



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 11, 1999

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JAMES A. PEHRKON
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: REFERRALS FROM THE AUDIT OF DOLE FOR PRESIDENT, INC.

Similarly, the issue of the RNC Media program is included. In that case the Commission specifically did not make a determination whether any of the cost of the program would be considered an in-kind contribution to Dole for President, Inc. from the RNC. Here again the same issue is the subject of ongoing MURs, #'s 4553 and 4671.

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COUNSEL

1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100

RNC MEDIA

The RNC sponsored a television advertising program in the spring and summer of 1996. It was argued by DFP and the RNC that the ads featuring Senator Dole and/or President Clinton were alleged "issue ads".

The Staff recommended the Commission determine that the cost of producing and broadcasting the ads be allocated between DK and DFP and that the portion attributed to DFP, \$5,588,900, represented a contribution in-kind from the RNC to DFP. It was also recommended that it be determined this in-kind contribution was attributable to DFP's spending limitation.

In considering the Staff recommendation, the Commission took the following actions:

It disagreed with the allocation of the expenditures between DFP and DK. The Commission's action caused all of the media expenses to be attributed to DFP. Accordingly, the total amount spent by the RNC for media that the Staff concluded represented a contribution to DFP was increased to \$18,553,619. See Section III.A. of Report of the Audit Division on Dole/Kemp '96, Inc. and Dole/Kemp '96 Compliance Committee, Inc.

A motion that the Commission determine in general that it will make no repayment determinations based on alleged overall excessive spending by candidates receiving presidential matching funds, failed by a vote of 3 to 2, with 1 abstention.

By a motion adopted on a 6-0 vote, the Commission rejected the Staff recommendation for a matching fund repayment related to the \$18,553,619 in the media expenses. The repayment would have resulted from the media expenses being added to expenditures subject to the spending limitation, and the exceeding of that limitation.

By a motion adopted on a 6-0 vote, the Commission directed the Audit Division to revise the portion of the report relating to party ads to clarify that the Commission has not reached any conclusion regarding the Staff's in-kind contribution analysis and to indicate that Commissioners may submit statements for the record.

The Commission directed that the media expenses discussed above not be considered when the matching fund repayment ratio was determined.