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THE DISTRICT OF COLUMBIA

October 15, 1999

Joel J. Roessner, Esquire
Office of the General Counsel
999 E Street, N.W.
Washington, D.C. 20463


Re: Statement of the Mary Landrieu for Senate Committee, Inc.
Concerning the Conciliation Agreement with the
Federal Election Commission
Our File 389.01

Dear Mr. Roessner:

Enclosed is the Statement of the Mary Landrieu for Senate Committee, Inc. concerning the conciliation agreement with the Federal Election Commission for inclusion in the public record. The fine will be forwarded within fourteen (14) days.

Thank you for the courtesies and assistance extended to us during this matter. If you have any questions, please contact me at your convenience.

Sincerely yours,


G. Anthony Gelderman, III

GAG:jtb

enclosure

xc: The Honorable Mary L. Landrieu, United States Senator
Mr. Thomas C. Delahaye, Treasurer

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
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October 15, 1999

**Statement of The Mary Landrieu for Senate Committee, Inc. concerning the
Conciliation Agreement with the Federal Election Commission**

The Mary Landrieu for Senate Committee, Inc. (the "Committee") was established in conjunction with the 1996 Senate Campaign of Senator Mary L. Landrieu (D. La.). The Federal Election Commission audit division audited the financial records of the Committee some months following the campaign. The Committee has reached a final resolution with the FEC regarding the findings of the audit and appreciates the opportunity to comment on the public record concerning the resolution.

The audit examined the adequacy of the reporting of \$2,857,984.00 in total campaign receipts from approximately eighty-two hundred separate contributions received by the Committee between March 28, 1996 and December 31, 1996. Through a Conciliation Agreement, the Committee has agreed to pay a civil fine in connection with the Committee's acceptance of sixty-six excessive contributions and for the Committee's failure to make thirty-four 48 hour campaign receipt disclosure notices.

Prior to reaching this resolution, the Committee filed a comprehensive amended report in June of 1998 which corrected all reporting errors noted in the audit report. Thereafter, the Committee, in the Fall of 1998, refunded \$53,015.00 in contributions deemed excessive.

Unfortunate bookkeeping errors by campaign workers led to the audit finding that certain contributions were excessive. In the flurry of activity surrounding the campaign, campaign workers failed to properly allocate certain contributions to the primary account and certain contributions to the general election account. As a result, some individuals who intended to contribute separately to the primary and to the general election were considered to have given more than the \$1,000.00 limit to a single election cycle. In four other instances, the Committee accepted excessive contributions from political committees and in one instance, from an unregistered committee. As noted above, all excessive contributions have been refunded.

The same inadequate internal controls that led to the acceptance of the excessive contributions also led to the 48 hour notice errors. The Committee did submit extensive 48 hour reports for every reporting period required. The audit noted, however, that the Committee failed to report thirty-four individual contributions within required 48 hour reporting periods.

In no event did the Committee purposefully accept contributions that exceeded federal limits and in no way did the Committee purposely attempt to evade campaign contribution limits or engage in any pattern or practice to avoid the 48 hour disclosure notices. In sum, the audit found errors concerning one hundred contributions out of approximately eighty-two hundred received.

As a result of the audit and the errors found, more substantial financial control systems are now in place for Senator Landrieu's principal campaign committee to avoid a repeat of these problems.

The Mary Landrieu for Senate Committee, Inc.

by: 

G. Anthony Gelderman, III
Counsel to the Committee