contributors to the Wofford Committee who were also contributors to the State Committee. The Wofford Committee, over the course of the 1991 and 1994 elections, received contributions from thousands of individuals. It is hardly surprising that there was some overlap between the Wofford Committee's and the State Party Committee's contributors given the large number of individuals from whom the Wofford

³ Indeed, where there has been any concern about the common use of consultants, the Commission has expressly addressed it, but no such concern has been raised in relation to the party activities discussed here or incorporated into the relevant regulations. See 11 C.F.R. § 109.

November 23, 1994
Page 6

Committee raised funds. Indeed, it would be surprising if the overlap were not considerably greater.

It is certainly not prohibited for an individual to give to both a candidate's committee and the state party committee for the state in which that candidate is running. Indeed such a practice is both common and entirely lawful. The State Committee was in no way precluded from raising funds from Wofford Committee contributors under the FECA.⁴ Any suggestion by Mr. Lamb that this is somehow inappropriate under the FEC regulations or that the Wofford Committee "conspired" with the State Committee has no basis in fact or law. Indeed, to build a conspiracy theory on the basis of eight common donors is rather fantastic.

On the basis of the foregoing response, we request that this complaint be dismissed with no further action.

Sincerely,



Robert F. Bauer
B. Holly Schadler
Counsel for Respondents

Attachments

⁴ Indeed, previous contributors to the Wofford Committee are likely to be good prospects and a natural constituency for the State Committee because they have a proven interest in Pennsylvania elections, and specifically the kinds of party building activities that would strengthen the Democratic ticket.

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

MAY 23 3 46 PM '94

Affidavit of Patricia M. Ewing

(An originally signed copy of this
affidavit will be sent under separate
cover)

5043633448

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 4083

AFFIDAVIT OF PATRICIA M. EWING

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 23 3 47 PM '94

I, Patricia M. Ewing, hereby state as follows:

1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.
2. I served as the campaign manager for Citizens for Wofford, the principal campaign committee of Senator Harris Wofford (hereinafter referred to as "the Committee"), for the period February 1, 1994, through the general election of 1994.
3. As campaign manager, I was responsible for overseeing the day-to-day management of the campaign, the execution of campaign strategy, as well as negotiating with consultants for services provided to the Committee.
4. In May, 1994, I negotiated the final contract with the consulting firm of Carville & Begala.
5. Attached as Exhibit 1 to this Affidavit is a copy of the contract that I negotiated with Carville & Begala.
6. The Wofford Committee made the judgment that Carville & Begala's services were not required during the primary election.
7. The principal reason for this decision was that Senator Wofford did not have primary election opposition. In addition, we were uncertain who would be

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selected as the Republican Party nominee and, as a consequence, what our general election strategy would be. Therefore, we decided that we would not conduct the types of activities for which Carville & Begala would be retained during this period, including general election message and strategy. In the Wofford Committee's judgment, the best pre-general election strategy was to concentrate on raising funds and conducting limited polling and research.

8. In light of this strategy, the Committee did not, and had no need to, retain the services of Carville & Begala until June, 1994.

9. Carville & Begala began providing services to the Committee on or around June 1, 1994, the effective date of the contract between Carville & Begala and the Committee.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 23rd day of November, 1994.


Patricia M. Ewing

Exhibit 1 to Affidavit of Patricia M. Ewing
Consulting Agreement

25043633451

CONSULTING AGREEMENT

This Agreement, entered into this _____ day of _____, 1994 and made effective as of the 1st day of June, 1994, by and between Citizens for Wofford ("Client"), and Carville & Begala, a District of Columbia partnership ("Consultant"), witnesseth:

In consideration of the mutual covenants contained herein, it is hereby agreed as follows:

1. Services to be Performed

A. During the term of this Agreement, the Client may request Consultant to perform, and the Consultant agrees to perform when and if requested by the Client, the following services:

- (i) Assist in development of message and political strategy;
- (ii) Assist with strategic planning of campaign structure and operations;
- (iii) Assist in designing and implementing communications strategy, including written and oral advice on tactics, scheduling, speeches and events;
- (iv) Provide other strategic political advice as requested.

B. Consultant will brief Client officials and staff with regard to its advice and recommendations.

C. Consultant shall devote such time to the services to be performed hereunder as Consultant shall in its reasonable professional judgment deem necessary to ensure timely satisfactory performance of said services. All services hereunder shall conform to the highest professional standards applicable to the work being performed.

2. Compensation

A. As consideration for the services to be provided hereunder, Client shall pay Consultant a fee of \$87,000 payable in monthly installments of \$14,500 throughout the term of this Agreement. Consultant shall submit its invoice on the first day of each such month and the Client will pay the invoice within thirty (30) days of receiving it. Any amounts due hereunder that are not paid within five (5) business days of the date due shall bear interest from the date due at a rate equal to eighteen percent (18%) per year (but in no event at a rate greater than the maximum rate allowed by law in the District of Columbia). Any amounts paid shall be credited first to any accrued and unpaid interest and then to principal.

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2. The Client will reimburse Consultant for out of pocket expenses actually incurred in the performance of the Agreement, including copying, long distance telephone, freight and postage, and lodging, food and transportation for travel by Consultant's partners, employees and contractors incurred in the performance of services hereunder. Consultant shall include an itemization of expenses in its monthly invoice submitted under section 2(A).

3. Term and Termination

A. This agreement shall be deemed effective as of June 1st, 1994 and shall continue in effect through and including November 30th, 1994, unless sooner terminated pursuant to the provisions of subparagraph C.

B. If the Client is successfully re-elected, this contract and all conditions and terms contained herein, amended below with regard to compensation, shall continue in effect through and including December 31st, 1994. The amount paid in compensation for this one month will be \$35,000.

C. Either party hereto may terminate this Agreement upon thirty (30) days' prior written notice to the other party. In the event of termination the Client shall pay Consultant completed through the date of termination, plus out of pocket expenses incurred on or before the date on which Consultant has received the notice of termination. If the termination date does not fall on the last business day of the calendar month, Client shall pay Consultant a fraction of the monthly fee, in which fraction the numerator shall be the number of calendar days of the month occurring up to and including the termination date and the denominator shall be the total number of calendar days in the month.

4. Miscellaneous

A. All copyright and other rights in and to any and all writings and any and all other works and materials produced by Consultant in the course of performing services hereunder shall be held jointly and belong jointly to Consultant and Client and shall become and remain the joint property of Consultant and Client. The Consultant and Client hereby grant each other mutual, royalty-free, perpetual licenses to use any such writings, works or materials internally. No external use of any such writings, works or materials shall be made by either party without the consent of the other.

B. Neither party hereto shall disclose to any third person any information, data or the like designated as confidential by either party and disclosed by one party to the other in connection with the performance of this Agreement. This provision applies without limitation to any information relating to activities, contracts, plans or proposals of the Client.

C. Neither party hereto may delegate its obligations or assign its rights hereunder to any other person or entity without the prior written consent of the other, except that the Client may assign its rights or delegate its obligations, in whole or in part, to any of its affiliated party committees.

D. This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia. Any action whatsoever to enforce any right hereunder shall be brought only in the courts of the District of Columbia.

E. All services provided under this Agreement will be provided by the Consultant as an independent contractor. The Client and Consultant are independent parties. Nothing in this agreement shall be deemed to establish between them (or between either of them and the partners and/or employees of the other) a relationship of principal and agent, employment, partnership or joint venture. Neither the Client nor Consultant will make any representations or commitments to the contrary, and neither will bind or seek to bind the other to any agreement or representation without the prior written consent of the other.

F. Any notice required or desired to be given hereunder shall be deemed sufficient if sent by telecopy or certified mail, return receipt requested and, (i) if to the Client, addressed to _____ and (ii) if to Consultant, addressed to Paul Begala, Carville & Begala, 329 Maryland Avenue, N.E., Washington, D.C. 20002.

G. This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof, supersedes all prior written and oral agreements and understandings relating to such subject matter and cannot be modified or amended except by a written instrument executed by both parties hereto.

In witness whereof, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Wofford for Senate

By _____

Title: _____

Carville & Begala

By _____

Title: _____

25043633454

Exhibit A

250436333455

Carville & Begala

INVOICE

TO: CITIZENS FOR WOFFORD
1420 WALNUT STREET
SUITE 808
PHILADELPHIA, PA 19102

ATTN: ALICIA ALEXION

FROM: JAMES CARVILLE & PAUL BEGALA

DATE: JUNE 1, 1994

RE: CONSULTING FEES

The fees summarized below are in conjunction with political consulting services on behalf of the CITIZENS FOR WOFFORD. Please remit no later than JUNE 30, 1994. Thank you.

JUNE 1-JUNE 30, 1994	\$14,500
	- - -
TOTAL	\$14,500

Payment should be issued and mailed to:

Carville & Begala
329 Maryland Avenue, NE.
Washington, D.C. 20002

If any questions arise, please do not hesitate to call Trish Donilon at (202)543-1196 or (703)660-2389. Thank you.

CITIZENS FOR SENATOR WOFFORD

003136

CARVILL
Carvill & Begala

3136

07/01/94

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	PREVIOUS PAY./CREDIT	DISCOUNT TAKEN	AMOUNT OF PAYMENT
June	06/10/94	14,500.00	0.00	0.00	14,500.00

14,500.00

7
5
4
3
3
3
6
3
4
3
5
0
5
2

INVOICE

TO: CITIZENS FOR WOFFORD
1420 WALNUT STREET
SUITE 808
PHILADELPHIA, PA 19102

ATTN: ALICIA ALEXTON

FROM: JAMES CARVILLE & PAUL BEGALA

DATE: JULY 1, 1994

RE: CONSULTING FEES

The fees summarized below are in conjunction with political consulting services on behalf of the CITIZENS FOR WOFFORD. Please remit no later than JULY 30, 1994. Thank you.

JULY 1- JULY 30, 1994	\$14,500
	- - -
TOTAL	\$14,500

Payment should be issued and mailed to:

Carville & Begala
329 Maryland Avenue, NE.
Washington, D.C. 20002

If any questions arise, please do not hesitate to call Trish Donilon at (202) 543-1196 or (703) 660-2389. Thank you.

CITIZENS FOR SENATOR WOFFORD

003425

CARVILL
Carville & Begala

3196

07/21/94

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	PREVIOUS PAY/CREDIT	DISCOUNT TAKEN	AMOUNT OF PAYMENT
	07/12/94	14,500.00	0.00	0.00	14,500.00

14,500.00

25043633459

Carville & Begala

INVOICE

TO: CITIZENS FOR WOFFORD
1420 WALNUT STREET
SUITE 808
PHILADELPHIA, PA 19102

ATTN: SUE BRODSKY

FROM: JAMES CARVILLE & PAUL BEGALA

DATE: AUGUST 1, 1994

RE: CONSULTING FEES

The fees summarized below are in conjunction with political consulting services on behalf of the CITIZENS FOR WOFFORD. Please remit as soon as possible.
Thank you.

August 1-August 30th, 1994	\$14,500
----------------------------	----------

TOTAL	\$14,500
-------	----------

Payment should be issued and mailed to:

Carville & Begala
329 Maryland Avenue, NE.
Washington, D.C. 20002

If any questions arise, please do not hesitate to call Trish Donilon at (202)543-1196 or (703)660-2389. Thank you.

003277

CITIZENS FOR SENATOR WOFFORD

CARVILL
Carville & Begala

3276

08/16/94

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	PREVIOUS PAY/CREDIT	DISCOUNT TAKEN	AMOUNT OF PAYMENT
August	08/15/94	14,500.00	0.00	0.00	14,500.00

14,500.00

25043633461

INVOICE

TO: CITIZENS FOR WOFFORD
1420 WALNUT STREET
SUITE 808
PHILADELPHIA, PA 19102

ATTN: SUE BRODSKY

FROM: JAMES CARVILLE & PAUL BEGALA

DATE: SEPTEMBER 1, 1994

RE: CONSULTING FEES

The fees summarized below are in conjunction with political consulting services on behalf of the CITIZENS FOR WOFFORD. Please remit as soon as possible. Thank you.

September 1-September 30, 1994 \$14,500

TOTAL \$14,500

Payment should be issued and mailed to:

Carville & Begala
329 Maryland Avenue, NE.
Washington, D.C. 20002

If any questions arise, please do not hesitate to call Trish Donilon at (202) 543-1196 or (703) 660-2389. Thank you.

CITIZENS FOR SENATOR WOFFORD

003432

CARVILL
Carville & Begala

3431

09/25/94

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	PREVIOUS PAY/CREDIT	DISCOUNT TAKEN	AMOUNT OF PAYMENT
Sept	09/04/94	14,500.00	0.00	0.00	14,500.00

14,500.00

3463336334504

INVOICE

TO: CITIZENS FOR WOFFORD
1420 WALNUT STREET
SUITE 808
PHILADELPHIA, PA 19102

ATTN: SUE BRODSKY

FROM: JAMES CARVILLE & PAUL BEGALA

DATE: OCTOBER 1, 1994

RE: CONSULTING FEES

The fees summarized below are in conjunction with political consulting services on behalf of the CITIZENS FOR WOFFORD. Please remit as soon as possible. Thank you.

October 1-October 31, 1994 \$14,500

TOTAL \$14,500

Payment should be issued and mailed to:

Carville & Begala
329 Maryland Avenue, NE.
Washington, D.C. 20002

If any questions arise, please do not hesitate to call Trish Donilon at (202) 543-1196 or (703) 660-2389. Thank you.

CITIZENS FOR SENATOR WOFFORD

003509

CARVILL
Carville & Begala

3509

10/16/94

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	PREVIOUS PAY/CREDIT	DISCOUNT TAKEN	AMOUNT OF PAYMENT
	10/05/94	14,500.00	0.00	0.00	14,500.00

14,500.00

25043633465

Exhibit B

25043633466

SCHEDULE B - ITEMIZED DISBURSEMENTS

PAGE: 8 OF

Operating Expenditure

LINE NUMBER 17

Name of Committee: Citizens for Senator Wofford -- FEC ID C00252049

Name and Address	Date	Amount
-----	-----	-----
Consulting	09/01/94	8000.00
Campaign Management Productions 502 Groff Court NE Washington, DC 20002	General 1994	
-----	-----	-----
Photocopy Expense	09/12/94	110.31
Can Do Printing 1560 Locust Street Philadelphia, PA 19103	General 1994	
-----	-----	-----
Consulting Expense	07/10/94	14500.00
Carville & Begala 329 Maryland Ave. Washington, DC 20002	General 1994	
-----	-----	-----
Consulting Expense	07/22/94	14500.00
Carville & Begala 329 Maryland Ave. Washington, DC 20002	General 1994	
-----	-----	-----
Consulting Expense	08/16/94	14500.00
Carville & Begala 329 Maryland Ave. Washington, DC 20002	General 1994	
-----	-----	-----
Consulting Expense	09/25/94	14500.00
Carville & Begala 329 Maryland Ave. Washington, DC 20002	General 1994	
-----	-----	-----
Subscriptions	09/12/94	72.60
Center City News 202-208 Cecil B. Moore Ave. Philadelphia, PA 19122	General 1994	
-----	-----	-----
Travel	07/22/94	1443.83
Joseph Cini RD 1 Halltown Road Wampum, PA 16157	General 1994	
-----	-----	-----
Taxes	09/25/94	31.26
City of Philadelphia Dept. Revenue P.O. Box 1620 Philadelphia, PA 19105	General 1994	
-----	-----	-----

Sub-total disbursements this pg:

67658.00

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Operating Expenditure

LINE NUMBER 17

Name of Committee: Citizens for Senator Wofford -- FEC ID C00252049

Name and Address		Date	Amount
Courtney Bennett 426 S. 44th Street Philadelphia, PA 19107	Reimbursed Office Expense General 1994	10/16/94	2.10
Courtney Bennett 426 S. 44th Street Philadelphia, PA 19107	Payroll General 1994	10/04/94	911.68
	Health Insurance General 1994	10/16/94	3846.12
Blue Cross / Blue Shield 1701 Market Street Philadelphia, PA 19104			
Susan Brodsky 250 S. 13th Street Apt 14B Philadelphia, PA 19107	Payroll General 1994	10/04/94	1476.51
David Caliguiri 2239 Beechwood Boulevard Pittsburgh, PA 15217	Payroll General 1994	10/04/94	150.09
	Consulting General 1994	10/03/94	8000.00
Campaign Management Productions 502 Groff Court NE Washington, DC 20002			
	Consulting General 1994	10/16/94	14500.00
Carville & Begala 329 Maryland Ave. Washington, DC 20002			
	Telephone General 1994	10/16/94	306.77
Comcast Metrophone P.O. Box 15343 Wilmington, DE 19886			
Lauren A Cooler 1101 Penshurst Lane Narberth, PA 19072	Reimbursed Travel General 1994	10/16/94	201.85
Lauren A Cooler 1101 Penshurst Lane Narberth, PA 19072	Payroll General 1994	10/04/94	320.86

Sub-total disbursements this pg:

29715.98

25043633468

Exhibit C

25043633469

Operating Expenditure

LINE NUMBER 17

Name of Committee: Citizens for Wofford -- FEC ID C00252049

Name and Address		Date	Amount

Airborne Express	Overnight Mail	03/22/94	28.25
P.O. Box 91001	Primary 1994		
Seattle, WA 98111			

Alicia Alexion	Payroll	01/15/94	951.26
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

Alicia Alexion	Travel (Reimbursement)	02/17/94	55.00
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

Alicia Alexion	Payroll	01/31/94	951.28
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

Alicia Alexion	Payroll	02/15/94	951.27
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

Alicia Alexion	Payroll	03/11/94	484.68
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

Alicia Alexion	Payroll	01/03/94	951.27
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

Alicia Alexion	Payroll	03/25/94	492.99
1720 Lombard St.			
Apt. 508	Primary 1994		
Philadelphia, PA 19146			

	Payroll Processing	01/17/94	179.16
Automatic Data Processing			
P.O. Box C-32113	Primary 1994		
Richmond, VA 23261			

Sub-total disbursements this pg:			5045.16

SCHEDULE B - ITEMIZED DISBURSEMENTS

PAGE: 1 OF 8

Operating Expenditure

LINE NUMBER 17

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

Name of Committee: Citizens for Wofford -- FEC ID C00252049

Name and Address		Date	Amount
Aaron Rents, Inc. 5720 General Washington Drive Alexandria, VA 22312	Furniture & Computer Rental Primary 1994	04/08/94	1551.75
Aetna Insurance 151 Farmington Avenue Hartford, CT 06156	Workers Comp. Insurance Primary 1994	04/08/94	450.06
Airborne Express P.O. Box 91001 Seattle, WA 98111	Overnight Mail Primary 1994	04/12/94	12.50
Alicia Alexion 257 South 16th Street Apt. 15D Philadelphia, PA 19102	Office Supplies (Reimbursement) Primary 1994	04/12/94	50.40
Alicia Alexion 257 South 16th Street Apt. 15D Philadelphia, PA 19102	Payroll Primary 1994	04/08/94	492.99
Alleghany Aviation 6136 Murray Avenue Bethel Park, PA 15102	Travel Primary 1994	04/01/94	2600.00
Automatic Data Processing P.O. Box C-32113 Richmond, VA 23261	Payroll Processing Primary 1994	04/08/94	97.52
Automatic Data Processing P.O. Box C-32113 Richmond, VA 23261	Payroll Taxes Primary 1994	04/07/94	2372.77
Sub-total disbursements this pg:			7627.99

25043633471

Operating Expenditure

LINE NUMBER 17

Name of Committee: Citizens for Senator Wofford -- FEC ID C00252049

Name and Address		Date	Amount

Airborne Express	Overnight Service	06/28/94	45.00
P.O. Box 91001	General 1994		
Seattle, WA 98111			

Alicia Alexion	Payroll	04/22/94	492.99
257 South 16th Street			
Apt. 15D	Primary 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	05/01/94	606.59
257 South 16th Street			
Apt. 15D	Primary 1994		
Philadelphia, PA 19102			

Alicia Alexion	Reimbursed Travel	04/26/94	131.33
257 South 16th Street			
Apt. 15D	Primary 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	05/01/94	985.99
257 South 16th Street			
Apt. 15D	Primary 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	05/23/94	59.01
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	06/09/94	59.02
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	06/17/94	549.79
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

	Travel	04/26/94	1487.50
Alleghany Aviation			
6136 Murray Avenue	Primary 1994		
Bethel Park, PA 15102			

Sub-total disbursements this pg:			4417.22

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SCHEDULE B - ITEMIZED DISBURSEMENTS

PAGE: 2 OF

Operating Expenditure

LINE NUMBER 17

Name of Committee: Citizens for Senator Wofford -- FEC ID C00252049

Name and Address		Date	Amount

	Overnight Services	08/24/94	9.25
Airborne Express			
P.O. Box 91001	General 1994		
Seattle, WA 98111			

Alicia Alexion	Payroll	07/02/94	549.78
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	08/12/94	549.80
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Reimbursed Travel	07/01/94	159.25
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	07/15/94	549.80
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	07/29/94	549.78
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	08/26/94	549.78
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	09/09/94	549.80
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Alicia Alexion	Payroll	09/23/94	549.78
257 South 16th Street			
Apt. 15D	General 1994		
Philadelphia, PA 19102			

Sub-total disbursements this pg:

4017.02

25043633473

Operating Expenditure

LINE NUMBER 17

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

Name of Committee: Citizens for Senator Wofford -- FEC ID C00252049

Name and Address	Date	Amount
ALPHA Graphics 3412 Hartsdale Drive Camp Hill, PA 17011	Photocopying General 1994 10/14/94	80.83
Aaron Rents, Inc. 5720 General Washington Dr Alexandria, VA 22312	Furniture Rental General 1994 10/16/94	97.96
Airborne Express P.O. Box 91001 Seattle, WA 98111	Overnight Services General 1994 10/04/94	24.25
Airborne Express P.O. Box 91001 Seattle, WA 98111	Overnight Services General 1994 10/17/94	37.00
Alicia Alexion 257 South 16th Street Apt. 15D Philadelphia, PA 19102	Reimbursed Travel General 1994 10/03/94	129.37
Alicia Alexion 257 South 16th Street Apt. 15D Philadelphia, PA 19102	Payroll General 1994 10/04/94	549.78
Automatic Data Processing P.O. Box C-32113 Richmond, VA 23261	Payroll Taxes General 1994 10/04/94	8660.39
Bell Atlantic 715 13th Street NW Washington, DC 20005	Telephone General 1994 10/16/94	438.61
Sub-total disbursements this page:		10018.19

2504363474

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

November 28, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Nov 28 5 10 PM '94

Lawrence M. Noble, Esq.
Federal Election Commission
Office of General Counsel
999 E Street, NW
6th Floor
Washington, DC 20463

Re: MUR 4083

Dear Mr. Noble:

In the course of preparing the response of the Pennsylvania Democratic Party in MUR 4083, Counsel to the Party, Sherry A. Swirsky, Esquire, contacted me to determine whether three employees of the Party, Alicia Alexion, Timothy Eaton and Marshall Miller were also employees of Citizens for Wofford. At the time we discussed the matter I understood, based on a misunderstanding in my conversation with Wofford staff, that all three of these individuals had been Wofford Committee employees. The Party relied on my representation in preparing their response which I understand was sent to your office by overnight mail on Monday, November 21, 1994.

In a subsequent conversation with Wofford Committee staff more familiar with personnel matters, I was informed that only Alicia Alexion was also a Wofford Committee employee. This conversation occurred after the Party's response had been filed. I have communicated this factual correction to Ms. Swirsky and I understand that the Party will be amending its response accordingly. Nevertheless, I wanted to clarify the source of the misunderstanding that resulted in this error.

Sincerely,



B. Holly Schadler
Counsel to Citizens for Wofford

50433475

PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
607 FOURTEENTH STREET, N.W. • WASHINGTON, D.C. 20005-2011
(202) 628-6600 • FACSIMILE (202) 434-1690

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 28 5 09 PM '94

November 28, 1994

Lawrence M. Noble, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington D.C. 20463

Re: MUR 4083 - Paul E. Begala and James Carville

Dear Mr. Noble:

This letter, prepared on behalf of Paul E. Begala and James Carville ("Respondents"), responds to the complaint filed by Mr. William H. Lamb, Vice-Chairman of the Republican State Committee of Pennsylvania, dated October 11, 1994. Mr. Lamb alleges that Messrs. Begala and Carville, through their consulting firm, Carville & Begala, were providing services to Citizens for Wofford which were paid by the Pennsylvania Democratic Party ("State Party"). This allegation is not supported by the facts. Indeed, the facts on which Mr. Lamb relies to make his allegations are incorrect and directly contradicted by information available on the public record.

Carville & Begala had a contract with the State Party to provide services for the benefit of the Party to prepare for the 1994 election. The firm also had a contract with Citizens for Wofford to provide advice to the committee in the general election. Contrary to Mr. Lamb's allegations, Carville & Begala were paid by Citizens for Wofford, not the State Party, for services rendered to specifically benefit Senator Wofford's re-election campaign.

Contract for Services with the State Party

Messrs. Begala and Carville have advised the State Party and Democratic candidates in Pennsylvania, including Governor Bob Casey, for many years. See Begala Aff. ¶ 3. Indeed, there are few, if any, Democratic consultants that have comparable experience and knowledge of Pennsylvania politics. In 1986, five years before Senator Wofford even entered electoral politics, Carville & Begala were retained to advise then-candidate Casey and the State Party during Governor Casey's statewide campaign. See Begala Aff. ¶¶ 3, 4. The firm was retained again in 1990 during Governor Casey's reelection campaign. See Begala Aff. ¶ 4. The work they did with the State Party in 1994 represented a continuation of this relationship.

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The State Party retained Carville & Begala to provide advice on party building, development and coordination of the State Party's message and other strategic planning. The Party entered into a contract with Carville & Begala, effective February 1, 1994, for these services. See Begala Aff. ¶ 5. Pursuant to this contract, Carville & Begala received \$29,000 per month for their services to the Party. See Exhibit A.

Carville & Begala provided a variety of services under the contract with the State Party.¹ They assisted the Party in preparing for the general election including party building activities, message development and strategic planning. They also assisted the Party in developing a get-out-the-vote plan for the general election. Democratic turnout and effective party involvement was viewed as critical to the success of the Democratic nominees. This was particularly important during a year when the Party's nominees for both governor and senator, as well as many state level races, faced difficult challenges.

In addition, Messrs. Begala and Carville assisted in and attended fundraisers for the Party to assist in the Party's fundraising efforts. They spoke at a fundraiser at which the movie, the "War Room" was presented. Messrs. Carville and Begala were featured in this film about the Clinton campaign. Mr. Begala also attended several of the State Party's meetings to provide advice on strategy.

The culmination of their services to the Party was the organization of the Campaign College, an intensive day-long seminar on political organizing. See Begala Aff. ¶ 6. The agenda and workbook for the College are included as Exhibit B. Carville & Begala hired an independent contractor specifically for the purpose of organizing the Campaign College for the Pennsylvania Party and a similar program in Georgia for the Georgia Democratic Party. See Begala Aff. ¶ 6. Their firm assisted the State Party in setting the agenda, contacting and lining up the speakers and

¹ Carville & Begala had a similar contract with the Georgia Democratic Party to provide advice on party building and strategic planning. Messrs. Carville and Begala have chosen to take on a relatively small number of clients during each election cycle in order to have sufficient time to devote to each one. As their personal disclosure statements indicate, during the 1994 cycle, the firm had only five clients. For the most part, Messrs. Carville and Begala personally service each client. Unlike many consultants, they do not generally hire additional staff to provide strategic advice to their clients. Consequently, the firm's fees reflect this high degree of personal service.

generally organizing the event. Planning for the College began in April, 1994. The College was held on July 30, 1994. State candidates at all levels, state and county party officials and campaign staff attended the College.

Contract for Services With Citizens for Wofford

Contrary to Mr. Lamb's allegations, Citizens for Wofford also retained Carville & Begala under an entirely independent arrangement for the period June 1 through November 30, 1994. A copy of the contract, negotiated by Patricia Ewing, manager of the Wofford campaign and Mr. Begala, is attached as Exhibit D. The principal services that Carville & Begala provided to the Wofford Committee were message development, campaign strategy and communications. They also assisted with the Committee's get-out-the-vote effort. In consideration for these services, the Wofford Committee agreed to pay the firm \$14,500 per month.

Mr. Lamb's allegation that the Wofford Committee did not pay Carville & Begala in 1994 is demonstrably false. The firm was paid \$14,500 per month in satisfaction of the contract. See Begala Aff. ¶ 8.

Mr. Lamb's references to the financial disclosure statements filed by Messrs. Carville and Begala to support his allegation are equally specious. He suggests that the declarations by Messrs. Carville and Begala that Citizens for Wofford was a client of their firm as of June 30 provided evidence that the State Party was paying Carville & Begala to provide services to the Wofford campaign. In fact, as evidenced by the contract between Carville & Begala and the payments made by Citizens for Wofford to the firm for their services, Citizens for Wofford was a client of Carville & Begala as of June 30, the date of the disclosure statements.

Contrary to the suggestion of Mr. Lamb, Mr. Begala's public statements in July and September, cited by Mr. Lamb, regarding Mr. Begala's role in the Wofford campaign are consistent with this arrangement. The statement by Ms. Creech, press secretary for Citizens for Wofford, also cited by Mr. Lamb, is similarly consistent with this consulting arrangement. On July 24, 1994, the Erie Times-News reported that Ms. Creech stated that Mr. Carville was in daily contact with the campaign. From June 1 through the general election, Carville & Begala were on retainer to the Wofford campaign to provide a wide range of services, and the campaign staff was in

Lawrence M. Noble, Esq.
November 28, 1994
Page 4

daily contact with Messrs. Carville and Begala consistent with the firm's central role in the re-election campaign.

As demonstrated by this response, Mr. Lamb's allegations that the services Carville & Begala provided to the State Party should in some manner be characterized as in-kind contributions to Citizens for Wofford have no merit. If Mr. Lamb intends to suggest that there is a prohibition against a state party and a federal candidate in the state hiring the same consultant, there is absolutely no basis in law for that assertion.

The Federal Election Campaign Act of 1971, as amended (the "FECA"), specifically provides that political party committee's may conduct generic party building activities that are intended to benefit the entire party ticket. 11 C.F.R. § 106.1(c)(2). The expenditures for these activities are not considered in-kind contributions to a particular candidate.

Moreover, nowhere in the FECA, pursuant regulations or the Commission's Advisory Opinions is there a suggestion that a party committee is prohibited from retaining a consultant, who concurrently or subsequently works for one the party's nominees for federal office, to provide advice on its generic party building activities. Indeed, to the contrary, the Commission has had opportunities to address this issue in the course of promulgating regulations and has never done so. In the course of developing extensive regulations on the conduct and financing of party activity, this issue did not even arise. See 11 C.F.R. § 106 and Explanation and Justification.

Respondents request that this matter be dismissed with no further action.

Sincerely,



Robert F. Bauer
Counsel to Messrs. Carville and Begala

Attachments

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 28 5 11 PM '94

Affidavit of Paul E. Begala

25043633480

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 4083

AFFIDAVIT OF PAUL E. BEGALA

I, Paul E. Begala, hereby state as follows:

- 1. I have personal knowledge of the facts set forth herein and if called to testify in this matter, I would testify as set forth herein.**
- 2. I have been a principal in the consulting firm, Carville & Begala, since its formation.**
- 3. Mr. Carville and I have advised the Pennsylvania Democratic Party (hereinafter referred to as the "State Party") and Democratic candidates of Pennsylvania, including Governor Casey, since 1986.**
- 4. Carville & Begala were retained to advise Governor Casey and the State Party during Governor Casey's state-wide campaign in 1986 and continuously thereafter through the 1990 election.**
- 5. In February, 1994, the State Party retained Carville & Begala to provide advice on party building, development and coordination of the State Party's message and other strategic planning. The State Party paid Carville & Begala to provide these services, not services to Citizens for Wofford.**
- 6. As part of the services provided to the State Party, Carville & Begala organized a Campaign College, an intensive day long seminar on political organizing.**

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Carville & Begala hired an independent contractor specifically for the purpose of organizing the Campaign College for the State Party and a similar program in Georgia for the Georgia Democratic Party.

7. Citizens for Wofford retained Carville & Begala pursuant to a contract for the period June 1 through November 30, 1994. Carville & Begala was paid by Citizens for Wofford for all services provided to the Committee with regard to Senator Wofford's re-election campaign.

8. Citizens for Wofford paid Carville & Begala \$14,500.00 per month in satisfaction of the consulting contract.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 28 day of NOVEMBER, 1994



PAUL E. BEGALA

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 28 5 10 PM '94

Exhibit A

950433633483

CONSULTING AGREEMENT

This Agreement, entered into this 17th day of February, 1994 and made effective as of the 1st day of February, 1994, by and between Democratic Party of Pennsylvania ("Client"), and Carville & Begala, a District of Columbia partnership ("Consultant"), witnesseth:

In consideration of the mutual covenants contained herein, it hereby agreed as follows:

1. Services to be Performed

A. During the term of this Agreement, the Client may request Consultant to perform, and the Consultant agrees to perform when and if requested by the Client, the following services:

(i) Assist in development of message and political strategy, generally and for specific initiatives;

(ii) Assist with strategic planning of party structure and operations;

(iii) Assist in designing and implementing communications strategy for specific initiatives, including written and oral advice on tactics, scheduling, speeches and events;

(iv) Provide other strategic political advice as requested.

B. Consultant will brief Client officials and staff with regard to its advice and recommendations.

C. Consultant shall devote such time to the services to be performed hereunder as Consultant shall in its reasonable professional judgement deem necessary to ensure timely satisfactory performance of said services. All services hereunder shall conform to the highest professional standards applicable to the work being performed.

2. Compensation

A. As consideration for the services to be provided hereunder, Client shall pay Consultant a fee of \$87,000, payable in monthly installments throughout the term of this Agreement. Consultant shall submit its invoice on the first day of each such month and the Client will pay the invoice within thirty (30) days of receiving it. Any amounts due hereunder that are not paid within five (5) business days of the date due shall bear interest from the date due at a rate equal to eighteen percent (18%) per year (but in no event at a rate greater than the maximum rate allowed by law in the District of Columbia). Any amounts paid shall be credited first to any accrued and unpaid interest and then to principal.

B. The Client will reimburse Consultant for out of pocket expenses actually incurred in the performance of the Agreement, including copying, long distance telephone, freight and postage, and lodging, food and transportation for travel by Consultant's partners, employees and contractors incurred in the performance of services hereunder. Consultant shall include an itemization of expenses in its monthly invoice submitted under section 2(A).

3. Term and Termination

A. This agreement shall be deemed effective as of February 1st, 1994 and shall continue in effect through and including April 30th, 1994, unless sooner terminated pursuant to the provisions of subparagraph B.

B. Either party hereto may terminate this Agreement upon thirty (30) days' prior written notice to the other party. In the event of termination, the Client shall pay Consultant completed through the date of termination, plus out of pocket expenses incurred on or before the date on which Consultant has received the notice of termination. If the termination date does not fall on the last business day of the calendar month, Client shall pay Consultant a fraction of the monthly fee, in which fraction the numerator shall be the number of calendar days of the month occurring up to and including the termination date and the denominator shall be the total number of calendar days in the month.

4. Miscellaneous

A. All copyright and other rights in and to any and all writings and any and all other works and materials produced by Consultant in the course of performing services hereunder shall be held jointly and belong jointly to Consultant and Client and shall become and remain the joint property of Consultant and Client. The Consultant and Client hereby grant each other mutual, royalty-free, perpetual licenses to use any such writings, works or materials internally. No external use of any such writings, works or materials shall be made by either party without the consent of the other.

B. Neither party hereto shall disclose to any third person any information, data or the like designated as confidential by either party and disclosed by one party to the other in connection with the performance of this Agreement. This provision applies without limitation to any information relating to activities, contracts, plans or proposals of the Client.

C. Neither party hereto may delegate its obligations or assign its rights hereunder to any other person or entity without the prior written consent of the other, except that the Client may assign its rights or delegate its obligations, in whole or in part, to any of its affiliated party committees.

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D. This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia. Any action whatsoever to enforce any right hereunder shall be brought only in the courts of the District of Columbia.

E. All services provided under this Agreement will be provided by the Consultant as an independent contractor. The Client and Consultant are independent parties. Nothing in this agreement shall be deemed to establish between them (or between either of them and the partners and/or employees of the other) a relationship of principal and agent, employment, partnership or joint venture. Neither the Client nor Consultant will make any representations or commitments to the contrary, and neither will bind or seek to bind the other to any agreement or representation without the prior written consent of the other.

F. Any notice required or desired to be given hereunder shall be deemed sufficient if sent by telecopy or certified mail, return receipt requested and, (i) if to the Client, addressed to _____ and (ii) if to Consultant, addressed to Paul Begala, Carville & Begala, 329 Maryland Avenue, N.E., Washington, D.C. 20002.

G. This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof, supersedes all prior written and oral agreements and understandings relating to such subject matter and cannot be modified or amended except by a written instrument executed by both parties hereto.

In witness whereof, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Democratic Party of Pennsylvania

By _____

Title: _____

Carville & Begala

By _____

Title: _____

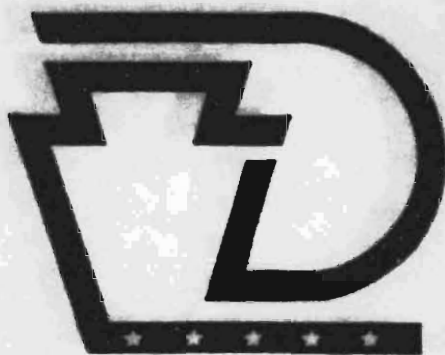
25043633486

Exhibit B

9 5 0 4 3 6 3 3 4 8 7

APPROVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 28 5 12 PM '94



1994 CAMPAIGN COLLEGE

sponsored by the

PENNSYLVANIA DEMOCRATIC PARTY

July 30, 1994

25043633488



THE PENNSYLVANIA DEMOCRATIC PARTY

510 North Third Street, Harrisburg, Pennsylvania 17101
(717) 238-9381 • Fax (717) 233-3472

July 30, 1994

Linda M. Rhodes
Chair

Dear Friends:

Welcome to the 1994 Campaign College sponsored by the Pennsylvania Democratic Party. I'm delighted that we are able to offer you this unique opportunity to learn state-of-the-art campaign strategies from some of the best minds in the business today. And I appreciate your making the time to join us for this well-seasoned workshop on "How to Win in '94!"

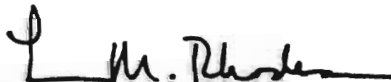
Our all-star line-up of presenters includes nationally recognized consultants James Carville, Paul Begala, Michael Donilon and David Petts, as well as experts in the fields of research, fundraising, field operations and election laws. You'll also hear from the campaign managers, strategists and communications directors who are in the trenches now waging what are sure to be successful Democratic campaigns for Pennsylvania's U.S. Senate and Gubernatorial seats.

In a sense, we have allowed you to "hire," for this one-day seminar, an unparalleled and unprecedented campaign consulting team at an unbeatable price. Our hope is that this best advice from the best in the business will enhance and empower your own campaigns and your efforts on behalf of Democratic candidates in races for everything from seats on local school boards to positions of power in Harrisburg and Washington.

With these impressive new tools, I am confident we all will move steadily on to victory in November and beyond, ever mindful of our common purpose -- to enhance opportunities and the quality of life for the families of Pennsylvania.

Once again, welcome and thank you for your continuing strong commitment to our shared goals.

Best regards,


LINDA M. RHODES

Mike Veon
Vice-Chair

Rena Baumgartner
Second Vice-Chair

Michael F. Coyne
Treasurer

Paid for by The Pennsylvania Democratic Party



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THE PENNSYLVANIA DEMOCRATIC PARTY

510 North Third Street, Harrisburg, Pennsylvania 17101
(717) 238-9381 • Fax (717) 233-3472

Linda M. Rhodes
Chair

AGENDA

- 8:15 - 8:30 a.m. **WELCOME:** *LINDA RHODES, PA Democratic Party Chair and Moderator*
- 8:30 - 8:45 a.m. **BRIEF OVERVIEW OF THE PENNSYLVANIA PUBLIC**
Demographics and market segments: DAVID PETTS
- 9:00 - 10:00 a.m. **MESSAGE:** What the public is saying; Results of polls and focus groups
A. Issues, public attitudes: MICHAEL DONILON, DAVID PETTS
B. Developing your message; how to stay with it: PAUL BEGALA
- 10:00 - 10:10 a.m. **BREAK**
- 10:10 - 11:20 a.m. **GETTING THE MESSAGE OUT -- THE MEDIA**
A. Broadcast Media: MICHAEL DONILON
B. Free Media: ED PEAVY
C. Rapid Response: PAUL BEGALA
- 11:20 - 11:40 a.m. **WHAT EVERYONE NEEDS TO KNOW ABOUT ELECTION LAWS:**
SHERRY A. SWIRSKY, Esq.
- 12:00 - 1:30 p.m. **LUNCH -- Keynote Address -- JAMES CARVILLE**
Includes focus on the tactic of and response to radical right
- 1:35 - 2:40 p.m. **KNOWING YOUR OPPONENT**
A. Opposition Research: ERIC BERMAN
B. Distinguishing yourself from your opponent: JAMES CARVILLE
- 2:45 - 3:30 p.m. **FUNDRAISING**
A. Event Fundraising: MARY JANE VOLK
B. PAC/Special Issue Fundraising: SUE BRODSKY
C. Pennsylvania Fundraising: PAT BRIER, JEFF HEWITT
- 3:30 - 5:00 p.m. **FIELD OPERATIONS**
A. Voter ID and Targeting: TIM DICKSON
B. GOTV, Volunteers, Mail Literature
- 5:00 - 5:30 p.m. **WRAP UP -- VICTORY '94**
A. The U.S. Senate and Gubernatorial Races --
How they affect you: PAT EWING, ALAN GOULD
B. We're all in this together: LINDA RHODES

Mike Veon
Vice-Chair

Rena Baumgartner
Second Vice-Chair

Michael F. Coyne
Treasurer

Paid for by The Pennsylvania Democratic Party



BIOGRAPHIES IN BRIEF

LINDA RHODES -- Prior to her election as the first woman chair of the Pennsylvania Democratic Party in June of this year, Rhodes served for over seven years as Secretary of the state Department of Aging. Her proven skills in grassroots organizing and consensus building provide a solid basis for securing Democratic electoral victories and building the Party for the future. Rhodes also plays a leading role in managing "Victory '94" -- the Democratic Coordinated Campaign.

DAVID PETTS -- A partner in the firm of Bennett, Petts & Associates, Petts has 14 years experience in political polling and consulting for a variety of clients including the Pennsylvania campaigns of gubernatorial candidate Lt. Gov. Mark Singel and Congressional Representatives Marjorie Margolies-Mezvinsky and Paul Kanjorski. Prior to his current association, Petts worked in partnership with Michael Donilon, served as Vice-President of Hickman-Maslin Research, and as a Senior Account Representative with Pat Caddell.

MICHAEL DONILON -- A veteran of the 1991 Wofford Senate Campaign, Donilon has been active in Pennsylvania politics for some time, working on Gov. Robert Casey's 1986 and 1990 campaigns. A partner in the media firm of Grunwald, Eskew and Donilon, he continues as polling and media consultant for Senator Wofford's 1994 reelection bid. They are also political advisors to the President.

PAUL BEGALA -- Currently a consultant to the Democratic National Committee, serving as a Senior Political Advisor to the President. A partner in the political strategy firm of Carville & Begala, he has worked with James Carville since 1983 and is a principal strategist in the 1994 re-election campaigns of Zell Miller and Harris Wofford. Along with Carville, Begala was instrumental in orchestrating the 1986 gubernatorial victory of Bob Casey and the Governor's reelection landslide in 1990.

ED PEAVY -- Communications Director with the Singel for Governor campaign, Peavy has served as campaign managers for U.S. Senate and Congressional races in Missouri and Michigan. He also worked on the 1991 Wofford Senate Campaign as Finance Director for western Pennsylvania.

SHERKY SWIRSKY -- A partner in the Philadelphia law firm of Schnader, Harrison, Segal & Lewis, Swirsky is legal counsel for Victory '94 -- Pennsylvania's Democratic Coordinated Campaign. She authored the national election law manual for the 1988 and 1992 Democratic Presidential campaigns and served as Pennsylvania counsel for both the Clinton-Gore and Dukakis-Bentsen campaigns. Swirsky is a member of the Democratic National Committee National Lawyers Council and the national coordinator for implementation of the National Voter Registration Act of 1993.

JAMES CARVILLE -- With an impressive track record of winning elections for Democrats, Carville - along with his partner Paul Begala - is currently a consultant to the Democratic National Committee, serving as a Senior Political Advisor to the President. Their political consulting firm of Carville & Begala specializes in strategy, message development, "earned media" and winning. Their string of successes includes gubernatorial and senatorial victories in Pennsylvania, New Jersey, Georgia and Kentucky as well as the 1992 Clinton-Gore Presidential victory.



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LINDA M. RHODES

Chair

Pennsylvania Democratic Party

Linda M. Rhodes
Chair

Dr. Linda M. Rhodes was elected the first woman chair of the Pennsylvania Democratic Party on June 18, 1994. Recommended for the post by U.S. Senator Harris Wofford and Lt. Gov. Mark Singel, Rhodes is committed to using her proven skills at grassroots organizing and consensus building not only to ensure Democratic victories in the November election, but also to help build the Party for the future.

In addition to directing the efforts of a statewide organization which includes 67 county chairs, nearly 400 committee members, and almost 3 million registered voters, Rhodes plays a leading role in managing "Victory '94" - the Democratic Coordinated Campaign for Governor, U.S. Senate and Congress. She travels extensively throughout Pennsylvania - the nation's fifth largest state - as a spokesperson for the Democratic message on the state and national level as well as for statewide candidates in private meetings, public forums and with the media.

Prior to her election as Chair, she served as Pennsylvania's Secretary of Aging beginning in January of 1987. Appointed by Governor Casey and unanimously confirmed by the Senate twice, Dr. Rhodes is only the third person to have served in that position and was the first professional gerontologist.

As Secretary of Aging, Rhodes was responsible for the direct management of nearly a half-billion dollars in state and federal resources. She governed the administration of numerous statewide services including family caregiving, protective services, the state's prescription drug program, transportation, area agencies on aging, senior centers, adult day care, Alzheimer's programs and home health care. As the Governor's chief advisor on long term care, Rhodes influenced economic, welfare and health policies across state agencies.

During her seven-and-a-half-year tenure as the state's chief advocate for the health and social needs of 2.5 million older people and their families, she earned a reputation for consensus-making leadership and tough advocacy, resulting in an unprecedented number of public policy initiatives. A partial list of those accomplishments includes:

- ◀ Creating the state's Family Caregiver Program which provides services, finances and insurance counseling to thousands of caregivers every year in Pennsylvania.
- ◀ Breaking a seven-year stalemate within six months of taking office to negotiate the state's first Protective Services law, effectively combating elder abuse, neglect and exploitation and implementing a statewide protective services system.

Mike Veon
Vice-Chair

Rena Baumgartner
Second Vice-Chair

Michael F. Coyne
Treasurer

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THE PAST IS PROLOGUE

Here Are 24 Proven Ideas That Can Help You Win in '94

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24 Testing the Waters

Watch the Polls and Hedge Your Bets in '94

■ ALAN SECREST

In the aftermath of the 1990 election Roger Ailes commented, "Voters may be on the verge of seizing control of the political process." The next day I wrote, as a part of a post-election analysis, "... next time around it will serve both parties' interests to pay more serious heed to the warning signs — even if those findings don't fit preconceived notions about how the election cycle 'should' play out. To do less is to whistle past the graveyard. And the headstones are looking more and more familiar."

This tumultuous political climate exploded in a storm of voter discontent right from the start in 1992, with primary upsets and weary resignations the order of the day. To stay ahead of and to maximize our ability to exploit this tidal wave of voter angst, we made a number of changes in our approach to our 1992 polls, several of which may well be applicable in 1994 as well. (Note: These changes apply to polls conducted for races ranging from state legislature to U.S. Senate.) The following are several suggestions:

Problem: A corrosive political climate.

Alan Secrest is president of Cooper & Secrest Associates, Inc., a Democratic polling firm located in Alexandria, VA.

Solution: Be willing (eager!) to reject conventional wisdom poll analysis.

Reassess and, if necessary, change analytic expectations about an incumbent's "re-elect" score, personal appeal, or job ratings. In particular, never fail to focus upon an incumbent's weak supporters ... who are they and how do they distinguish themselves *unusually*?

Today's poll analysis must go the extra mile. A home (i.e., an incumbent's trial-heat score) may look secure from the outside but be rotting from termites (collapsing job ratings, growing number of weak supporters) on the inside. It was said that Rep. Beverly Byron was unbeatable; our client, Tom Hattery, spotted the political termites and won, the first challenger to whip an incumbent in a '92 primary.

He did so by recognizing in his November 1991 benchmark poll of likely Democratic primary voters that Byron was now a beatable incumbent who, despite a challenger whose name recognition stood at just 31 percent, could only muster a tepid 51 percent in the trial heat.

Rule No. 1 in assessing an incumbent's prospects: The key is not the spread between the two candidates in the trial heat (51 percent Byron, 15 percent Hattery in this example), but rather the proximity of the incumbent's trial heat score to the 50 percent mark. Why?

Because at the federal level 85 to 90 percent of undeclareds typically end up supporting the challenger.

In addition, it paid dividends to give careful attention in the poll to the primary electorate's mood. When voters described things as "off on the wrong track," we asked them "Why?" in an open-ended fashion, revealing deep antipathy toward Congress' lack of accountability.

It was clear, for example, that Rep. Byron's having voted herself a pay raise not only reinforced mounting perceptions that she had "gone Washington" but flew in the face of voters' concerns about Congress' common sense and accountability.

By making Washington an albatross around Rep. Byron's neck, Hattery went on to win a primary that served as the opening round in a primary season full of upsets.

Problem: Amplified impact of even relatively minimal negative advertising or free press by challenger.

Solution: 1) Include "net media exposure" questions in your polls much earlier than usual and use them to cross-tabulate for exposure by TV, radio, mail, and so forth.

Have you seen or heard anything in the last few days or weeks in favor of Candidate A, Republican candidate for Congress, or any Candidate A campaign criticism of Candidate B?

If "YES," ask: Was it something on television, on the radio, in the newspaper, in brochures, in a letter, or some other way?

If "TV," ask: Would that be a TV com-

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Commercial or TV news?

No, have not seen or heard anything.....	1
Yes, have seen or heard (MULTIPLE RESPONSES ACCEPTED)	
TV commercials.....	2
TV news.....	3
Radio.....	4
Newspaper.....	5
Brochures.....	6
Letter.....	7
Billboard.....	8
Lawn sign.....	9
Seen or met candidate.....	10
Other.....	A
Not sure.....	B

These questions served three purposes in 1992 beyond their standard analytic rote. First, they indicated the amplified effect in this acidic climate of even minimally exposed political communications. This was an election in which a little criticism of an incumbent often went an unusually long way, since the broader mood was such an effective "conductor." Hattery's direct mail/radio was brilliant and efficient but highly circumscribed by the budget. Nevertheless, its impact was enormous.

Second, these questions remind campaigns that even a medium like TV takes time to penetrate and that it is critical to estimate gross ratings points/number of all pieces. More than one of our clients received a real wake-up call when the first 600 GRPs of TV generated a "recall TV ad" mark of only about 40 percent.

Finally, however, examining the attitudes of just those who recall the ads can be invaluable in assessing the ads' effectiveness and adjusting the message mix if necessary.

Karen Shepherd's tracking polls in Utah's 2nd CD made plain the effectiveness of her centrist message, especially as regards deficit reduction, and her media team, The Campaign Group, responded accordingly. On Nov. 3, she won this open seat.

2) Don't wait until you see the whites of their eyes. By then it is probably too late. Gather your opposition research, test it rigorously in polls, and blast away before the challenger wins credibility.

Elected in 1974, former Ball State University professor Phil Sharp quickly earned a reputation for being a thoughtful, substantive, and independent-minded steward of Indiana's interests. In 1988, challenger Mike Pence took Sharp to an uncomfortably tight margin on election day.

The modus operandi: From 1990 forward, Sharp was relentlessly pro-active and quick-strike. Once it was discovered and reported that GOP challenger Mike

Pence was using campaign funds for personal expenses (completely legal, but not amusing to voters), the campaign missed no opportunity to remind voters of this fact.

Similarly, '92 challenger William Frazier was made accountable early on for his shoddy record as a state legislator.

Sharp's willingness to mix it up when challengers decide to abandon issues in favor of personal attacks now serves as a huge caution sign to future opponents.

Problem: The need to undermine an opponent's credibility and to obtain an honest reading of the relative effectiveness of your arguments.

Solution: In your polls, employ a more exacting methodology for assessing each argument's impact.

If you are sorting from among several compelling negatives (voted for pay raise, bounced checks, opposes 60-day notification on plant closing, etc.), it is insufficient to ask if the respondent is "more" or "less" likely to support a candidate who shares these views. We have found it is far more effective to ask: "Now I'm going to read you several arguments some people have given as to why a candidate *should* not be (re-)elected as (office). That is, these are arguments *against* this candidate. For each one I read, please tell me how persuasive you think it is as a reason not to (re-)elect this candidate, a very persuasive reason not to (re-)elect him (or her), an only somewhat persuasive reason, or a not at all persuasive reason."

Using this format, it became clear, for example, that voting for a pay raise at any level of government — was a far more politically indictable offense in voters' eyes than simply accepting one. It also made clear that bounced checks, per se, did not automatically disqualify a candidate for re-election and that other factors could mitigate (see Sharp).

Problem: A highly volatile electorate, with lots of late deciders and growing ranks of angry independents.

Solution: 1) Don't stint in conducting tracking polls.

Tracking polls are designed to be serial measures anyway, in part to respond to the tactical imperatives of the end-game, in part to prevent both underreaction and overreaction by emotionally exhausted campaigns down the stretch. These serial polls affect schedule, media/mail rotation, fundraising, and free press opportunities. Use them.

In 1992 our clients won nine open-seat contests and two challenger races, thanks in large part to the tactical guid-

ance provided by tracking polls. Regrettably, two additional clients — both of whom led in the polls during the late summer — opted not to conduct October tracking polls, and both went on to lose winnable races.

Why get all dressed up if you don't really want to go to the dance?

2) Be sure your pollster is willing to ask projective questions, even in tracking polls, especially in a climate like 1992's.

These "Candidate A" vs. "Candidate B" message evaluations can be critical in righting a sinking ship.

The key here is not to load up these hypothetical pairings so that the playing field is tilted, yielding skewed results. Rather, the point is to craft a comprehensive, fair, and concise projection of two or more candidates or messages, test them, identify persuadable targets, and determine why (again, through open-ended questions) these voters move.

These formats were particularly helpful in sorting "pork" vs. "change" messages in many '92 races.

Problem: Getting a message through in a hugely expensive (and possibly very crowded) media market.

Solution: Use top-flight direct mail. Today's direct mail is extraordinarily effective in opening holes in the opponent's ship below the water line, where it's not readily observable.

It is critical to arm mail vendors with as much precision in targeting as possible. To do so, avoid poll samples below 500, if possible. Larger poll samples enhance the accuracy and actionability of your poll.

In Georgia's 10th CD, state Sen. Don Johnson, a moderate whose name recognition started out at 45 percent, challenged incumbent Democratic Rep. Ben Jones. Though much of the district was new to Jones, his profile as an actor in a popular TV series yielded no shortage of free press attention.

Much of the district fell in the expensive Atlanta media market, hence mail became the weapon of choice. By using a sufficient sample size (500), our polls were able to give the mail consultant a range of targets and messages — both positive and negative — to drive home. The result was devastating for Jones. Johnson had accomplished a rare feat in Georgia — winning without a runoff in a multicandidate primary field.

These are only a handful of ideas. They all make the same point: The status quo is deadly. Rely blindly on the techniques of the past and you may find yourself shopping for a political headstone.

David Petts

A partner in the firm of Bennett, Petts & Associates, David Petts possesses fourteen years of experience in political polling and consulting. Founded in 1982, Bennett, Petts, and Associates provides polling and consulting to a wide variety of political and non-political clients across the country. Petts' current clients include the gubernatorial campaigns of Mark Singel in Pennsylvania, Parris Glendening in Maryland and Larry Owen in Michigan. He also conducts survey research for Pennsylvania Congressional Representatives Marjorie Margolies-Mezvinsky and Paul Kanjorski.

From 1982 until 1985 Petts worked as a Senior Account Representative for Pat Caddell's firm, Cambridge Survey Research, where he conducted research for clients including Governors Mario Cuomo and Michael Dukakis in 1982, Senator Paul Simon in 1984, and Coca-Cola, Apple Computer, and AT&T.

In 1985, Petts joined the political polling firm of Hickman-Maslin Research where he served as Vice President. During the 1988 presidential campaign Petts worked as an Advisor for Strategy for the Gephardt for President Campaign, playing a principal role in the strategic development of the Gephardt Campaign, and then became Director of Operations, handling the campaign's day to day responsibilities. In 1988, Petts formed Donilon & Petts Research with partner Michael Donilon.

Petts earned his undergraduate degree at Arizona State University. He attended graduate school at the University of Michigan, where he worked on the National Election Study at the Institute for Social Research (ISR).

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The Polling Report

Vol. 2, No. 11

AN INDEPENDENT SURVEY OF TRENDS AFFECTING ELECTIONS, GOVERNMENT AND BUSINESS

July 31, 1986

Political Applications

The Focus Group

BY ALAN M. SECREST

The videotape had played through, and before the lights in the small room came up again, one woman exclaimed, "That's a damned insult to my intelligence! That, to me, looked like he was trying to get down on our level, and I don't like that. He's making us look small here!" These words, uttered by an otherwise quiet, unassuming housewife in the rural reaches of a southwestern state two years ago, helped provoke a firestorm of similar criticism from a dozen or so of her co-participants during a screening of political ads for a major U.S. Senate candidate. The researchers got the message (it would have been hard not to) and the candidate's media firm re-worked the television spots to eliminate the patronizing tone that so offended the woman. The candidate went on to win a narrow victory, his revised ads finally reversing a precipitous slide among the state's rural voters.

The screening described here occurred in the context of a focus group, a research tool once limited primarily to retail marketing. In the consulting business, where jargon is revered and the latest analytical trend or media technique leapt upon, it can be easy to overstate the role of focus groups. Stripped of the hype, however, focus groups are a highly useful exercise in a wide variety of circumstances in political campaigns.

Focus Group Technique. The focus group method involves one to two hour discussions with groups of from eight to 12 people who share

Continued on page 2

Alan Secrest is president of Cooper & Secrest Assoc., a polling firm in Alexandria, Va., whose clients include the National Committee for an Effective Congress, the Democratic Congressional Campaign Committee, and Cong. Wyche Fowler (D-Ga.), a candidate for the U.S. Senate.

The Supreme Court

Shortly after the Chief Justice announced his retirement, *The New York Times* and CBS News asked the public for its judgment of the Burger Court. Seven percent rated the Supreme Court excellent, 39% good, 41% fair and 7% poor. Interviewing for the poll was June 19-23—before the highly publicized rulings on the Gramm-Rudman budget law and the Georgia sodomy statute. (N = 1,618 adults nationwide.)

The survey found the public divided on the question of whether, in general, the Court was "too liberal or too conservative." Thirty-eight percent answered too conservative, while nearly as many, 34%, said too liberal. Ten percent said "about right." By comparison (according to *The Times*), in a 1973 Gallup Poll, just 26% said it was too conservative, 35% too liberal, and 17% about right.

The *Times*/CBS poll also asked about two specific areas of controversy: the rights of the accused and abortion.

Respondents were asked, "Do you think the Supreme Court has gone too far in protecting the rights of people accused of crimes, or do you think it has generally done what is necessary to see that the accused are treated fairly?" Fifty-one percent said it had done what is necessary, 34% said it had gone too far, and 5% responded that it hadn't done enough on behalf of the accused.

On the question of abortion, a 49% to 43% plurality said they support the Court's having "ruled that a woman may go to a doctor to end her pregnancy at any time during the first three months of pregnancy."

In another survey, conducted by the Gallup Organization for *Newsweek*, a small plurality—47% to 41%—said they disapproved of the Court "upholding a state law against certain sexual practices engaged in privately by consenting adult homosexuals." The question was asked of the 73% who said they knew about the recent decision. (A total of 611 adults nationwide were interviewed July 1 and 2.) ■

a common characteristic (gender, race, occupation, partisanship, persuadability, etc.) or a combination of characteristics. Exploratory or diagnostic in nature, focus group research provides an ideal environment in which to probe people's attitudes, beliefs and reactions. This is a qualitative technique, used to determine what attitudes exist and why, rather than measure (as would a poll) the extent to which specific attitudes are held by a particular population.

This type of interview is conducted in a focused, but non-directed manner by a trained moderator skilled in group dynamics. Using a prepared outline, the moderator guides the discussion over various topics. Participants are encouraged to ask questions of one another and otherwise relate to fellow members of the group. Consensus is not sought. The thought processes and ultimate behavior patterns of all people are affected by a combination of demographic, behavioral, and motivational factors, and the interaction of participants in a focus group helps to uncover which variables are at work.

Two focus groups per target audience are essential to screen against the possible biases of one panel of respondents. The sessions are always tape recorded, and often videotaped as well, for subsequent review and analysis.

Political Applications. There are many uses for focus groups in a campaign, but most seem to fall into one of three somewhat overlapping categories: 1) media testing, 2) poll questionnaire development, and 3) the exploration of a particularly troublesome political factor that is less easily probed in a 20-minute telephone conversation (e.g., race or gender bias, an integrity problem, etc.).

MEDIA TESTING. Focus groups are especially useful in evaluating paid campaign communications with respect to message delivery. Properly handled, these groups can effectively measure the extent to which TV or radio spots communicate the desired message or theme, and even more importantly, can identify "hot buttons" or "red flag" copy points or visuals. Had Bernie Epton used focus groups to thoroughly explore the reaction to his ads' tag line in his 1983 race against Harold Washington—"Bernie Epton. Before it's too late."—he might be mayor of Chicago today. Often, we are simply too close to the product, especially under the deadline pressures of election day, to be sufficiently alert to a

potentially fatal flaw.

QUESTIONNAIRE DEVELOPMENT. Inevitably, in crafting a questionnaire for a poll, there are the tensions between what information is merely interesting and what is actionable. With only 15 or 20 minutes to spend with a respondent on the phone, it is essential to bring to bear all the discipline possible. Often, in exploring the electorate's mood and view of the personalities and issues in a campaign, a focus group will help

Had Bernie Epton used focus groups he might be mayor of Chicago today.

separate the wheat from the chaff, alerting us to an issue or theme that we might otherwise have missed in the course of a polling interview. Or, a focus group may help us to structure the questions (and possible answers) themselves, using the participants' own wording.

SPECIAL CONCERNS. In attempting to measure gender or race bias, or explore an integrity question or similar problem, focus groups are far more effective than polls in ferretting out voters' genuine feelings—particularly early in a campaign. People are more relaxed in a group discussion setting and so feel less constrained by socially "acceptable" response parameters.

Focus Group Limitations. As with many aspects of political consulting, the focus group technique is subject to overselling and mythmaking. It is an extremely effective research supplement. It is not, however, a magic key for unlocking the secret of Democratic Party defection or Ronald Reagan's appeal.

Too often, the results of one or two focus groups are bruited about with abandon, represented as the ultimate distillation of current voter trends. Too often, recruitment for the groups is biased. Too often, focus group moderators lead participants through a discussion that is canted toward a particular viewpoint, rather than open-ended. Too often, moderators fail to control the disproportionate participation of one or two especially talkative panelists.

Formerly the preserve of commercial market researchers, focus groups are now the norm in many election campaigns. Properly administered and used in an appropriate context, focus groups are a particularly effective tool in planning and implementing a winning campaign strategy. ■

Carville & Begala

PAUL BEGALA

Paul Begala earned his undergraduate and law degrees from the University of Texas, where he was Student Body President. He has been working with James Carville since 1983, and is a partner in the political strategy firm of Carville & Begala.

Mr. Begala is currently a consultant to the Democratic National Committee, serving as a Senior Political Advisor to the President. He is also a principal strategist in the 1994 re-election campaigns of Zell Miller and Harris Wofford.

His experience includes:

- * The 1992 presidential campaign of Bill Clinton. Begala traveled with Clinton and served as a senior strategist.
- * The 1991 victory of Senator Harris Wofford in Pennsylvania. As campaign manager, Begala helped the senator overcome a forty-seven point deficit to defeat former Governor and Attorney General Richard Thornburgh.
- * The 1990 victory of Zell Miller in the Georgia Governor's race. After 16 years as Lieutenant Governor, Miller defeated Johnny Isakson in the general election.
- * The 1988 Senate re-election of Senator Frank Lautenberg of New Jersey. Begala served as press secretary and deputy campaign manager.
- * The 1987-1988 Dick Gephardt presidential campaign. As chief speechwriter, Begala helped Gephardt articulate and focus his message.
- * The 1986 gubernatorial victory of Bob Casey in Pennsylvania. Begala served as speechwriter and free press strategist for Bob Casey's successful gubernatorial bid.

It's the Candidate, Stupid!

By James Carville
and Paul Begala

Ben Phillips, the former coach of the Houston Oilers, paid the Miami Dolphins coach Don Shula the highest compliment imaginable when he said, "He can take his 's and beat your's, or he can take your's and beat his's."

Bill Clinton and Al Gore probably assembled as good a staff as anyone has ever put together for a Presidential campaign. But the dirty little secret is that they would have won with the staff assembled by Michael Dukakis or Walter Mondale. It has always been our belief that candidates don't win elections; candidates do.

Bill Clinton could have taken his staff and defeated George Bush's, or he could have taken Mr. Bush's staff and beat his own. The single best strategic decision we made as political consultants was to go to work for Bill Clinton in the first place.

While helping to raise the pre-candidate role of the candidate, we believe a number of other strategic events and conditions contributed to the Clinton victory.

THE MANGOVER FACTOR. After the 1992 campaign, the media went through their ritualistic self-flagellation with more energy than usual. The next Presidential election, they vowed, would focus more on budgets than bunsen. And yet the instant a super-market tabloid published an outrageous, bought-and-paid-for tale about Bill Clinton, otherwise responsible reporters dove for it like unconstructed drunkards diving for a jagged of vodka. Their behavior sickened even themselves. And from then on, the press largely resented feeding frenzies based on uncorroborated rumors.

THE EL DORADO FACTOR. Like conquistadors who searched for the mythical City of Gold, the Bush campaign was distracted by the search for a silver bullet in Bill Clinton's draft records.

That was a mistake. Governor Clinton's draft record had been a constant issue since the New Hampshire primary. By the general election, people had heard his response, and decided the issue was not important enough to make them change their

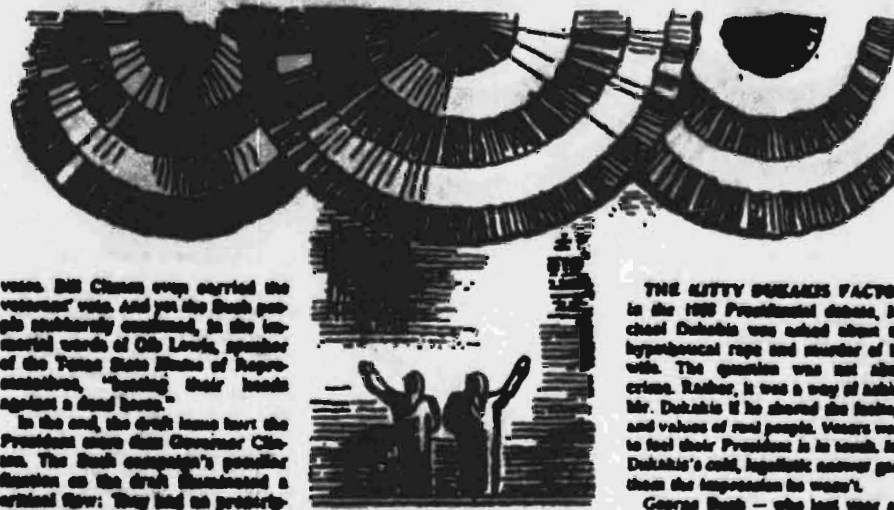
votes. Bill Clinton even carried the veterans' vote. And yet the Bush people stubbornly continued, in the immortal words of Old Louis, speaker of the Texas State House of Representatives, "bawling their heads against a dead horse."

In the end, the draft issue hurt the President more than Governor Clinton. The Bush campaign's peculiar fixation on the draft illuminated a critical flaw: They had no prescription for the economy, health care or education. And voters figured that out. Which leads us to:

THE ATCHAPALAYA FACTOR. Louisiana legend has it that the Atchafalaya River has no bottom. Voters respected the claim of President Bush in a speech to the Economic Club of Detroit in September, the President outlined what he called an Agenda for American Renewal. It was typed on the campaign's drafting machine, the day the President would articulate his economic vision. But when voters reacted to his own economic message with justifiable skepticism, the campaign dropped it.

The President would have been better served by articulating his economic plan earlier in the campaign, and sticking to it even after it failed in focus group tests. If the content wasn't the greatest, voters would have at least respected the commitment. At some point, a credibility break-through might have occurred.

No amount of public opinion research could have persuaded Bill Clinton to ditch his People's Plan economic plan. He believes in it. He



avoided the siren songs of the latest political fads and showed true character by heaping faith with his original vision. Any doubts voters had about his commitment to recast the Democratic Party and move it away from traditional liberal orthodoxy were dispelled when he chose Senator Al Gore of Tennessee as his running mate. Al Gore's intelligence, competence and strength, the fact he was an ideological soul mate as well as a running mate, revealed a devotion to principle on Bill Clinton's part.



THE KITTY SUKERS FACTOR. In the 1992 Presidential debate, Michael Dukakis was asked about the hypocritical rape and murder of his wife. The question was not about crime. Rather, it was a way of asking Mr. Dukakis if he shared the feelings and values of real people. Voters want to feel their President is in touch. Mr. Dukakis' cold, legalistic answer gave them the impression he wasn't.

George Bush — who last year appeared surprised by a constant supermarket scanner — could not answer the most obvious question put to him: "Do you get it?" During the Richmond debate, a woman in the audience asked the President how the national debt affected him personally. When he replied, "I'm not sure I get it," voters figured out he didn't get an awful lot about their lives.

By contrast, when Governor Clinton was asked by a viewer on "CBS This Morning" if he knew the price of bread, milk and blue jeans — and he did — it spoke volumes about his ability to empathize with average people, as well as his commitment to improve their lives.

THE WILLIE SUITON FACTOR. Willie Sutton said he robbed banks because that's where the money was. The Clinton campaign used constitutional means to spread its message because we had to.

Demand for political information — especially a specific plan for the economy — was high. When the traditional media were unable or unwilling to give Bill Clinton time to discuss these issues, we turned elsewhere. Televised town-hall meetings, call-in

shows and the appearance on "I Arrogant Mad Show" were all efforts to supply voters with information about Bill Clinton and his plans. It is no matter of some pride that our campaign pioneered the use of pay-per-view media. But Perot popularized this, not Bill Clinton was there for it.

Of course, there are risks in dealing with the "new news." Phil Donahue, for example, promised he would focus an entire show on the plight of 74 women textile workers whose jobs had been shipped overseas because American industries. You can imagine our surprise when Mr. Donahue's show devoted the first segment of its broadcast to talking Governor Clinton about his opposition to the Vietnam War and his student trip to Moscow.

THE VOTERS WERE MORE THAN JUST A FACTOR. The winning point in this campaign, our estimate, was not in election, but in choice: should be that voters matter. This was an important election to a people of this country, and they were sure that it stayed focused on the Voter Interest was far higher than

Strategic highlights of the Clinton campaign

previous elections: Viewership of 1 debate, commentators and public news was extraordinarily high, tens of thousands of voters turned out for 1, 2, and across the country were talking about the election, as out and spirited ones.

The voters disciplined the campaign when it kept its scandalousness and kept the campaign focused on a theme. Governor Clinton survived 1 primaries because voters wanted to know where, under all the mud, the was a bit of ideas that could change their lives for the better. By contrast Paul Tsongas and Jerry Brown ignored what people took a closer look their plans and decided that a 30-cent gas tax or a regressive flat tax was not what they wanted. Candidates in or fall on the quality of their ideas, that's the way it should be.

As once as it is to receive feedback a well-run campaign, we have to admit that you'd have had the same result without us, given our candor and the high level of voter interest. Maybe that's the most gratifying news of the 1992 election.

James Carville and Paul Begala, partners in a political consulting firm, were strategists for the Clinton campaign.

Order

OUT OF

Chaos

Voters will have a better chance to form a clear idea of you and your candidacy if you can develop and communicate a cogent campaign theme.

By Joel Bradshaw

EVERY OCTOBER in even numbered years, voters are bombarded with hundreds of political messages from competing candidates. The messages are transmitted via commercials on television and radio, in broadcast and print news stories, over the telephone, and in the mail. All this attention has two basic purposes: to persuade people to vote and, more important, to entice them to vote for you.

In the midst of this shouting cacophony, undecided voters must make a

decision. If your campaign is well conceived, well executed, intensely disciplined, and a little bit lucky, it will leave the voters with one, and only one, clear impression of you and the rationale for your election. Make no mistake, by Election Day the voters will have clear impressions of you and your opponent.

The question is: Will they have the one you intend or the one your opponent intends? The answer to this question lies in the campaign's ability to design a theme to unify its various messages and to stick to the theme throughout the campaign.

Simply put, a campaign theme is a statement of the rationale for your election. It should answer the question,

"Why me now?" And because the other side of the question is whether your opponent should be elected, the theme also should contain an implied answer to the question, "Why not the other candidate now?"

Control the Debate

When you conduct a thematic campaign, you have a number of advantages:

1. By understanding the rationale for your own election and the defeat of your opponent, you can proceed to define the test by which you want voters to decide for whom to vote.

2. By establishing a clear contrast

Joel Bradshaw is president of the Campaign Design Group in Washington, D.C.

between you and your opponent, you *define the choice* you are asking voters to make.

• 3. If, as political strategist Michael Berman suggests, all campaigns are a series of unplanned reactions to unanticipated events, the theme provides a *context in which to respond* that permits the campaign to retain its consistency in responding to changing events.

• 4. Finally, a thematic campaign can be effective in communicating messages to different groups of voters, because the messages you transmit always exist within the context of the theme.

What this all adds up to is *control of the debate* during the campaign; this often is the elusive element that determines victory or defeat.

It is critical for your campaign to determine its theme before you hit the campaign trail. When you are asked the most obvious of all press questions, "Barclay, why are you running for governor?" your response should be a statement of the campaign theme, and nothing else.

One need only remember Senator Edward Kennedy's entry into the 1980 presidential campaign to understand how difficult can be the process of developing and closing on a theme and how important it is to do so before you announce your candidacy. In a nationally televised interview with Roger Mudd, then of CBS News, Senator Kennedy was asked, "Why are you running for president?" To the shock and dismay of his supporters everywhere, his answer was unspecific, unfocused, and filled with awkward and embarrassing pauses.

Now, we all know Kennedy had thought long and hard about running for president and, having made the decision, must have had a strategy in mind to win and some points he wanted to make about the rationale for his election. But absent the disciplined process of specific theme development, Kennedy mangled his response and left those watching with a view of a candidacy that was unfocused and unsure of itself. Voters received a clear impression of the candidate, but not the intended one.

Senator Kennedy is not alone. Dozens of major campaigns are conducted each cycle without ever closing on a theme. Many of them win, usually because the opponent also runs a themeless campaign. How, then, should you go about completing this difficult but important task?

First, remember that theme is a strategic not a tactical consideration. Developing a theme will provide a con-

text for all your campaign messages. In contrast, defining specific messages, timing their delivery, and figuring out how and to whom to deliver them are tactical questions.

As in all key elements in campaign planning, you must begin with research about your electorate. Unlike the people who are active in politics, voters generally do not sit around thinking about government, politics, or the people involved in these fields. A public-opinion study in the 1970s determined that the average American thought about politics and government fewer than five minutes a week. Although most people, if you ask them, will have

By establishing a clear contrast between you and your opponent, you define the choice you are asking voters to make. Control of the debate is the elusive element that determines victory or defeat.

opinions on matters of public concern, voters are subject to persuasion—if your campaign successfully can focus their attention.

Provide a Context

Voters' preliminary views about the country, their community, and the candidates provide you with a context to develop your theme. In any given electoral contest, voters will divide themselves into two groups relatively early. One group will have firm views on whom they will support; the second will have little interest and no firm views on the race. Those in the first group will divide again based on their choice of the candidates. Some will be for you, and some will be for your opponent.

You want to design your campaign theme to appeal to that amorphous group of uninteresteds and undecideds.

Each year, candidates and political parties spend hundreds of thousands of dollars on research to identify and define these persuadable voters. The object of this research is to find the basis to persuade these voters to support one candidate. One finding appears over and over in this research: These persuadable voters make their selection primarily on the *kind of people they think the two candidates are*—and not on whether they agree with a candidate's stand on specific issues.

In the 1984 presidential election, public-opinion polls showed voters agreed with Walter Mondale's stand on most issues. Yet President Reagan was reelected in a landslide. The deciding factor was one of personal image.

Define Your Image

One of the principal functions in designing your campaign's statement of its theme is to define your image for the persuadable voters. Three factors comprise this process:

• **Incumbency.** This is by far the most important characteristic—and not just because incumbents tend to win most of the time. Incumbents have records in office, and these records have positive and negative aspects. Not only do they form the basis of an incumbent's claim of experience and accomplishment, they also *define the incumbent*.

If an incumbent is in the race, the question before the voters is, "Should the incumbent be thrown out?" not, "Should the challenger be elected?" It is axiomatic that challengers cannot defeat incumbents unless they can provide voters with credible reasons for defeating the incumbent. Consequently, it is inevitable that the incumbent's record will become the basis on which both sides try to prove their case.

Incumbents and challengers alike, however, sometimes do not understand that the critical factor of incumbency is how the incumbent's record plays in terms of *image* and not in terms of isolated specifics. The question of incumbency, then, suggests a great deal more about your theme than the fact that there is a record to deal with.

If you are running against a two-term incumbent U.S. senator, you cannot stress experience as part of your theme. The senator clearly is more experienced than you are, and you will not convince voters to the contrary. If experience is the test that voters apply, the incumbent passes the test and wins the election.

On the other hand, if the rationale for your election is that now is time for a change, the incumbent will face great

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difficulty convincing people that a vote for him is a vote for change, especially if he is a member of the majority party. If change becomes the test the voters apply, the incumbent fails the test and loses the election.

• **Style.** How you look and act is another important factor in defining your image. In 1978, Colorado voters reelected incumbent Governor Richard Lamm, a liberal Democrat, by a wide margin (60-40 percent). The same year, they elected William Armstrong, a conservative Republican, by a similarly wide margin over liberal Democratic incumbent Senator Floyd Haskell. In 1980, the same voters reelected liberal Democratic incumbent Senator Gary Hart by a narrow margin over a moderate Republican.

Are these seemingly contradictory results really paradoxical? Not by a long shot. The three winners shared a common style. All were vigorous men in their forties, and although they had strong ideological convictions poles apart on the issues, they all portrayed a reasoned and pragmatic approach to specific policy questions. It was their style, not their substance, that the persuadable Colorado voters most readily identified with and that formed the basis of images voters chose between.

As cynical as it might sound, this primacy of style over ideology is of paramount concern in developing your theme. By listing all of your personal characteristics and those of your opponent, you can determine which characteristics to emphasize in developing your theme. The goal is to establish the greatest contrast of images between you and your opponent that work in your favor.

It is important to understand that what appear to be strengths or weaknesses very often are neither. They are simply characteristics. It is how the thematic debate in the campaign unfolds that turns these characteristics into positive or negative images of you and your opponent.

To illustrate, let's say a U.S. Senate race is between a 43-year-old, handsome, dynamic, articulate, energetic, vigorous, Republican member of Congress and a 63-year-old, bald, folksy, police hero, former Democratic governor, who is not a good public speaker. In this case, the Republican wants a theme that defines the test the voters apply as one of youth and vigor. The Democrat will run on a theme that stresses experience, maturity, stability, and personal warmth.

Both candidates will want to make the most of their strengths, minimize their weaknesses, and by contrasting

these at every turn, attempt to weaken their opponent. By drawing attention to the contrasts, the Democrat wants the handsome, dynamic, articulate candidate to appear cold, glib, slick, and shallow. His objective is to select the personal characteristics he wants to stress in his theme, so he can project the image of his candidacy.

An additional consideration about image is your ideological positioning. Because your ideology is more important in determining your base of support than in moving persuadable voters, what is relevant in developing your theme is the degree to which you and your opponent are ideologically moti-

As cynical as it sounds, the primacy of style over ideology is of paramount concern in developing your theme. The goal is to establish contrasts between you and your opponent that work in your favor.

vated. The voters on whom you will focus in developing your theme generally are not strongly ideological about politics. They are not likely to be persuaded to be for you on the strength of ideology; they are more likely to be persuaded to vote against you, if they feel you are too extreme in your views. It is not the nature of the ideology they are concerned with, but the strength of it in the image you project.

• **Political environment.** It is here that political issues become part of the equation. The role that issues play in developing and executing your theme will form the basis on which voters will decide what kind of people they think you and your opponent are. To use a legal analogy, political issues are the evidence you will use to build a case for the voters; they are not the case itself.

It is essential in running a thematic

campaign first to determine the image you want to project and then to select the issues you will use to illustrate the image. You want to know which, if any, issues or problems are dominant in the voters' minds. Obviously, you cannot convince people to support you if you are not talking about the major topics they care about. You want to identify issues about which voters feel strongly—including those with which your views conflict. If you have selected a viable image to project, your differences on these issues can be dealt with in a context that reinforces your theme. Naturally, you want to evaluate the position of your opponent on the issues as well as to ascertain that there will be sufficient evidence to suggest the context set up by your theme.

Still the Theme

At the conclusion of this process—when you have evaluated the incumbency, your own and your opponent's personal characteristics, and the political environment—you are in a position to determine (1) a persuasive rationale for your election, (2) an image to project that is consistent with that rationale, and (3) the issues you will use and the way you will deal with them to bring your image to the forefront of the election.

When you have accomplished this, you will be able to formulate a brief statement that constitutes your theme, and you will be able to develop a slogan that sums up this theme in seven words or less. A slogan plays two important roles in a campaign. First, it helps voters remember what the campaign is projecting, and if it is used properly, it ties all the messages in the campaign around the theme. Second, the process of moving from the theme statement to a slogan helps the key actors in the campaign internalize the theme. This is immeasurably important in implementing the campaign.

It is difficult to create a theme and even more difficult to stick to it in absolutely every campaign communication. The greater the degree of internalization of the theme among everyone involved in the campaign, however, the more likely you are to achieve consistency. The purpose of the theme is to unify the campaign and to make it easier for voters to form a clear, positive image of you and your opponent in a way that reinforces the rationale for your election.

In the sound and fury of all the campaigns confronting the voters, the thematic campaign has a better chance to penetrate with clarity. ■

PRIORITY MEDIA LIST

HARRISBURG:

WHP-TV, Channel 21(CBS)
3300 North Sixth Street
Harrisburg, PA 17110

Phone: 717/234-6397

FAX: 717/238-4903

Kelly Coppenhaver

NEWS: 6 & 11 pm

WHTM-TV, Channel 27 (ABC)
3235 Hoffman Street
Harrisburg, PA 17110

Phone: 717/236-1444

FAX: 717/236-1263

George Richards

NEWS: 6:30 am/5:30, 6 & 11 pm

WGAL-TV, Channel 8 (NBC)
1300 Columbia Ave.
Lancaster, PA 17604

Phone: 717/299-0859

FAX: 717/295-7457

Jim O'Reilly

NEWS: 6:30 a.m./Noon/5:30, 6 & 11 p.m.

WLYH-TV, Channel 15 (CBS)
P.O. Box 1263
Lebanon, PA 17042

Phone: 717/273-6400

FAX: 717/270-0901

Leilyn Perry

NEWS: 6 p.m.

Patriot News
812 Market Street
Harrisburg, PA 17105

Phone: 717/255-8100

FAX: 717/255-8456

Joe Serwach
Pete Shelly

Radio Pennsylvania

Phone: 717/232-8441

FAX: 717/232-7612

Robert Lang

ERIE:

WICU-TV, Channel 12 (NBC)
3514 State Street
Erie, PA 16508

Phone: 814/454-5201

FAX: 814/455-0703

Bill Knupp

NEWS: 6 & 11 p.m.

WSEE-TV, Channel 35 (CBS)
1220 Peach Street
Erie, PA 16501

Phone: 814/455-7575

FAX: 814/459-3500

Pierre Bellicini

NEWS: 6 a.m./Noon/5:30, 6 & 11 p.m.

WJET-TV, Channel 24 (ABC)
8455 Peach Street
Erie, PA 16509

Phone: 814/868-2424

FAX: 814/864-1704

Marsha MacKinnon

NEWS: Noon, 6 & 11 p.m.

The Meadville Tribune
947 Federal Court
Meadville, PA 16335

Phone: 814/724-6370

FAX: 814/724-8755

Darrell Lowe, Editor

The Titusville Herald
209 W. Spring Street
Titusville, PA 16354

Phone: 814/827-3834

FAX: 814/ 827-2512

John Yates, Editor

Erie Daily Times
Times Square
12th and Sassafras Streets
Erie, PA 16534

Phone: 814/870-1712

FAX: 814/870-1808

Jeff Pinski

SCRANTON:

WBRE-TV, Channel 28 (NBC)
62 South Franklin Street
Wilkes-Barre, PA 18773

Phone: 717/823-3101

FAX: 717/829-0440

John Bendick

NEWS: 6 a.m./Noon/8 & 11 p.m.

WNEP-TV, Channel 16 (ABC)
16 Montego Mountain Road
Moosic, PA 18507

Phone: 717/826-1616

FAX: 717/341-1344

Carl Abraham

1/800/982-4305

NEWS: 6, 6:30 a.m./Noon /5, 6, 10, & 11 p.m.

WYOU-TV, Channel 22 (CBS)
415 Lackawana Avenue
Scranton, PA 18503

Phone: 717/981-1887

FAX: 717/342-1254

Joe Klapatch

NEWS: 6:30 a.m./Noon/5:30, 6 & 11 p.m.

WILK/WGBI Radio
305 Highway #315
Pittston, PA 18604

Phone: 717/883-9850

FAX: 717/883-9851

Bud Brown

Fred Williams Show

Bill Burns

The Times-Leader
15 North Main Street
Wilkes-Barre, PA 18711

Phone: 717/829-7100

FAX: 717/829-5537

Bill Griffith

The Citizens' Voice
75 North Washington Street
Wilkes-Barre, PA 18711

Phone: 717/821-2091

FAX: 717/821-2247

Michael McGlynn

The Standard-Speaker
21 North Wyoming Street
Hazleton, PA 18201

Phone: 717/455-3636

FAX: 717/455-4244

Carl Christopher

The Scranton Times/Tribune
149 Penn Avenue
Scranton, PA 18505

Phone: 717/348-9100

FAX: 717/348-9135

David Singleton

JOHNSTOWN:

WATM-TV, Channel 23 (ABC)
WWCP-TV, Channel 8 (FOX)
1450 Scalp Avenue
Johnstown, PA 15904

Phone: 814/266-8088

FAX: 814/266-7749

Kelly Frombach

NEWS: 10 & 11 p.m.

WTAJ-TV, Channel 10 (CBS)
Commerce Park
5000 Sixth Avenue
Altoona, PA 16602

Phone: 1/800/762-6053

FAX: 814/946-4763

Tim Longwill

News: 6:30 a.m./Noon/6 & 11 p.m.

WJAC-TV, Channel 6 (NBC)
1949 Hickory Lane
Johnstown, PA 15905

Phone: 814/255-7606

FAX: 814/255-7658

George Fattman

News: 6:30 a.m./Noon/5:30, 6, & 11 p.m.

WRTA Radio (1240 AM)
1417 Twelfth Avenue
Altoona, PA 16603

Phone: 814/943-6112

FAX: 814/944-9782

Steve Clark

Talk Show, Monday through Friday from 9 to 10 a.m.

Johnstown Tribune Democrat
425 Locust Street
Johnstown, PA 15907

Phone: 814/532-5199

FAX: 814/539-1409

Altoona Mirror
1000 Green Ave.
Altoona, PA 16603

Phone: 814/946-7411

FAX: 814/946-7540

PITTSBURGH:

KDKA-TV, Channel 2 (CBS)
One Gateway Center
Pittsburgh, PA 15222

Phone: 412/575-2245

FAX: 412/575-2871

Jeff Weissbart
Steve Joyce

NEWS: Noon/6 & 11 p.m.

WPXI-TV, Channel 11 (NBC)
11 Television Hill
Pittsburgh, PA 15214

Phone: 412/237-4901

FAX: 412/237-4900

Al Blinke
Keith Baker
Chris Coleman

NEWS: 6 to 7 a.m./Noon/12:30, 5, 6:30, & 11 p.m.

WTAE-TV, Channel 4 (ABC)
400 Ardmore Boulevard
Pittsburgh, PA 15221

Phone: 412/244-4460

FAX: 412/244-4628

Sharon Richie

NEWS: 5 to 7 a.m./5, 5:30, 6 & 11 p.m.

KDKA Radio (1020 AM)
One Gateway Center
Pittsburgh, PA 15222

Phone: 412/575-2547

FAX: 412/575-2874

KQV Radio (1410 AM)
411 Seventh Avenue
Pittsburgh, PA 15219

Phone: 412/562-5900

FAX: 412/562-5903

Frank Gottlieb

WTAE Radio (1250 AM)
400 Ardmore Boulevard
Pittsburgh, PA 15222

Phone: 412/731-1250

FAX: 412/244-4596

John Polster
Tina Fetco

Pittsburgh Post-Gazette
34 Boulevard of the Allies
Pittsburgh, PA 15222

Phone: 412/263-1965

FAX: 412/391-8452

Dennis Roddy

Pittsburgh Associated Press
Day Book

Phone: 412/281-3747

FAX: 412/281-1869

PHILADELPHIA:

KYW-TV, Channel 3 (NBC)
Independence Mall, East
Philadelphia, PA 19106

Phone: 215/238-4850
NEWS: 6 to 7 a.m., 6 & 11 p.m.

FAX: 215/238-4783

Marge Palla
Harry Parrish

WCAU-TV, Channel 10 (CBS)
City Line and Monument Aves.
Philadelphia, PA 19131

Phone: 215/668-5705

FAX: 215/668-5533

Bob Murphy

NEWS: Noon, 5, 5:30, 6 & 11 p.m. w/ cut-ins every 20 minutes from 7:25 to 8:45 p.m.

WPVI-TV, Channel 6 (ABC)
4100 City Line Avenue
Philadelphia, PA 19131

Phone: 215/581-4573

FAX: 215/581-4530

Tanya Husar

NEWS: 6 a.m., Noon, 5, 5:30, 6 & 11 p.m.

WXTF-TV, Channel 29 (FOX)
330 Market Street
Philadelphia, PA 19106

Phone: 215/923-6397

FAX: 215/592-1535

Barbara Grant
Lisa Mason

NEWS: 10 p.m.

WWDB Radio (96.5 FM)
166 E. Leavering Mill Road
Bala-Cynwyd, PA 19004

Phone: 215/668-4400

FAX: 215/668-4468

Paul Perrello
Matt Zucker

215/667-0536 (Control Room)

KYW Radio (1060 AM)
Independence Mall East
Philadelphia, PA 19106

Phone: 215/238-4991

FAX: 215/238-4657

Bill Roswell

Philadelphia Daily News
400 North Broad Street
Philadelphia, PA 19101

Phone: 215/854-5927

FAX: 215/854-5910

Cindy Burton

Philadelphia Inquirer
400 North Broad Street
Philadelphia, PA 19101

Phone: 215/854-2462

FAX: 215/854-5099

Larry Fish

Philadelphia Associated Press
Day Book

Phone: 215/561-1133

FAX: 215/561-3544

Nov 28 5 10 PM '94

Exhibit C

CH 26

INVOICE

TO: Carville & Begala
329 Maryland Ave, NE
Washington, D.C. 20002

ATTN: Trish Donlon

DATE: August 1, 1994

RE: Consulting Fee - Pennsylvania & Georgia Campaign Colleges

Consulting Services Fee 5000.00

TOTAL 5000.00

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Patricia D. Smith

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Pittsburgh, PA 15219

510 N. Third Street
Harrisburg, PA 17101
717-238-9381
717-233-3472 FAX

1420 Walnut St., Ste. 810
Philadelphia, PA 19102
215-731-1994
215-731-9001 FAX

August 12, 1994

Ms. Jan Smith
7617 Midday Lane
Alexandria, VA 22306

Dear Jan:

I just wanted to take a moment to tell you how much I appreciate your time and efforts in helping to develop the agenda and speakers for the 1994 Campaign College sponsored by the Pennsylvania Democratic Party on July 30. The event was an enormous success and we have received numerous positive comments about the invaluable information presented.

You were such a major part of that accomplishment that I had to share our great satisfaction with you. I am sure that the many productive workshops -- from demographics and media to opposition research, fundraising and field -- will go a long way toward ensuring Democratic victories for our candidates across the state.

It is always exciting to have professionals of such high caliber as David Petts, Michael Donilon and -- of course -- James Carville offer their insight and counsel on the up-to-the-minute state of politics and campaigns.

Thank you for your immense role in making it happen -- especially in the midst of all you had to prepare for personally. I understand today is your due date; best of luck with the new baby.

With best regards,

LINDA M. RHODES
Chair

LHR/vv

Linda M. Rhodes, Chair



Jonathan Saidel, Honorary Chair

SCHNADER, HARRISON, SEGAL & LEWIS

ATTORNEYS AT LAW

SUITE 3600

1600 MARKET STREET

PHILADELPHIA, PENNSYLVANIA 19103-4252

215-751-2000

FAX 215-751-2205

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Nov 29 2 41 PM '94

SHERRY A. SWIRSKY
215-751-2182

November 28, 1994

VIA FACSIMILE AND UPS NEXT DAY DELIVERY

Joan McEnery, Esquire
Enforcement Division
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: **MUR 4083**

Dear Ms. McEnery:

It has come to the attention of the Pennsylvania Democratic Party ("PDP") and its former Executive Director, Richard W. Bloomingdale, that a misstatement was inadvertently made in the response of the PDP and Mr. Bloomingdale's Declaration in MUR 4083. Counsel for the PDP and Mr. Bloomingdale previously had received information from counsel for Citizens for Wofford that, at some point during the time period at issue in MUR 4083, Marshall Miller and Timothy Eaton, who were employed by the PDP, were also employees of Citizens for Wofford. Counsel has since been informed by the Citizens for Wofford counsel that neither Mr. Miller nor Mr. Eaton was employed by Citizens for Wofford during the relevant time period. Although we do not believe that this misstatement was legally significant, we nevertheless wanted to bring it to your attention immediately.

Please do not hesitate to contact me if you have any questions regarding this matter, and I apologize for any confusion the earlier misstatement may have caused.

Sincerely yours,

Sherry A. Swirsky

Sherry A. Swirsky
For SCHNADER, HARRISON, SEGAL & LEWIS

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RECEIVED
FEDERAL ELECTION
COMMISSION

BEFORE THE FEDERAL ELECTION COMMISSION NOV 2 1955

SENSITIVE

In the Matter of

)
) Enforcement Priority
)

GENERAL COUNSEL'S MONTHLY REPORT

I. INTRODUCTION

This report is the General Counsel's Monthly Report to recommend that the Commission no longer pursue the identified lower priority and stale cases under the Enforcement Priority System.

II. CASES RECOMMENDED FOR CLOSING

A. Cases Not Warranting Further Pursuit Relative to Other Cases Pending Before the Commission

A critical component of the Priority System is identifying those pending cases that do not warrant the further expenditure of resources. Each incoming matter is evaluated using Commission-approved criteria and cases that, based on their rating, do not warrant pursuit relative to other pending cases are placed in this category. By closing such cases, the Commission is able to use its limited resources to focus on more important cases.

Having evaluated incoming matters, this Office has identified 22 cases which do not warrant further pursuit relative to the other pending cases.¹ A short description of

1. These matters are: PM 305; MUR 3976; MUR 4023; MUR 4026; MUR 4031; MUR 4032; MUR 4036; MUR 4050; MUR 4051; MUR 4052; MUR 4055; MUR 4056; MUR 4058; MUR 4063; MUR 4068; MUR 4072; MUR 4073; MUR 4075; MUR 4078; MUR 4081; MUR 4082; and MUR 4083.

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each case and the factors leading to assignment of a relatively low priority and consequent recommendation not to pursue each case is attached to this report. See Attachments 1-22. For the Commission's convenience, the responses to the complaints for the externally-generated matters and the referral for the internally-generated matter are available in the Commission Secretary's office.

B. Stale Cases

Investigations are severely impeded and require relatively more resources when the activity and evidence are old. Consequently, the Office of General Counsel recommends that the Commission focus its efforts on cases involving more recent activity. Such efforts will also generate more impact on the current electoral process and are a more efficient allocation of our limited resources. To this end, this Office has identified 9 cases that have remained inactive and assigned to the Central Enforcement Docket for one year and which it believes do not warrant further investment of significant Commission resources.² Since the recommendation not to pursue the identified cases is based on staleness, this Office has not prepared separate narratives for these cases. However, for the Commission's convenience, the responses to the complaints for the externally-generated matters and the referrals for the internally-generated matters are also available in the

2. These matters are: MUR 3828; MUR 3829; RAD 93L-73; RAD 93L-75; RAD 93L-78; RAD 93L-83; RAD 93L-84; RAD 93L-88; and RAD 93L-91.

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Commission Secretary's office.

This Office recommends that the Commission exercise its prosecutorial discretion and no longer pursue the cases listed below effective February 21, 1995. By closing the cases effective February 21, 1995, CED and the Legal Review Team will respectively have the additional time necessary for preparing the closing letters and the case files for the public record for these cases.

III. RECOMMENDATIONS

A. Decline to open a MUR and close the file effective February 21, 1995 in the following matters:

- 1) RAD 93L-73
- 2) RAD 93L-75
- 3) RAD 93L-78
- 4) RAD 93L-83
- 5) RAD 93L-84
- 6) RAD 93L-88
- 7) RAD 93L-91

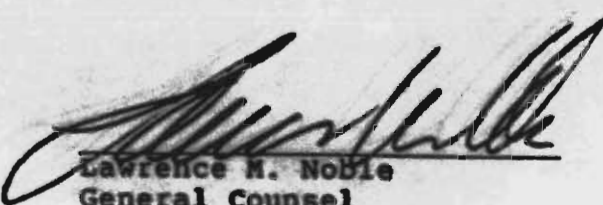
B. Decline to open a MUR, close the file effective February 21, 1995 and approve the appropriate letter in PM 305.

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C. Take no action, close the file effective February 21, 1995, and approve the appropriate letter in the following matters:

- 1) MUR 3828
- 2) MUR 3829
- 3) MUR 3976
- 4) MUR 4023
- 5) MUR 4026
- 6) MUR 4031
- 7) MUR 4032
- 8) MUR 4036
- 9) MUR 4050
- 10) MUR 4051
- 11) MUR 4052
- 12) MUR 4055
- 13) MUR 4056
- 14) MUR 4058
- 15) MUR 4063
- 16) MUR 4068
- 17) MUR 4072
- 18) MUR 4073
- 19) MUR 4075
- 20) MUR 4078
- 21) MUR 4081
- 22) MUR 4082
- 23) MUR 4083

2/13/95
Date


Lawrence M. Noble
General Counsel

95043633519

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Enforcement Priority) Agenda Document
#X95-14

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 28, 1995, do hereby certify that the Commission took the following actions with respect to Agenda Document #X95-14:

1. Decided by votes of 6-0 to
- A. Decline to open a MUR and close the file effective February 28, 1995 in the following matters:
- 1) RAD 93L-75
 - 2) RAD 93L-78
 - 3) RAD 93L-84
- B. Take no action, close the file effective February 28, 1995, and approve appropriate letters in the following matters:
- 1) MUR 3828
 - 2) MUR 4026
 - 3) MUR 4031
 - 4) MUR 4032
 - 5) MUR 4056
 - 6) MUR 4058

(continued)

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Federal Election Commission
Certification: Enforcement Priority
February 28, 1995

Page 2

- 7) MUR 4068
- 8) MUR 4083

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively on the decision with respect to each of these matters.

2. Decided by a vote of 5-1 to decline to open a MUR and close the file effective February 28, 1995 with respect to RAD #93L-91.

Commissioners Aikens, Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald dissented.

Attest:

3-2-95
Date

Marjorie W. Enmons
Marjorie W. Enmons
Secretary of the Commission

95043633521



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

March 6, 1995

Robert F. Bauer, Esq.
Perkins, Cole, Stone, Olsen & Williams
607 14th Street, N.W., Suite 800
Washington, D.C. 20005

RE: MUR 4083
Paul E. Begala
James Carville

Dear Mr. Bauer:

On October 18, 1994, the Federal Election Commission notified your clients, Paul E. Begala and James Carville, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on February 28, 1995.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith at (202) 219-3400.

Sincerely,

Mary L. Taksar (H2S)
Mary L. Taksar
Attorney

Attachment
Narrative

95043633522

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HUR 4083

PENNSYLVANIA DEMOCRATIC PARTY

The Republican State Committee of Pennsylvania filed a complaint alleging that the Pennsylvania Democratic Party made excessive in-kind contributions to the Citizens for Wofford Committee as a result of the making payments to political consultants James Carville and Paul Begala for work performed for the Wofford Committee. The complaint also alleges that staff of the Wofford Committee were paid from state party funds and that the state committee conspired with Citizens for Wofford so that the state committee could obtain funding from contributors who had contributed the maximum allowable amount to Citizens for Wofford.

The Citizens for Wofford Committee responds that it did not require the services of Carville & Begala during the primary but retained the firm from June 1, 1994 through the general election. The Committee states that the payments to Carville & Begala were fully disclosed in its 1994 October Quarterly and Pre-Election Reports. The Committee indicates that it had one remaining invoice that would be reported as debt in the Post-General Report if it was not paid prior to November 28, 1994. Citizens for Wofford states that the allegation regarding state committee fundraising from Citizens for Wofford donors is groundless and notes that the complaint provides the names of only eight contributors to Citizens for Wofford who were also contributors to the state committee. The Committee states that over the course of the 1991 and 1994 elections, it received contributions from thousands of individuals and it is not surprising that there is some overlap.

The Pennsylvania Democratic Party ("PDP") states in its response that it paid Carville & Begala for designing and implementing statewide strategy, partybuilding, and fundraising programs for the state party. The PDP states that it did not pay for services which Carville & Begala performed for Citizens for Wofford. The PDP indicates that although Alicia Alexion was an employee of PDP and Citizens for Wofford, PDP only paid Ms. Alexion for services performed for PDP. The PDP states that it solicited contributions from individuals who had already given the maximum amount to Citizens for Wofford as well as from individuals who had made no contributions to Citizens for Wofford. The PDP states that it approached individuals who had made contributions to Citizens for Wofford in the past on the theory that they might be willing to support the efforts of PDP as well as Senator Wofford's re-election efforts. The PDP states that the individuals identified in the complaint made legal contributions that were deposited into PDP's non-federal account for partybuilding activity.

NUR 4083 (cont'd)

Messrs. Carville and Begala respond that the PDP has retained their services for a number of years to assist it with party building and development and coordination of the state committee's message and that Carville & Begala provided services to the state committee in 1994. Messrs. Carville and Begala state that Citizens for Wofford retained them for services related to the general election.

This matter is less significant relative to other matters pending before the Commission.

95043633524



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

March 6, 1995

Sherry A. Swirsky, Esq.
Karen L. Tomlinson, Esq.
Schnader, Harrison, Segal and Lewis
1606 Market Street, Suite 3600
Philadelphia, PA 19103

RE: MUR 4083
Pennsylvania Democratic Party
Michael F. Coyne, Treasurer

Dear Ms. Swirsky and Ms. Tomlinson:

On October 18, 1994, the Federal Election Commission notified your clients, Pennsylvania Democratic Party and Michael F. Coyne, as treasurer, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on February 28, 1995.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith at (202) 219-3400.

Sincerely,

Mary L. Taksar (f28)

Mary L. Taksar
Attorney

Attachment
Narrative

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MUR 4083

PENNSYLVANIA DEMOCRATIC PARTY

The Republican State Committee of Pennsylvania filed a complaint alleging that the Pennsylvania Democratic Party made excessive in-kind contributions to the Citizens for Wofford Committee as a result of the making payments to political consultants James Carville and Paul Begala for work performed for the Wofford Committee. The complaint also alleges that staff of the Wofford Committee were paid from state party funds and that the state committee conspired with Citizens for Wofford so that the state committee could obtain funding from contributors who had contributed the maximum allowable amount to Citizens for Wofford.

The Citizens for Wofford Committee responds that it did not require the services of Carville & Begala during the primary but retained the firm from June 1, 1994 through the general election. The Committee states that the payments to Carville & Begala were fully disclosed in its 1994 October Quarterly and Pre-Election Reports. The Committee indicates that it had one remaining invoice that would be reported as debt in the Post-General Report if it was not paid prior to November 28, 1994. Citizens for Wofford states that the allegation regarding state committee fundraising from Citizens for Wofford donors is groundless and notes that the complaint provides the names of only eight contributors to Citizens for Wofford who were also contributors to the state committee. The Committee states that over the course of the 1991 and 1994 elections, it received contributions from thousands of individuals and it is not surprising that there is some overlap.

The Pennsylvania Democratic Party ("PDP") states in its response that it paid Carville & Begala for designing and implementing statewide strategy, partybuilding, and fundraising programs for the state party. The PDP states that it did not pay for services which Carville & Begala performed for Citizens for Wofford. The PDP indicates that although Alicia Alexion was an employee of PDP and Citizens for Wofford, PDP only paid Ms. Alexion for services performed for PDP. The PDP states that it solicited contributions from individuals who had already given the maximum amount to Citizens for Wofford as well as from individuals who had made no contributions to Citizens for Wofford. The PDP states that it approached individuals who had made contributions to Citizens for Wofford in the past on the theory that they might be willing to support the efforts of PDP as well as Senator Wofford's re-election efforts. The PDP states that the individuals identified in the complaint made legal contributions that were deposited into PDP's non-federal account for partybuilding activity.

MUR 4083 (cont'd)

Messrs. Carville and Begala respond that the FDP has retained their services for a number of years to assist it with party building and development and coordination of the state committee's message and that Carville & Begala provided services to the state committee in 1994. Messrs. Carville and Begala state that Citizens for Wofford retained them for services related to the general election.

This matter is less significant relative to other matters pending before the Commission.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 6, 1995

B. Holly Schadler, Esq.
Robert F. Bauer, Esq.
Perkins Cole
607 14th Street, N.W.
Washington, D.C. 20005

RE: MUR 4083
Citizens for Senator Wofford
John D. Sheridan, Treasurer

Dear Ms. Schadler and Mr. Bauer:

On October 18, 1994, the Federal Election Commission notified your clients, Citizens for Senator Wofford and John D. Sheridan, as treasurer, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on February 28, 1995.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Alva E. Smith at (202) 219-3400.

Sincerely,

Mary L. Taksar (128)

Mary L. Taksar
Attorney

Attachment
Narrative

95043633528

95043633529
MUR 4083

PENNSYLVANIA DEMOCRATIC PARTY

The Republican State Committee of Pennsylvania filed a complaint alleging that the Pennsylvania Democratic Party made excessive in-kind contributions to the Citizens for Wofford Committee as a result of the making payments to political consultants James Carville and Paul Begala for work performed for the Wofford Committee. The complaint also alleges that staff of the Wofford Committee were paid from state party funds and that the state committee conspired with Citizens for Wofford so that the state committee could obtain funding from contributors who had contributed the maximum allowable amount to Citizens for Wofford.

The Citizens for Wofford Committee responds that it did not require the services of Carville & Begala during the primary but retained the firm from June 1, 1994 through the general election. The Committee states that the payments to Carville & Begala were fully disclosed in its 1994 October Quarterly and Pre-Election Reports. The Committee indicates that it had one remaining invoice that would be reported as debt in the Post-General Report if it was not paid prior to November 28, 1994. Citizens for Wofford states that the allegation regarding state committee fundraising from Citizens for Wofford donors is groundless and notes that the complaint provides the names of only eight contributors to Citizens for Wofford who were also contributors to the state committee. The Committee states that over the course of the 1991 and 1994 elections, it received contributions from thousands of individuals and it is not surprising that there is some overlap.

The Pennsylvania Democratic Party ("PDP") states in its response that it paid Carville & Begala for designing and implementing statewide strategy, partybuilding, and fundraising programs for the state party. The PDP states that it did not pay for services which Carville & Begala performed for Citizens for Wofford. The PDP indicates that although Alicia Alexion was an employee of PDP and Citizens for Wofford, PDP only paid Ms. Alexion for services performed for PDP. The PDP states that it solicited contributions from individuals who had already given the maximum amount to Citizens for Wofford as well as from individuals who had made no contributions to Citizens for Wofford. The PDP states that it approached individuals who had made contributions to Citizens for Wofford in the past on the theory that they might be willing to support the efforts of PDP as well as Senator Wofford's re-election efforts. The PDP states that the individuals identified in the complaint made legal contributions that were deposited into PDP's non-federal account for partybuilding activity.

HUR 4003 (cont'd)

Messrs. Carville and Begala respond that the FDP has retained their services for a number of years to assist it with party building and development and coordination of the state committee's message and that Carville & Begala provided services to the state committee in 1994. Messrs. Carville and Begala state that Citizens for Wofford retained them for services related to the general election.

This matter is less significant relative to other matters pending before the Commission.

95043633530



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 6, 1995

William Lamb
Republican State Committee of Pennsylvania
George I. Bloom Republican Center
112 State Street
Harrisburg, PA 17101

RE: MUR 4083

Dear Mr. Lamb:

On October 12, 1994, the Federal Election Commission received your complaint filed on behalf of the Republican State Committee of Pennsylvania alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against the respondents. See attached narrative. Accordingly, the Commission closed its file in this matter on February 28, 1995. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Mary L. Taksar (H28)

Mary L. Taksar
Attorney

Attachment
Narrative

95043633531

950436332
NUR 4083

PENNSYLVANIA DEMOCRATIC PARTY

The Republican State Committee of Pennsylvania filed a complaint alleging that the Pennsylvania Democratic Party made excessive in-kind contributions to the Citizens for Wofford Committee as a result of the making payments to political consultants James Carville and Paul Begala for work performed for the Wofford Committee. The complaint also alleges that staff of the Wofford Committee were paid from state party funds and that the state committee conspired with Citizens for Wofford so that the state committee could obtain funding from contributors who had contributed the maximum allowable amount to Citizens for Wofford.

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MUR 4083 (cont'd)

Messrs. Carville and Begala respond that the PDP has retained their services for a number of years to assist it with party building and development and coordination of the state committee's message and that Carville & Begala provided services to the state committee in 1994. Messrs. Carville and Begala state that Citizens for Wofford retained them for services related to the general election.

This matter is less significant relative to other matters pending before the Commission.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4083

DATE FILMED 4/11/95 CAMERA NO. 2

CAMERAMAN E.E.S.

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