



FEDERAL ELECTION COMMISSION

1125 K STREET NW
WASHINGTON, D.C. 20461

THIS IS THE END OF MUR # 586

Date Filmed 6/18/79 Camera No. --- 2

Cameraman SPC

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306
Executive Building
Charlotte, North Carolina 28202

Re: MUR 587(78)

Dear Mr. Levine:

On May , 1979, the Commission voted to accept the terms set forth in the Conciliation Agreement of MUR 586(78). A copy of the Commission's determination and of the Conciliation Agreement is enclosed for your records.

Accordingly, the Commission intends to close its files in this matter.

Sincerely,


William C. Oldaker
General Counsel

Enclosures:

Commission's Certification
Conciliation Agreement

cc: Arthur Goodman, Jr., Esquire

7 9 0 4 0 1 3 4 4 7 7

FEDERAL ELECTION COMMISSION

Goodman Gr Congress Committee's
Audit Report

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- | | |
|--|---|
| ☐ (1) Classified Information | ☐ (6) Personal privacy |
| ☐ (2) Internal rules and practices | ☒ (7) Investigatory files |
| ☐ (3) Exempted by other statute | ☐ (8) Banking Information |
| ☐ (4) Trade secrets and commercial or financial information | ☐ (9) Well information (geographic or geophysical) |
| ☐ (5) Internal Documents | |

Signed

date

Conley Edwards
6/6/79

FEC 9-21-77

79040134478



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

June 6, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306
Executive Building
Charlotte, North Carolina 28202

Re: MUR 586(78)

Dear Mr. Levine:

On June 4, 1979, the Commission voted to accept the terms set forth in the Conciliation Agreement of MUR 586(78). A copy of the Commission's determination and of the Conciliation Agreement is enclosed for your records.

Accordingly, the Commission intends to close its files in this matter.

Sincerely,

William C. Oldaker
General Counsel

Enclosures:

Commission's Certification
Conciliation Agreement

cc: Arthur Goodman, Jr., Esquire



BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION
COMMISSION

In the Matter of)
)
)
 Goodman for Congress)
 Committee)

'79 MAY 22 PM 12:03
MUR 586 (78)

Conciliation Agreement

0811210606
This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and after an investigation, the Commission having found reasonable cause to believe that the Goodman for Congressman Committee (hereinafter "Respondent") violated 2 U.S.C. §434(b)(12); 2 U.S.C. §432(d); 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter of this case.

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

III. Respondent enters into this agreement voluntarily with the Commission.

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

A. Respondent failed to accurately report the status of the Candidate's loans to Committee in four (4) of six (6) reports filed in 1976, and failed to continuously report

the activity on these loans until extinguishment as required by 2 U.S.C. §434(b)(12).

B. Respondent failed in 1976 to adequately document twelve (12) expenditures totaling \$1,833.14 representing 11.01% of the total number of itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures, as required by 2 U.S.C. §432(d).

C. Respondent permitted the same individual to serve in the capacities of both the Committee Chairman and Treasurer in violation of 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a).

WHEREFORE, Respondent agrees:

A. That Respondent will file an amended and accurate report of Committee debts and obligations within thirty (30) days of the date this Agreement is approved by the Commission.

B. That Respondent will obtain and file adequate documentation of the twelve (12) itemizable expenditures that are presently inadequately documented. If any of this information is not obtainable, the amended report shall indicate why it was not obtainable and the efforts expended in attempting to obtain the information.

C. That Respondent will provide a written explanation as to why Ms. Cassandra Greene was permitted to serve in the capacities of both the Committee Chairman and Treasurer.

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

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E. That Respondent will pay a civil penalty in the amount of ~~One Thousand Dollars (\$1000.00)~~ Two Hundred Fifty and no/100 (\$250.00), to the Secretary of the United States Treasury within ten (10) days of the effective date of this Agreement, pursuant to 2 U.S.C. §437g(a)(5)(B).

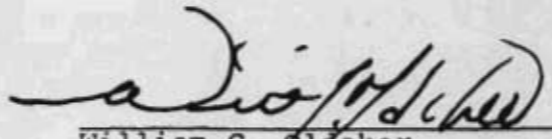
IV. General Conditions

A. The Commission, on request of anyone filing a complaint under 2 U.S.C. §437f(a)(1), concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

B. This Conciliation Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matters set forth in this agreement.

C. It is mutually agreed that this Agreement shall become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

5/5/78
Date


William C. Oldaker
General Counsel

May 17, 1979
Date


~~xxxxxx Smith~~ Sol Levine, Attorney
~~xxxxxx Smith~~ Accountant
Goodman for Congress Committee

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Goodman for Congress Committee)

MUR 586 (78)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on June 4, 1979, the Commission determined by a vote of 5-0 to adopt the following recommendations, as set forth in the General Counsel's Report dated May 30, 1979, regarding the above-captioned matter:

1. Approve the Conciliation Agreement attached to the above-named report.
2. Send the letter, attached to the above-named report, and a copy of the signed Agreement.
3. Close the file.

Voting for this determination were Commissioners Aikens, Harris, McGarry, Thomson, and Tiernan.

Attest:

6/4/79

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Received in Office of Commission Secretary: 5-31-79, 11:36
Circulated on 48 hour vote basis: 5-31-79, 3:00

79040134483

May 31, 1979

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached General Counsel's Report
on MUR 586 distributed to the Commission on a 48 hour
tally basis.

Thank you.

79040134484

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

In the Matter of
Goodman for Congress
Committee

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)
)
)

79 MAY 31 AM: 36

MUR 586(78)

GENERAL COUNSEL'S REPORT

On October 2, 1978, the Commission found reasonable cause to believe that the Goodman for Congress Committee violated: 2 U.S.C. § 434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. § 432(a) and 11 C.F.R. § 102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The letter of notification together with the proposed Conciliation Agreement was mailed on October 6, 1978. The Agreement included in its provisions a civil penalty of \$ 1,000.00.

On February 22, 1979, we received from the Respondent's attorney a check in the amount of \$100.00 as a counteroffer to the Commission's original civil penalty of \$1,000. The Commission, on March 22, 1979, found the Respondent's counteroffer of \$100.00 unacceptable and approved a counteroffer of \$ 500.00.

On April 5, 1979, we received from the Respondent's attorney a check in the amount of \$250.00. (Attachment I) The signed Agreement was finally received on May 22, 1979. (Attachment II)

198040134485

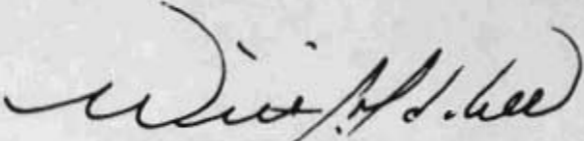
We recommend that the signed agreement containing admissions of guilt along with the civil penalty in the amount of \$250 be accepted.

RECOMMENDATIONS

1. Approve the attached Conciliation Agreement.
2. Send the attached letter and a copy of the signed Agreement.
3. Close the file.

DATE

5/30/79


William C. Oldaker
General Counsel

Attachments:

letter from Respondent
signed Agreement
letter to Respondent

79040134485

600#
11086

Edwards
RECEIVED
FEDERAL ELECTION
COMMISSION

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202

May 18, 1979

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

MICHAEL P. CARR
MILES S. LEVINE

179 MAY 22 PM 12:02

TELEPHONE
704/372-2800

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D. C. 20463

Dear Mr. Oldaker:

Re: MUR 586 (78)

In accordance with your letter of May 15, 1979, I am enclosing
original Conciliation Agreement executed by me.

Thank you for your cooperation in this matter.

Very truly yours,

Sol Levine
Sol Levine

SL:jd
Encl. 1

19040134407

19 MAY 22 PM 5:04

RECEIVED
GENERAL COUNSEL
FEDERAL ELECTION COMMISSION

Attachment I

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION
COMMISSION

In the Matter of)

'79 MAY 22 PM 12:03

Goodman for Congress)
Committee)

MUR 586 (78)

Conciliation Agreement

This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and after an investigation, the Commission having found reasonable cause to believe that the Goodman for Congressman Committee (hereinafter "Respondent") violated 2 U.S.C. §434(b)(12); 2 U.S.C. §432(d); 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter of this case.

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

III. Respondent enters into this agreement voluntarily with the Commission.

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

A. Respondent failed to accurately report the status of the Candidate's loans to Committee in four (4) of six (6) reports filed in 1976, and failed to continuously report

Attachment II

the activity on these loans until extinguishment as required by 2 U.S.C. §434(b)(12).

B. Respondent failed in 1976 to adequately document twelve (12) expenditures totaling \$1,833.14 representing 11.01% of the total number of itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures, as required by 2 U.S.C. §432(d).

C. Respondent permitted the same individual to serve in the capacities of both the Committee Chairman and Treasurer in violation of 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a).

WHEREFORE, Respondent agrees:

A. That Respondent will file an amended and accurate report of Committee debts and obligations within thirty (30) days of the date this Agreement is approved by the Commission.

B. That Respondent will obtain and file adequate documentation of the twelve (12) itemizable expenditures that are presently inadequately documented. If any of this information is not obtainable, the amended report shall indicate why it was not obtainable and the efforts expended in attempting to obtain the information.

C. That Respondent will provide a written explanation as to why Ms. Cassandra Greene was permitted to serve in the capacities of both the Committee Chairman and Treasurer.

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

19040134409

E. That Respondent will pay a civil penalty in the amount of ~~One Thousand Dollars (\$1000.00)~~ Two Hundred Fifty and no/100 (\$250.00), to the Secretary of the United States Treasury within ten (10) days of the effective date of this Agreement, pursuant to 2 U.S.C. §437g(a)(5)(B).

IV. General Conditions

A. The Commission, on request of anyone filing a complaint under 2 U.S.C. §437f(a)(1), concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

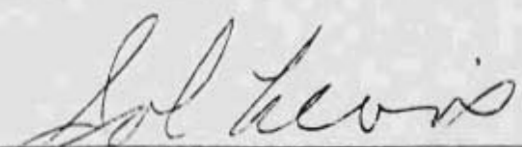
B. This Conciliation Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matters set forth in this agreement.

C. It is mutually agreed that this Agreement shall become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

Date

May 17, 1979
Date

William C. Oldaker
General Counsel


~~Excluded~~ Sol Levine, Attorney
~~Accountant~~
Goodman for Congress Committee



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306
Executive Building
Charlotte, North Carolina 28202

Re: MUR 586(78)

Dear Mr. Levine:

On May , 1979, the Commission voted to accept the terms set forth in the Conciliation Agreement of MUR 586(78). A copy of the Commission's determination and of the Conciliation Agreement is enclosed for your records.

Accordingly, the Commission intends to close its files in this matter.

Sincerely,

William C. Oldaker
General Counsel

Enclosures:

Commission's Certification
Conciliation Agreement

cc: Arthur Goodman, Jr., Esquire



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306
Executive Building
Charlotte, North Carolina 28202

Re: MUR 586(78)

Dear Mr. Levine:

On May , 1979, the Commission voted to accept the terms set forth in the Conciliation Agreement of MUR 586(78). A copy of the Commission's determination and of the Conciliation Agreement is enclosed for your records.

Accordingly, the Commission intends to close its files in this matter.

Sincerely,

William C. Oldaker
General Counsel

Enclosures:

Commission's Certification
Conciliation Agreement

cc: Arthur Goodman, Jr., Esquire

119040134492

ACC# 10186

RECEIVED
FEDERAL ELECTION
COMMISSION

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28203

May 18, 1979

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

MICHAEL P. CARR
MILES S. LEVINE

'79 MAY 22 PM 12:02

TELEPHONE
704/378-2800

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D. C. 20463

Dear Mr. Oldaker:

Re: MUR 586 (78)

In accordance with your letter of May 15, 1979, I am enclosing original Conciliation Agreement executed by me.

Thank you for your cooperation in this matter.

Very truly yours,

Sol Levine
Sol Levine

SL:jd
Encl. 1

10:05 PM 22 MAY 79

RECEIVED
OFFICE OF THE
GENERAL COUNSEL

19040134493

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 300 EXECUTIVE BUILDING

624 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202



Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street N. W.
Washington, D. C. 20463

CF 586

1. The following service is requested (check one):
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
☐ Show to whom and date delivered
☐ RESTRICTED DELIVERY
☐ Show to whom, date, and address of delivery
☐ (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO
Simon Levine

3. ARTICLE DESCRIPTION:
 REGISTERED NO. *903669* CERTIFIED NO. INSURED NO.
 (Always obtain signature of addressee or agent)

I have received the article described above:
 SIGNATURE *B. Rankin* ☒ Addressee ☐ Authorized agent

4. DATE OF DELIVERY *5-27-78* POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

☆GPO 1977-0-249-595

CE 586

1. The following service is requested (check one):
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
☐ Show to whom and date delivered
☐ RESTRICTED DELIVERY
☐ Show to whom, date, and address of delivery
☐ (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO
Arthur Goodman

3. ARTICLE DESCRIPTION:
 REGISTERED NO. *903670* CERTIFIED NO. INSURED NO.
 (Always obtain signature of addressee or agent)

I have received the article described above:
 SIGNATURE *B. Rankin* ☒ Addressee ☐ Authorized agent

4. DATE OF DELIVERY *5-27-78* POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

☆GPO 1977-0-249-595



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 15, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Solomon Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306
Executive Building
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

This letter will confirm your conversation of April 30, 1979, with Conley Edwards, Jr., a member of the General Counsel's staff. As discussed, enclosed is the original Conciliation Agreement which was inadvertently returned without being properly executed.

Please sign and return the Agreement immediately so we may make a further recommendation to the Commission.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

cc: Arthur Goodman, Jr., Esquire
Levine, Goodman & Pawlowski



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Goodman for Congress
Committee

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MUR 586 (78)

Conciliation Agreement

79040134497
This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and after an investigation, the Commission having found reasonable cause to believe that the Goodman for Congressman Committee (hereinafter "Respondent") violated 2 U.S.C. §434(b)(12); 2 U.S.C. §432(d); 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter of this case.

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

III. Respondent enters into this agreement voluntarily with the Commission.

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

A. Respondent failed to accurately report the status of the Candidate's loans to Committee in four (4) of six (6) reports filed in 1976, and failed to continuously report

the activity on these loans until extinguishment as required by 2 U.S.C. §434(b)(12).

B. Respondent failed in 1976 to adequately document twelve (12) expenditures totaling \$1,833.14 representing 11.01% of the total number of itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures, as required by 2 U.S.C. §432(d).

C. Respondent permitted the same individual to serve in the capacities of both the Committee Chairman and Treasurer in violation of 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a).

WHEREFORE, Respondent agrees:

A. That Respondent will file an amended and accurate report of Committee debts and obligations within thirty (30) days of the date this Agreement is approved by the Commission.

B. That Respondent will obtain and file adequate documentation of the twelve (12) itemizable expenditures that are presently inadequately documented. If any of this information is not obtainable, the amended report shall indicate why it was not obtainable and the efforts expended in attempting to obtain the information.

C. That Respondent will provide a written explanation as to why Ms. Cassandra Greene was permitted to serve in the capacities of both the Committee Chairman and Treasurer.

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

9040134498

E. That Respondent will pay a civil penalty in the amount of ~~One Thousand Dollars (\$1000.00)~~ Two Hundred Fifty and no/100 (\$250.00), to the Secretary of the United States Treasury within ten (10) days of the effective date of this Agreement, pursuant to 2 U.S.C. §437g(a)(5)(B).

IV. General Conditions

A. The Commission, on request of anyone filing a complaint under 2 U.S.C. §437f(a)(1), concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

B. This Conciliation Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matters set forth in this agreement.

C. It is mutually agreed that this Agreement shall become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

Date

William C. Oldaker
General Counsel

Date

~~xxxxxx~~ Sol Levine, Attorney
~~xxxxxx~~ Goodman for Congress Committee

19040134499



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO

CHARLES STEELE

FROM:

MARJORIE W. EMMONS

DATE:

MAY 4, 1979

SUBJECT:

MUR 586 - Interim Conciliation Report
dated 5-2-79; Received in OCS 5-2-79,
3:22

Mare by pc

The above-named document was circulated on a 24
hour no-objection basis at 10:00, May 3, 1979.

The Commission Secretary's Office has received
no objections to the Interim Conciliation Report as of
11:00 this date.

79040134500

May 2, 1979

MEMORANDUM TO: Marge Emons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached Interim Concil Report
on MUR 586 distributed to the Commission.

Thank you.

79040134501

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Goodman for Congress) MUR 586
Committee)

INTERIM CONCILIATION REPORT

On October 2, 1978, the Commission found reasonable cause to believe that the Goodman for Congress Committee violated: 2 U.S.C. § 434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. § 432(a) and 11 CFR § 102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The Commission, on March 22, 1979, found the respondents counteroffer of \$100 to the Commission's original civil penalty of \$1,000 unacceptable and approved a counteroffer of \$500.

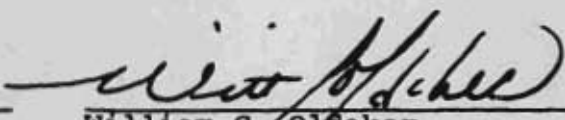
On April 5, 1979, a check in the amount of \$250 was received from the respondent. The conciliation agreement was not enclosed.

Mr. Levine, the respondent's attorney, was informed that the conciliation agreement had to be signed and mailed to us before a recommendation could be made to the Commission. He indicated that this would be done immediately.

Despite our instructions, on April 26, 1979, we received an unsigned conciliation agreement from Mr. Levine which is in the process of being returned for his signature.

A final report will be prepared in this matter as soon as we receive the signed agreement.

5/2/79
Date


William C. Oldaker
General Counsel

79040134503

GCC 99600

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 308 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202

RECEIVED
FEDERAL ELECTION
COMMISSION

'79 APR 26 AM 9:10

TELEPHONE
704/374-2800

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

MICHAEL P. CARR
MILES B. LEVINE

April 23, 1979

902146

Mr. Conley Edwards, Jr.
Federal Election Commission
1325 K Street N.W.
Washington, D. C. 20463

Re: MUR 586 (78)
Goodman for Congress

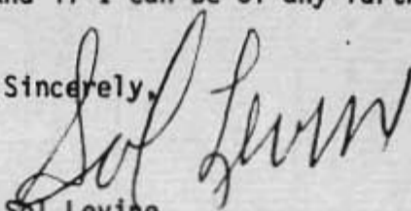
Dear Mr. Edwards:

Pursuant to our telephone conversation of this date, I am returning to you the Conciliation Agreement which I have executed as Attorney for Mr. Goodman.

I have made two changes, first in Paragraph E the civil penalty is changed to the amount of \$250 rather than \$1,000, and secondly, in lieu of Mr. D. G. Smith, Accountant, executing the Agreement, I have executed it as Mr. Smith no longer has offices in this building.

I hope this is satisfactory with you and if I can be of any further assistance in this matter, please contact me.

Sincerely,


Sol Levine

SL:o

Encl.

79040134504

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202



RECEIVED
FEDERAL ELECTION
COMMISSION



Mr. Conley Edwards, Jr.
Federal Election Commission
1325 K Street N. W.
Washington, D. C. 20463

APR 26 1979

GOC#

9795-

LEVINE, GOODMAN & PAWLOWSKI
ATTORNEYS AT LAW

RECEIVED
FEDERAL ELECTION
COMMISSION

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET
CHARLOTTE, NORTH CAROLINA 28202

TELEPHONE
704/378-2800

19 APR 5 12:22

MICHAEL P. CARR
MILES S. LEVINE

April 3, 1979

Mr. Conley Edwards, Jr.
Federal Election Commission
1325 K Street N. W.
Washington, D. C. 20463

901860

Dear Mr. Edwards:

Re: MUR 586 (78)
Goodman for Congress

Pursuant to our telephone conversation, I am enclosing check in the sum of \$250.00 from Arthur Goodman, Jr. in settlement of the civil penalty involved in the Goodman for Congress Committee matter.

As explained to you ^{by} phone, Mr. Goodman became seriously in debt after this election and does not intend to run for Congress again, and I feel that a large fine is only punishment for matters that he inadvertently was responsible for.

Everything has been cleared up, and I hope this will finally settle the matter.

It was a pleasure working with you.

Very truly yours,
Sol Levine
Sol Levine

SL:jd
Encl. 1 check

19840134500

19 APR 5 11:59

RECEIVED
GENERAL COUNSEL
OFFICE OF THE
ATTORNEY GENERAL

ARTHUR GOODMAN, JR.

ATTORNEY AT LAW

306 EXECUTIVE BUILDING

623 E. TRADE STREET

CHARLOTTE, N.C. 28202

PAY TO THE
ORDER OF Federal Election Commission

April 2

1979

06-19/530

\$ 250.00

TWO HUNDRED FIFTY AND NO/100

DOLLARS

FOR Arthur Goodman, Jr. - Goodman for Congress - MUR 586 (78)

NCNB

North Carolina National Bank
Charlotte, NC 28255

⑈00004343⑈ ⑆053000196⑆ 00152616⑈

Sup. & Dele. to Cong.

4343

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202

Mr. Conley Edwards, Jr.
Federal Election Commissions
1325 K Street N.W.
Washington, D. C. 20463

27 21 12 5 80V 61.





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 27, 1979

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306, Executive Building
623 East Trade Street
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

On March 22, 1979, the Commission found your counter-offer of \$100.00 unacceptable. The Committee's check is enclosed. However, the Commission approved a counteroffer of \$500.00 as long as you agree to the terms of the original conciliation agreement. If you accept the Commission's counteroffer, please change the Agreement in your possession to reflect the reduced civil penalty, sign and mail it, along with a check for Five Hundred Dollars, payable to the United States Treasury, within ten days of your receipt of this letter.

Should you have any questions concerning this matter, please feel free to contact Conley Edwards, Jr., at (202) 523-4060 or our toll-free line (800) 424-9530.

Sincerely,

William C. Oldaker
General Counsel

Enclosure:

Goodman for Congress Committee's check

cc: Arthur Goodman, Jr.
Levine, Goodman and Pawlowski



1980 40134510

ARTHUR GOODMAN, JR.
ATTORNEY AT LAW
306 EXECUTIVE BUILDING
623 E. TRADE STREET
CHARLOTTE, N.C. 28202

586

4226

66-19/530

February 15 19 79

PAY TO THE
ORDER OF Federal Election Commission

\$ 100.00

-----ONE HUNDRED AND NO/100-----

DOLLARS

For Arthur Goodman, Jr. - Goodman for Congress - MUR 586 (78)

NCNB

North Carolina National Bank
Charlotte, NC 28255

By: Madeline Long

⑈00004226⑈ ⑆053000196⑆ 001352616⑈

586
CE

U.S. MAIL (9-17) Apr. 1977
RETURN TO space on reverse

● SENDER Complete items 1, 2, and 3. Add your address in the reverse

1 The following service is requested (check one):

☐ Show to whom and date delivered

☒ Show to whom, date, and address of delivery

☐ RESTRICTED DELIVERY Show to whom and date delivered

☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery \$

(CONSULT POSTMASTER FOR FEES)

2 ARTICLE ADDRESSED TO

Sol Levine

3 ARTICLE DESCRIPTION

REGISTERED NO	CERTIFIED NO	INSURED NO.
	943081	

(Always obtain signature of addressee or agent)

☒ I have received the article described above
 SIGNATURE ☐ Addressee ☐ Authorized agent

4 DATE OF DELIVERY POSTMARK

4-2-79

5 ADDRESS (Complete only if requested)

6 UNABLE TO DELIVER BECAUSE CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306, Executive Building
623 East Trade Street
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

On March , 1979, the Commission found your counteroffer of \$100.00 unacceptable. The Committee's check is enclosed. However, the Commission approved a counteroffer of \$500.00 as long as you agree to the terms of the original conciliation agreement. If you accept the Commission's counteroffer, please change the Agreement in your possession to reflect the reduced civil penalty, sign and mail it, along with a check for Five Hundred Dollars, payable to the United States Treasury, within ten days of your receipt of this letter.

Should you have any questions concerning this matter, please feel free to contact Conley Edwards, Jr., at (202) 523-4060 or our toll-free line (800) 424-9530.

Sincerely,

William C. Oldaker
General Counsel

Enclosure:

Goodman for Congress Committee's check

cc: Arthur Goodman, Jr.
Levine, Goodman and Pawlowski

CEJ



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 586 (78)
Goodman for Congress Committee)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on March 22, 1979, the Commission determined by a vote of 6-0 to adopt the following recommendations, as set forth in the General Counsel's Memorandum dated March 14, 1979, regarding the above-captioned matter:

1. Find the Goodman for Congress Committee's counteroffer of \$100.00 unacceptable and approve a counteroffer of \$500.00.
2. Send the letter attached to the above-named memorandum.

Attest:

3/26/79

Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of Commission Secretary: 3-14-79, 2:05
Circulated on 48 hour vote basis: 3-15-79, 9:00
Objection filed 3-16-79, 10:13 a.m.
Placed on Executive Session agenda for March 22, 1979



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE
FROM: MARJORIE W. EMMONS *MWE*
DATE: MARCH 16, 1979
SUBJECT: MUR 586 - Memorandum to Commission dated
March 14, 1979; Received in OCS
3-14-79, 2:05

The above-named memorandum was circulated on a 48 hour vote basis at 9:00, March 15, 1979.

Commissioner Friedersdorf submitted an objection at 10:13, March 16, 1979, thereby placing MUR 586 on the Executive Session Agenda for March 22, 1979.

A copy of Commissioner Friedersdorf's vote sheet is attached.

ATTACHMENT:
Copy of Vote Sheet

79040134514



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

79 MAR 16 410:13

Date and Time Transmitted: March 15, 1979 - 9:00Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, THOMSON, HARRISRETURN TO OFFICE OF COMMISSION SECRETARY BY: MARCH 19, 1979 - 9:00MUR No. 586 - Memorandum to Commission dated 3-14-79 with
Conciliation Agreement and Letter

() I approve the recommendation

(X) I object to the recommendation

COMMENTS: Bring up for discussion of civil societyDate: 3/16/79Signature: Max L. Friedersdorf

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER
UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE
RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO
THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM
ON THE EXECUTIVE SESSION AGENDA.



March 14, 1979

MEMORANDUM TO: Marge Emmons
FROM: Jane Colgrove
SUBJECT: MUR 586

Please have the attached Memo th the Commission
distributed to the Commission on a 48 hour tally basis.

Thank you.

79040134516



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

79 MAR 14 P 2: 05

MEMORANDUM

TO: The Commission

FROM: William C. Oldaker
General Counsel *WCO*

RE: MUR 586 (78)

DATE: March 14, 1979

Attached is a copy of our proposed Conciliation Agreement and a copy of respondent's written response and counteroffer of \$100.00. The Commission originally assessed a civil penalty of \$1,000.00. In view of the seriousness of the violation and the difficulty we have had in getting any offer from the respondent, we recommend the counteroffer be rejected, but that a \$500.00 response be approved.

It is the opinion of this Office that respondent's counteroffer should not be accepted and that respondent's check be returned.

Recommendations

1. Find the Goodman for Congress Committee's counteroffer of \$100.00 unacceptable and approve a counteroffer of \$500.00.
2. Send the attached letter.

Attachments:

Respondent's letter
Proposed Conciliation Agreement
Commission's letter



Edwards
79 FEB 22 AM 10:20
LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202

February 15, 1979

TELEPHONE
704/378-2800

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

MICHAEL P. CARR

Mr. William C. Oldaker, General Counsel
Federal Election Commission
1325 K Street, N W
Washington, D. C. 20463

Dear Mr. Oldaker:

Re: MUR 586 (78)
Goodman for Congress

29040124513
In response to your letter of January 11, 1979, and to the phone calls of Mr. Edwards, I thought I had answered the questions raised in your Conciliation Agreement. In reality I find that I was in error and had answered only the questions pertaining to paragraphs A and B under what the Respondent would agree to do.

As to C, why Cassandra Greene was permitted to serve in the capacity of both Committee Chairman and Treasurer, Mr. Goodman states the following: He was not aware that she could not do so. She was really only Treasurer, and someone else was supposed to serve as Chairman; that the person never did serve, and that he really never did have a Committee Chairman.

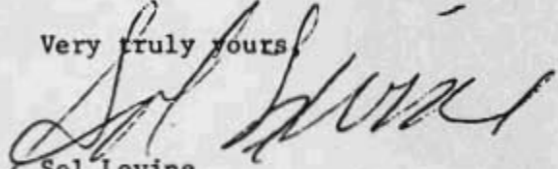
As to paragraph D, Mr. Goodman does agree that he will comply in all respects with the Federal Election Campaign Act of 1971, as amended.

With reference to E, payment of a \$1,000.00 penalty, I do feel that this is entirely unreasonable. I am sending check in the amount of \$100.00, as I discussed with Mr. Edwards, and I hope you will see fit to accept this as there was really no wrongdoing and Mr. Goodman suffered quite a hardship in his campaign.

If you can possibly reword your agreement, I will have it executed as soon as possible, and we can dispense with any further problems.

Thank you very much for your kind consideration.

Very truly yours


Sol Levine

SL:jd
Encl. 1 check

ARTHUR GOODMAN, JR.

ATTORNEY AT LAW

306 EXECUTIVE BUILDING

623 E. TRADE STREET

CHARLOTTE, N.C. 28202

February 15 1979

PAY TO THE
ORDER OF Federal Election Commission

\$100.00

ONE HUNDRED AND NO/100

DOLLARS

For Arthur Goodman, Jr. - Goodman for Congress - MUR 586 (78)

NCNBNorth Carolina National Bank
Charlotte, NC 28265

⑈000004226⑈ ⑆1053000196⑆ 001352616⑈

By: *Thelma Long*

6151210506



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306, Executive Building
623 East Trade Street
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

On March , 1979, the Commission found your counter-offer of \$100.00 unacceptable. The Committee's check is enclosed. However, the Commission approved a counteroffer of \$500.00 as long as you agree to the terms of the original conciliation agreement. If you accept the Commission's counteroffer, please change the Agreement in your possession to reflect the reduced civil penalty, sign and mail it, along with a check for Five Hundred Dollars, payable to the United States Treasury, within ten days of your receipt of this letter.

Should you have any questions concerning this matter, please feel free to contact Conley Edwards, Jr., at (202) 523-4060 or our toll-free line (800) 424-9530.

Sincerely,

William C. Oldaker
General Counsel

Enclosure:

Goodman for Congress Committee's check

cc: Arthur Goodman, Jr.
Levine, Goodman and Pawlowski



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 586 (78)
 Goodman for Congress)
 Committee)

Conciliation Agreement

This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and after an investigation, the Commission having found reasonable cause to believe that the Goodman for Congressman Committee (hereinafter "Respondent") violated 2 U.S.C. §434(b)(12); 2 U.S.C. §432(d); 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter of this case.

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

III. Respondent enters into this agreement voluntarily with the Commission.

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

A. Respondent failed to accurately report the status of the Candidate's loans to Committee in four (4) of six (6) reports filed in 1976, and failed to continuously report

29040134521

the activity on these loans until extinguishment as required by 2 U.S.C. §434(b)(12).

B. Respondent failed in 1976 to adequately document twelve (12) expenditures totaling \$1,833.14 representing 11.01% of the total number of itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures, as required by 2 U.S.C. §432(d).

C. Respondent permitted the same individual to serve in the capacities of both the Committee Chairman and Treasurer in violation of 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a).

WHEREFORE, Respondent agrees:

A. That Respondent will file an amended and accurate report of Committee debts and obligations within thirty (30) days of the date this Agreement is approved by the Commission.

B. That Respondent will obtain and file adequate documentation of the twelve (12) itemizable expenditures that are presently inadequately documented. If any of this information is not obtainable, the amended report shall indicate why it was not obtainable and the efforts expended in attempting to obtain the information.

C. That Respondent will provide a written explanation as to why Ms. Cassandra Greene was permitted to serve in the capacities of both the Committee Chairman and Treasurer.

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

19040134522

E. That Respondent will pay a civil penalty in the amount of One Thousand Dollars, (\$1000.00), to the Secretary of the United States Treasury within ten (10) days of the effective date of this Agreement, pursuant to 2 U.S.C. §437g(a)(5)(B).

IV. General Conditions

A. The Commission, on request of anyone filing a complaint under 2 U.S.C. §437f(a)(1), concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

B. This Conciliation Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matters set forth in this agreement.

C. It is mutually agreed that this Agreement shall become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

Date

William C. Oldaker
General Counsel

Date

D. G. Smith
Accountant
Goodman for Congress Committee

Edwards
79 FEB 22 AM 10:20
FEDERAL ELECTION COMMISSION

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202

February 15, 1979

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

MICHAEL P. CARR

TELEPHONE
704/372-2800

Mr. William C. Oldaker, General Counsel
Federal Election Commission
1325 K Street, N W
Washington, D. C. 20463

Dear Mr. Oldaker:

Re: MUR 586 (78)
Goodman for Congress

In response to your letter of January 11, 1979, and to the phone calls of Mr. Edwards, I thought I had answered the questions raised in your Conciliation Agreement. In reality I find that I was in error and had answered only the questions pertaining to paragraphs A and B under what the Respondent would agree to do.

As to C, why Cassandra Greene was permitted to serve in the capacity of both Committee Chairman and Treasurer, Mr. Goodman states the following: He was not aware that she could not do so. She was really only Treasurer, and someone else was supposed to serve as Chairman; that the person never did serve, and that he really never did have a Committee Chairman.

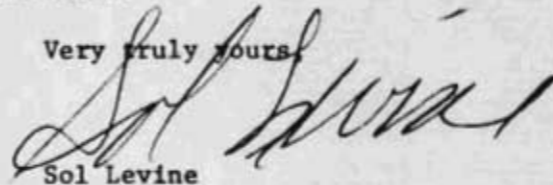
As to paragraph D, Mr. Goodman does agree that he will comply in all respects with the Federal Election Campaign Act of 1971, as amended.

With reference to E, payment of a \$1,000.00 penalty, I do feel that this is entirely unreasonable. I am sending check in the amount of \$100.00, as I discussed with Mr. Edwards, and I hope you will see fit to accept this as there was really no wrongdoing and Mr. Goodman suffered quite a hardship in his campaign.

If you can possibly reword your agreement, I will have it executed as soon as possible, and we can dispense with any further problems.

Thank you very much for your kind consideration.

Very truly yours,



Sol Levine

SL:jd
Encl. 1 check

ARTHUR GOODMAN, JR.

ATTORNEY AT LAW

406 EXECUTIVE BUILDING

623 E. TRADE STREET

CHARLOTTE, N.C. 28202

PAY TO THE ORDER OF Federal Election Commission

\$ 100.00

ONE HUNDRED AND NO/100

DOLLARS

For Arthur Goodman, Jr. - Goodwin for Congress - MUR 586 (78)

NCNB

North Carolina National Bank
Charlotte, NC 28255

By: Mylena Long

⑈00001226⑈ ⑆053000196⑆ 001352515⑈

4226

68-10/530

February 15 19 79

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

620 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202



Mr. William C. Oldaker, General Counsel
Federal Election Commission
1325 K Street, N W
Washington, D. C. 20463

FEB 2 1974



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO CHARLES STEELE
FROM: MARJORIE W. EMMONS *MWE*
DATE: FEBRUARY 12, 1979
SUBJECT: MUR 586 - Interim Conciliation Report
 dated 2-7-79; Received in OCS
 2-8-79, 10:50

The above-named document was circulated on a 24 hour no-objection basis at 11:00, February 9, 1979.

The Commission Secretary's Office has received no objections to the Interim Conciliation Report as of 12:00 this date.

79040134527

February 8, 1979

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached Interim Concil Report
on MUR 586 distributed to the Commission.

Thank you.

79040134528

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

79 FEB 8 A10: 50

In the Matter of
Goodman for Congress
Committee

)
)
)
)

MUR 586

INTERIM CONCILIATION REPORT

On October 2, 1978, the Commission found reasonable cause to believe that the Goodman for Congress Committee violated: 2 U.S.C. § 434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. § 432(a) and 11 C.F.R. § 102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

On January 24, 1979, a member of this staff contacted the Candidate's attorney concerning the lack of response to the proposed Conciliation Agreement. Respondent's counsel stated that the Committee's written response and counteroffer of \$100.00 to the Commission's assessment of a \$1,000 civil penalty was on his desk and would be mailed immediately. A report will be prepared upon receipt of the counteroffer.

Date

2/7/79

William C. Oldaker
General Counsel

[Signature]



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

January 11, 1979

Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306, Executive Building
623 East Trade Street
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

This letter will confirm your conversation of December 6, 1978, with Conley Edwards, Jr., a member of the General Counsel's staff concerning the above-referenced matters. During this conversation you indicated that you would send a written response to the proposed Conciliation Agreement which was approved by the Commission.

As of this date, we have not received a response. Inasmuch as more than 30 days have elapsed since you have received the agreement, we will expect your response within five days of the receipt of this letter. If we do not hear from you, the Commission may find probable cause to believe that the Goodman for Congress Committee has violated the Act and may authorize the institution of suit.

Should you have any questions, please feel free to contact Conley Edwards, Jr., at (202) 523-4529 or our toll free line (800) 426-9530.

Sincerely,

A handwritten signature in cursive script, which appears to read "William C. Oldaker", is written over the typed name.

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine, Goodman and Pawlowski

1 2 3 4 5 6 7 8 9 10 11 12

PS Form 3811, Apr. 1971 RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1 The following service is requested (check one):
☐ Show to whom and date delivered c
☒ Show to whom, date, and address of delivery c
☐ RESTRICTED DELIVERY
 Show to whom and date delivered c
☐ RESTRICTED DELIVERY
 Show to whom, date, and address of delivery \$
 (CONSULT POSTMASTER FOR FEES)

2 ARTICLE ADDRESSED TO
Let's Learn

3 ARTICLE DESCRIPTION
 REGISTERED NO. CERTIFIED NO. INSURED NO.
9341
 (Always obtain signature of addressee or agent)

I have received the article described above
 SIGNATURE ☐ Addressee ☐ Authorized agent
Barbara B. Haple

4 DATE OF DELIVERY POSTMARK

5 ADDRESS (Complete only if requested)

6 UNABLE TO DELIVER BECAUSE CLERK'S INITIALS

586 Edwards

GPO 1977-5-249-596

79040134532
Sol Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306, Executive Building
623 East Trade Street
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

This letter will confirm your conversation of December 6, 1978, with Conley Edwards, Jr., a member of the General Counsel's staff concerning the above-referenced matters. During this conversation you indicated that you would send a written response to the proposed Conciliation Agreement which was approved by the Commission.

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Should you have any questions, please feel free to contact Conley Edwards, Jr., at (202) 523-4529 or our toll free line (800) 426-9530.

Sincerely,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine, Goodman and Pawlowski





FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO

CHARLES STEELE

FROM:

MARJORIE W. EMMONS

DATE:

DECEMBER 26, 1978

SUBJECT:

MUR 586 (78) - Interim Conciliation
Report dated 12-20-78; Received in
OCS 12-22-78, 10:40

more by pc

The above-named document was circulated on a 24
hour no-objection basis at 1:15, December 22, 1978.

The Commission Secretary's Office has received
no objections to the Interim Conciliation Report as of
2:00 this date.

79040134533

December 22, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached Interim Investigative Report on MUR 586 distributed to the Commission on a 24 hour no-objection basis.

Thank you.

79040134534

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

In the Matter of)
Goodman for Congress Committee)

MUR 586 (78)
78 DEC 22 10:40

INTERIM CONCILIATION REPORT

On October 2, 1978, the Commission found reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. § 434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. § 432(a) and 11 CFR § 102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

On December 6, 1978, a member of this staff informed the Candidate's attorney, Sol Levine, that the information and documentation previously requested had been received by the Commission and that the papers appeared to be in order.

Mr. Levine was also informed that he did not adequately address the Conciliation Agreement in not responding to the civil penalty. Consequently, he indicated that he would send a written explanation of his position on the matter and a counteroffer of \$100.00 to the Commission's original civil penalty of \$1,000.00. A General Counsel's Report will be prepared at that time.

Date

12/20/78

William C. Oldaker
William C. Oldaker
General Counsel

600#
5675

LEVINE, GOODMAN & PAWLOWSKI

ATTORNEYS AT LAW

SUITE 306 EXECUTIVE BUILDING

623 EAST TRADE STREET

CHARLOTTE, NORTH CAROLINA 28202

SOL LEVINE
ARTHUR GOODMAN, JR.
PAUL L. PAWLOWSKI

MICHAEL P. CARR

TELEPHONE
704/372-2800

NOV 24 AM 9:13

November 22, 1978

Mr. William C. Oldaker
General Counsel
Federal Election Commission
1325 K Street, N. W.
Washington, D. C. 20461

807984

Re: Arthur Goodman, Jr.
MUR 586 (78)

Dear Mr. Oldaker:

Pursuant to my telephone conversation with Mr. Conley Edwards, I am enclosing herewith for your perusal the information which I have just obtained from Mr. Smith, who is the accountant for "Goodman for Congress Committee".

1. A list of the items which the Election Commission had questioned is enclosed. You will note we have a receipt from Mr. Jim Patterson covering his two matters and a receipt from Naomi Miles covering her four matters, and a returned envelope for Joy Queens, as we cannot locate her.

2. As far as the three remaining matters are concerned, I wish to state as follows: I understand that The Cottage has refused to give a receipt inasmuch as Mr. Patterson had ordered lunches for 400 or 500 people and only about 100 people came for lunch. The Cottage was paid only \$300 which covered the lunches served and the remaining lunches were not paid for. As to Rosen Advertising Spec. Co., Mr. Smith advises me that he has attempted to contact Mrs. Rosen, but she is a deaf mute and operates a business with her son, who is very difficult to contact. We have been unable to obtain a receipt from him. As to the "Democrats United in '76", evidently this organization has disappeared and there is no one to give us a receipt.

I am enclosing also "Amended Debts and Obligations" which has been prepared by Mr. Smith, which shows an outstanding balance of \$1,000 for The Democratic Executive Committee. Mr. Goodman states that this is a charge for an appearance in a brochure which he never authorized. As to the balance of \$12,000 to Walter Klein Co., Ltd., Mr. Goodman will have to repay this in the future. As to the third item shown, this is a debt to Mr. Goodman himself.

Mr. William C. Oldaker
Page 2
November 22, 1978

Mr. Smith advises me that this information should clear up the entire situation, and I trust that it will do so. However, if you desire any other information, I shall do my utmost to obtain it for you and I hope we can close out this matter.

Thank you for being so patient, courteous, and cooperative with me in this matter.

Yours very truly,

Sol Levine

SL/mhc

Enclosures

SPECIAL DELIVERY

79040134537

Schedule 6C

July 1976

Federal Election Commission

1325 K Street, N.W.

Washington, D.C. 20463

M E N D E D

Debts and Obligations

(see instructions on back)

Page 1 of 1 Pages

Name of Candidate or Committee in full

Goodman for Congress

Full Name, mailing address and ZIP code

The Democratic Executive Committee
Raleigh, N. C.Amount of Original
Debt, Contract, Agree-
ment, or PromiseCumulative Payment
To DateOutstanding Balance
at Close of This
Period

\$ 1,000.00

\$

\$ 1,000.00

Date (month, day, year)
9/30/76

Full Name, mailing address and ZIP code

Walter Klein Co. Ltd.
Charlotte, N. C.

\$12,000.00

\$

\$12,000.00

Date (month, day, year)
9/30/76

Full Name, mailing address and ZIP code

Arthur Goodman
623 E. Trade St.
Charlotte, N. C. 28202

\$ 5,000.00

\$ 500.00

\$ 4,500.00

Date (month, day, year)

Full Name, mailing address and ZIP code

\$

\$

\$

Date (month, day, year)

Full Name, mailing address and ZIP code

\$

\$

\$

Date (month, day, year)

Full Name, mailing address and ZIP code

\$

\$

\$

Date (month, day, year)

Full Name, mailing address and ZIP code

\$

\$

\$

Date (month, day, year)

Full Name, mailing address and ZIP code

\$

\$

\$

Date (month, day, year)

Subtotals this period this page ▶

\$

\$

\$

Total this period (last page this line number) ▶

\$18,000.00

\$ 500.00

\$17,500.00

* Carry outstanding balance only to appropriate line of summary.

To Whom It May Concern:

I, Jim Patterson, received the following:

<u>Date</u>	<u>Check #</u>	<u>Amount</u>
10/5/76	208	\$107.64
10/14/76	233	15.00

Signature

Jim Patterson

Date

12 21 77

79040134539

GOODMAN FOR CONGRESS COMMITTEE

The following is a list of items which the election commission had questions.

<u>Payee</u>	<u>Amount</u>
Democrats United in '76	200.00
Rosen Advertising Spec. Co.	245.00
Joy Queen	110.00
Joy Queen	37.00
Joy Queen	207.50
Jim Patterson	107.64
Jim Patterson	15.00
Naomi Mills	150.00
Naomi Mills	150.00
Naomi Mills	150.00
Naomi Mills	150.00
The Cottage	300.00
	<u>1,822.14</u>

19040134540

To Whom It May Concern:

I, Naomi Miles, received the following:

<u>Date</u>	<u>Check #</u>	<u>Amount</u>
10/8/76	220	\$150.00
10/15/76	237	150.00
10/22/76	250	150.00
11/1/76	268	150.00

Signature

Naomi Miles

Date

Dec 27, 1977

79040134541

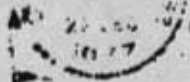
SMITH AND DANIEL

CERTIFIED PUBLIC ACCOUNTANTS

SUITE 401

628 E. TRADE ST.

CHARLOTTE, N. C. 28202



apt no required

MOVED - LEFT NO ADDRESS 28212/2-211

Joy Queens
6911 East Baraway Drive
Charlotte, North Carolina 28212



RETURN
TO
WRITER
UNCLAIMED

PM 1 282
22 NOV
1938

CHARLOTTE, NC 282
PM
22 NOV
NOV 22 9:13 AM

3 4 5 4 3



MR. WILLIAM C. OLDAKER
GENERAL COUNSEL
FEDERAL ELECTION COMMISSION
1325 K STREET, N. W.
WASHINGTON, D. C. 20461

Delivery

Special Delivery



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO

CHARLES STEELE

FROM:

MARJORIE W. EMMONS

more type

DATE:

NOVEMBER 22, 1978

SUBJECT:

MUR 586 - Interim Report dated 11-20-78
Received in OCS: 11-21-78, 10:08

The above-named document was circulated on a 24 hour no-objection basis at 3:30, November 21, 1978.

The Commission Secretary's Office has received no objections to the Interim Report as of 4:00, this date.

29040134544

November 21, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Carr
SUBJECT: MUR 586

Please have the attached Interim Report on MUR 586
distributed to the Commission.

Thank you.

79040134545

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE

In the Matter of)
)
)
Goodman for Congress Committee)

78 NOV 21 A10: 08
MUR 586

INTERIM REPORT

On October 2, 1978, the Commission found reasonable cause to believe that the Goodman for Congress Committee violated: 2 U.S.C. § 434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. § 432(a) and 11 C.F.R. § 102.7 (a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

On November 14, 1978, a member of this staff communicated with Solomon Levine, the Candidate's attorney. The staff member was informed that the information and documentation previously requested would be delivered to the Commission not later than November 24, 1978.

We will prepare a further recommendation at that time.

Date

11/20/78

William C. Oldaker
General Counsel

[Signature]

10040134540



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

November 16, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Solomon Levine, Esquire
Levine, Goodman and Pawlowski
Attorneys at Law
Suite 306
Executive Building
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Levine:

This letter will confirm your conversation of November 14, 1978, with Conley Edwards, Jr., a member of the General Counsel's staff. You indicated that the information and documentation requested in our letters of June 8 and October 6, 1978, would be delivered to the Commission not later than November 24, 1978.

Because of the urgency of this matter and the unpredictability of the mail system, we suggest you have these documents delivered by an overnight courier service.

Should you have any further questions concerning this matter, please feel free to contact Conley Edwards, Jr., at (202) 523-4529 or our toll free line (800) 424-9530.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. C. Oldaker", is written over the typed name and title.

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine, Goodman and Pawlowski

654310406

PS Form 3811 Apr 1977 RETURN RECEIPT REGISTERED INSURED AND CERTIFIED MAIL

CE 448586

● SENDER: Complete items 1, 2, and 3. Add your address in the RETURN TO space on reverse.

1. The following service is requested (check one):
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY Show to whom and date delivered
☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery \$ (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO
William H. Smith

3. ARTICLE DESCRIPTION
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 438/66

(Always obtain signature of addressee or agent)

I have received the article described above:
 SIGNATURE ☐ Addressee ☐ Authorized agent
Deanne H. Smith

4. DATE OF DELIVERY

5. ADDRESS: Complete only if requested

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

CHARLOTTE, NC
 NOV 23 1978
 USPO



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

October 6, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite #401, Executive Building
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Smith:

On October 2, 1978, the Commission determined there was reasonable cause to believe that Goodman for Congress Committee committed a violation of 2 U.S.C. §§434(b)(12), 432(d), and 432(a) of the Federal Election Campaign Act of 1971, as amended. Specifically, the Commission found reasonable cause to believe that Goodman for Congress Committee violated 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures, violated 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. §437g(a)(5)(B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the One Thousand Dollar, (\$1000.00), civil penalty to the Commission within ten days. We will then recommend that the Commission approve the agreement.



If you have any questions or suggestions for changes in the enclosed conciliation agreement, please feel free to contact Conley Edwards, Jr., the staff member assigned to this matter, at 202-523-4529 (or our toll free line 800-424-9530 ext. 50).

Sincerely,

William C. Oldaker
William C. Oldaker
General Counsel

Enclosure:

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite #306
Executive Building
Charlotte, North Carolina 28202

586 CE

PS Form 3811, Apr 1977 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

1. The following service is requested (check one).
☐ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY Show to whom and date delivered
☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery \$ (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
D.G. Smith

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 943537
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
 R. Cox

4. DATE OF DELIVERY 10-16-78 POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE CLERK'S INITIALS

250-1877-0-249-008

586 CE

PS Form 3811, Apr 1977 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

1. The following service is requested (check one).
☐ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY Show to whom and date delivered
☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery \$ (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
ARTHUR GOODMAN, JR.
LEVINE & GOODMAN
SUITE 306
EXEC. BLDG.
CHARLOTTE, N.C.

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 943517
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
 Dianne Hiatt

4. DATE OF DELIVERY POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE CLERK'S INITIALS

250-1877-0-249-595

79040134551

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Enclosed 401, Executive Building
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Smith:

On September , 1978, the Commission determined there was reasonable cause to believe that Goodman for Congress Committee committed a violation of 2 U.S.C. § 434(b)(12), § 432(d), and 432(a) of the Federal Election Campaign Act of 1971, as amended. Specifically, the Commission found reasonable cause to believe that Goodman for Congress Committee violated 2 U.S.C. § 434(b)(12) by failing to accurately report certain Committee debts and obligations; violated 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures, violated 2 U.S.C. § 432(a) and 11 C.F.R. § 102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. § 437g(a)(5)(B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the two hundred dollars ^{one thousand} ~~one hundred~~ civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please feel free to contact Conley Edwards, Jr., the staff member assigned to this matter, at 202-523-4529 (or our toll free line 800-424-9536 ext. 50).

Sincerely,

William C. Oldaker
General Counsel

Enclosure

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite #305
Executive Building
Charlotte, North Carolina 28202

C.E.G.

79040134552

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 586 (78)
Goodman for Congress)
Committee)

Conciliation Agreement

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This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and after an investigation, the Commission having found reasonable cause to believe that the Goodman for Congressman Committee (hereinafter "Respondent") violated 2 U.S.C. §434(b)(12); 2 U.S.C. §432(d); 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter of this case.

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

III. Respondent enters into this agreement voluntarily with the Commission.

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

A. Respondent failed to accurately report the status of the Candidate's loans to Committee in four (4) of six (6) reports filed in 1976, and failed to continuously report

the activity on these loans until extinguishment as required by 2 U.S.C. §434(b)(12).

B. Respondent failed in 1976 to adequately document twelve (12) expenditures totaling \$1,833.14 representing 11.01% of the total number of itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures, as required by 2 U.S.C. §432(d).

C. Respondent permitted the same individual to serve in the capacities of both the Committee Chairman and Treasurer in violation of 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a).

WHEREFORE, Respondent agrees:

A. That Respondent will file an amended and accurate report of Committee debts and obligations within thirty (30) days of the date this Agreement is approved by the Commission.

B. That Respondent will obtain and file adequate documentation of the twelve (12) itemizable expenditures that are presently inadequately documented. If any of this information is not obtainable, the amended report shall indicate why it was not obtainable and the efforts expended in attempting to obtain the information.

C. That Respondent will provide a written explanation as to why Ms. Cassandra Greene was permitted to serve in the capacities of both the Committee Chairman and Treasurer.

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

2904013454

E. That Respondent will pay a civil penalty in the amount of One Thousand Dollars, (\$1000.00), to the Secretary of the United States Treasury within ten (10) days of the effective date of this Agreement, pursuant to 2 U.S.C. §437g(a)(5)(B).

IV. General Conditions

A. The Commission, on request of anyone filing a complaint under 2 U.S.C. §437f(a)(1), concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

B. This Conciliation Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matters set forth in this agreement.

C. It is mutually agreed that this Agreement shall become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

Date

William C. Oldaker
General Counsel

Date

D. G. Smith
Accountant
Goodman for Congress Committee

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 586 (78)
Goodman for Congress Committee)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 2, 1978, the Commission determined by a vote of 6-0 to adopt the recommendations of the General Counsel to take the following actions in the above-captioned matter:

1. Find reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. §434(b)(12) by continuing to fail to accurately report certain Committee debts and obligations.
2. Find reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures.
3. Find reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a) by failing to designate separate individuals to serve as Chairman and Treasurer of the Committee.
4. Send the letter and conciliation agreement attached to the General Counsel's Report dated September 27, 1978.

Attest:

10/2/78
Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Received in Office of Commission Secretary: 9-28-78, 11:37
Circulated on 48 hour vote basis: 9-28-78, 3:30

79040134550

September 28, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached General Counsel's Report on MUR 586 distributed to the Commission on a 48 hour tally basis.

Thank you.

79040134557



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: ELISSA GARR
FROM: PEGGY CHANEY *PC*
DATE: OCTOBER 2, 1978
SUBJECT: Return of Original General Counsel's
Report in MUR 586

The original copy of the General Counsel's Report dated September 27, 1978, which was retained in the Office of Commission Secretary for inspection by the Commissioners due to an illegible page, is returned herewith.

Attachment:
Original GC Rpt - MUR 586

79040134558

RECEIVED
OFFICE OF THE
COMMISSIONER SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

78 SEP 28 All: 37

In the Matter of)

Goodman for Congress)
Committee)

MUR 586 (78)

GENERAL COUNSEL'S REPORT

I. History of Case

7904013455
This matter was initiated internally as a result of a random audit of the reports of receipts and expenditures maintained by the Goodman for Congress Committee, the principal campaign committee of Arthur Goodman, Jr. Mr. Goodman was an unsuccessful candidate for election to the United States House of Representatives from the 9th Congressional District of North Carolina in the general election held on November 2, 1976.

The random audit revealed that the Committee violated 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The Audit Division notified the Committee of its findings and recommendations on February 16, 1978. The Candidate responded on March 2, 1978 indicating his intention of complying with the Audit Division's recommendations.

Based on this response an extension of time was granted to March 20, 1978, to allow time for full compliance with Audit's recommendations. However, as of this date, neither the Candidate nor the Committee has made an effort to comply with the auditors recommendations.

On April 24, 1978, this matter was referred to the Office of General Counsel.

On June 7, 1978, the Commission found reason to believe that Goodman for Congress Committee violated 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The letter of notification was mailed on June 8, 1978, however, it appears that the letter was never received. A copy of the original letter of notification was remailed to the respondent on July 5, 1978.

On July 19, 1978, Mr. D. G. Smith, Committee Accountant, communicated to a staff member of the General Counsel's office that all requested documents had not been located but the documents he had in hand would be put in the next mail. To date, these documents have not been received.

095431062

II. Analysis

A. Reporting of Outstanding Committee Debts and Obligations

2 U.S.C. §434(b)(12) requires that "... the amount and nature of debts and obligations owed by or to the committee, ... a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished, together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefore."

An examination of the Committee's debts and obligations by the auditors revealed that four (4) of six (6) reports filed in 1976, by the Committee, misrepresented the status of the Candidate's loans to the Committee. In their report of December 31, 1976, the Committee over-reported the amount of the original debt by \$500, over-reported the cumulative payments by \$1,000, and under-reported the outstanding balance by \$500. As of this date, there has been no further activity on these loans.

B. Documentation for Expenditures

2 U.S.C. §432(d) requires "... the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditures made by or on behalf of a political committee in excess of \$100 amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds

29040134561

\$100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Commission." ^{1/}

An examination of the Committee's records by the auditors revealed twelve (12) expenditures totalling \$1,833.14, representing 11.01% of the number of total itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures, lacked adequate supporting documentation, i.e. only had the cancelled check. As of this date, there is no evidence indicating that the Committee has made an effort to secure the aforementioned documentation.

C. Holder of Dual Office

2 U.S.C. §432(a) states, in part, that: "Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof." ^{2/}

The Committee's Statement of Organization indicates that Ms. Cassandra Greene served in the capacities of both the Committee's Chairman and Treasurer. (Attachment)

^{1/} 11 C.F.R. §102.9(c)(4) permits the treasurer, when a receipted bill is not available to keep cancelled checks showing payment of the bill(s), and the bill, invoice or other contemporaneous memorandum of the transaction.

^{2/} 11 C.F.R. §102.7(a) specifically requires that the positions of the chairman and the treasurer shall not be occupied by the same person.

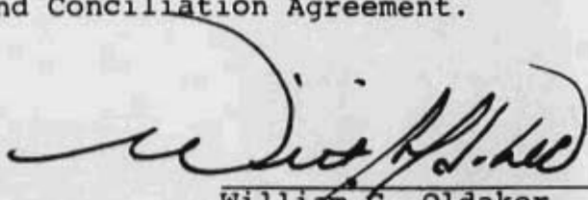
III. Conclusion

In light of the above, the Goodman for Congress Committee has continued to fail to make an effort to comply with the Act.

IV. Recommendations

1. Find reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. §434(b)(12) by continuing to fail to accurately report certain Committee debts and obligations.
2. Find reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures.
3. Find reasonable cause to believe that the Goodman for Congress Committee violated 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.
4. Send attached letter and Conciliation Agreement.

9/27/78
DATE


William C. Oldaker
General Counsel

Attachments:

1. copy of statement of organization
2. letter attached to GC Report & Conciliation Agreement
3. Certification

79040134563

79040134564

Statement of Organization For a Committee (Page 3)

Section 1: Committee Information

1. Name of the committee: **Carolina Council**

2. Address of the committee: **622 S. Trade Street, Charlotte, North Carolina**

3. Title of the committee: **Chairman/Secretary (Temporary)**

4. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____

5. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____

6. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____

Section 2: Financial Information

7. Name of the organization: **North Carolina Criminal Justice**

8. Address of the organization: **622 S. Trade Street, Charlotte, North Carolina**

9. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____

10. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____

11. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____

12. I hereby certify that the above information is true and correct to the best of my knowledge and belief. **Signature** _____ **Date** _____



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite #401, Executive Building
Charlotte, North Carolina 28202

Re: MUR 586 (78)

Dear Mr. Smith:

On October , 1978, the Commission determined there was reasonable cause to believe that Goodman for Congress Committee committed a violation of 2 U.S.C. §§434(b)(12), 432(d), and 432(a) of the Federal Election Campaign Act of 1971, as amended. Specifically, the Commission found reasonable cause to believe that Goodman for Congress Committee violated 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures, violated 2 U.S.C. §432(a) and 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. §437g(a)(5)(B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the One Thousand Dollar, (\$1000.00), civil penalty to the Commission within ten days. We will then recommend that the Commission approve the agreement.



If you have any questions or suggestions for changes in the enclosed conciliation agreement, please feel free to contact Conley Edwards, Jr., the staff member assigned to this matter, at 202-523-4529 (or our toll free line 800-424-9530 ext. 50).

Sincerely,

William C. Oldaker
General Counsel

Enclosure:

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite #306
Executive Building
Charlotte, North Carolina 28202

9040131566



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

August 7, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite 401, Executive Building
Charlotte, North Carolina 28202

Re: MUR 586

Dear Mr. Smith:

This letter is in reference to your conversation of July 19, 1978 with Conley Edwards, Jr., a member of the General Counsel's Office staff, who was informed by you that all the documents requested in our letter of June 8, 1978 had not been located but the documents you had in hand would be mailed shortly. However, as of this date the requested documents have not been received in this office.

You have five (5) days commencing upon receipt of this letter to submit the requested materials or we shall proceed accordingly.

Should you have any further questions concerning this matter please feel free to contact Conley Edwards, Jr. at (202) 523-4529 or our toll free line (800) 424-9530 extension 50.

Sincerely yours,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman

Cassandra Greene, Treasurer
Goodman for Congress Committee



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO CHARLES STEELE
FROM: MARJORIE W. EMMONS *mwe*
DATE: JULY 31, 1978
SUBJECT: MUR 586 - Interim Report, undated
Received in Office of Commission
Secretary: 7-28-78, 11:40

The above-named document was circulated on a 24 hour no-objection basis at 3:00 p.m. on July 28, 1978.

The Commission Secretary's Office has received no objections to the Interim Report as of 4:00 p.m. this date.

Commissioners Harris, Springer, Staebler, Thomson, and Tiernan returned their papers by the deadline.

19040134560

7
July 28, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached Interim Report on MUR 586
distributed to the Commission.

Thank you.

79040134569

BEFORE THE FEDERAL ELECTION COMMISSION

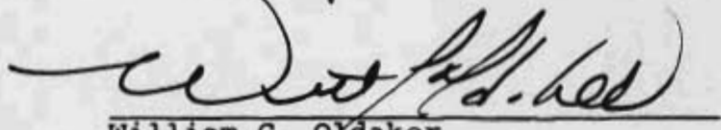
In the Matter of)
)
Goodman for Congress Committee) MUR 586

INTERIM REPORT

On June 7, 1978, the Commission found reason to believe that the Goodman for Congress Committee violated: 2 U.S.C. § 434 (b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. § 432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. § 432(a) and 11 C.F.R. § 102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

On July 19, 1978, a member of this staff communicated with Mr. D. G. Smith, the Committee's accountant, by telephone. The staff member was informed that all the requested documents had not been located but the documents he had accumulated would be put in the very next mail. However, as of this date these documents have not been received by this office.

7/20/78
Date


William C. O'Daker
General Counsel

29040134570

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Goodman for Congress Committee

)
) MUR 586
)
)

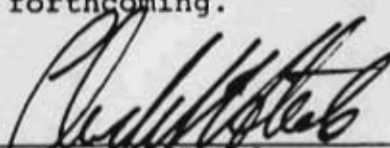
INTERIM REPORT

On June 7, 1978, the Commission found reason to believe that the Goodman for Congress Committee violated: 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations; 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures; 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.

The letter of notification was mailed June 8, 1978. After the ten day period for response had elapsed, a member of this staff tried to contact the Committee's accountant by phone. Upon reaching the accountant, the staff member was informed that the letter of notification had never been received. This office has never received the certified return receipt either.

A copy of the original letter of notification was re-mailed to the respondent and a reply should be forthcoming.

6 July 1978
Date


Charles N. Steele
Associate General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

July 10, 1978

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS

SUBJECT: MUR 586 - Interim Report dated 7-6-78
Received in Office of Commission
Secretary 7-6-78, 3:42

mwe

The above-mentioned document was circulated on a 24 hour no-objection basis at 9:00 a.m., July 7, 1978.

As of 9:30 a.m., this date, no objections have been received in the Office of Commission Secretary to the Interim Report.

19040134572

July 6, 1978

MEMORANDUM TO: Margo Emons
FROM: Eliasa T. Garr.
SUBJECT: MUR 586

Please have the attached Interim Report on MUR 586
distributed to the Commission.

Thank you.

79040134573



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

July 5, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D.G. Smith, CPA
Goodman for Congress Committee
Suite 401, Executive Bldg.,
Charlotte, NC 28202

Re: MUR 586

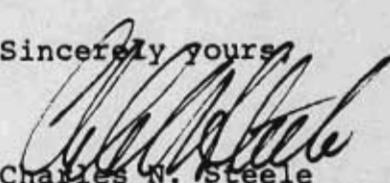
Dear Mr. Smith:

This letter will confirm your conversation of June 30, 1978 with Clare Lindsay, a member of the General Counsel's Office staff, who was informed by you that you have never received a letter dated June 8, 1978, from this office.

A copy of this letter is enclosed. You have 10 days running from the date of receipt of this letter to submit any materials which are relevant to the investigation of this matter.

If you have any further questions please do not hesitate to call Clare Lindsay at 202/523-4040 or toll free 800/424-9530 ext. 50.

Sincerely yours,


Charles N. Steele
Associate General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite 306
Executive Bldg.
Charlotte, NC 28202

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

586 Sunday

● SENDER: Complete steps 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered.
☒ Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY
 Show to whom and date delivered.
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery.
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
*D. H. Smith
 Goodman for CC*

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
947492
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☒ Authorized agent
C. Citizens

4. DATE OF DELIVERY POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

June 8, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite 401, Executive Bldg.,
Charlotte, NC 28202

RE: MUR 586

Dear Mr. Smith:

This letter is to inform you that on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has determined that it has reason to believe that the Goodman for Congress Committee has violated the Federal Election Campaign Act, as amended (the "Act"), in that the Committee has:

- a) failed to accurately report certain Committee debts in violation of 2 U.S.C. §434(b)(12);
- b) failed to obtain and keep receipted bills for certain of its expenditures in violation of 2 U.S.C. §432(d);
- c) failed to designate separate individuals to act as Chairman and Treasurer of the Committee, in violation of 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a);

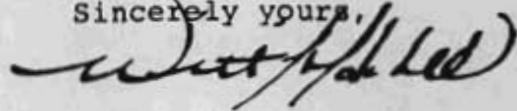
Each of the above-mentioned violations are described in greater detail in a letter to the Committee from the Commission dated February 16, 1978, which discusses the audit findings concerning the Goodman for Congress Committee.

Upon making a determination that there is reason to believe that a violation has occurred, the Commission is required to make an investigation and to afford you a reasonable opportunity to demonstrate that no action should be taken. As part of this process, please submit, within 10 days of receipt of this letter, any factual or legal materials which you deem relevant to the Commission's investigation of this matter.

19040134576

This letter will remain confidential in accordance with 2 U.S.C. §437g(a) (3) unless you state to the Commission, in writing, that you wish the investigation to be made public. The staff member assigned to this matter is Clare Lindsay, (telephone number 202/523-4040 or toll free 800/424-9530, ext. 50).

Sincerely yours,



William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite 306
Executive Bldg.
Charlotte, NC 28202

79040134577

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite 401, Executive Bldg.,
Charlotte, NC 28202

RE: MUR 586

Dear Mr. Smith:

This letter is to inform you that on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has determined that it has reason to believe that the Goodman for Congress Committee has violated the Federal Election Campaign Act, as amended (the "Act"), in that the Committee has:

- a) failed to accurately report certain Committee debts in violation of 2 U.S.C. §434(b)(12);
- b) failed to obtain and keep receipted bills for certain of its expenditures in violation of 2 U.S.C. §432(d);
- c) failed to designate separate individuals to act as Chairman and Treasurer of the Committee, in violation of 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a);

Each of the above-mentioned violations are described in greater detail in a letter to the Committee from the Commission dated February 16, 1978, which discusses the audit findings concerning the Goodman for Congress Committee.

Upon making a determination that there is reason to believe that a violation has occurred, the Commission is required to make an investigation and to afford you a reasonable opportunity to demonstrate that no action should be taken. As part of this process, please submit, within 10 days of receipt of this letter, any factual or legal materials which you deem relevant to the Commission's investigation of this matter.

79040134578

This letter will remain confidential in accordance with 2 U.S.C. 5437g(a) (3) unless you state to the Commission, in writing, that you wish the investigation to be made public. The staff member assigned to this matter is Clare Lindsay, (telephone number 202/523-4840 or toll free 800/424-9530, ext. 50).

Sincerely yours,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite 306
Executive Bldg.
Charlotte, NC 28202

79040134579

h d

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Goodman for Congress Committee

MUR 586 (78)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on June 7, 1978, the Commission approved by a vote of 5-0 the recommendations in the First General Counsel's Report dated June 2, 1978 to take the following actions in the above-captioned matter:

1. Find reason to believe that the Goodman for Congress Committee: violated 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations; violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures; violated 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee.
2. Send the proposed letter attached to the report.

Commissioners Aikens, Tiernan, Thomson, Harris and Staebler returned their votes by the deadline.

Date:

6/7/78

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Received in Office of Commission Secretary: 6-2-78, 1:23
Circulated on 48 hour vote basis: 6-5-78, 10:30

79040134580

June 2, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached 7 day report on MUR 586
distributed to the Commission on a 48 hour tailg basis.

Thank you.

79040134581

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL JUN 2 1978
BY OGC TO THE COMMISSION

MUR NO. 586
DATE COMPLAINT RECEIVED
BY OGC
STAFF
MEMBER Lindsay

SOURCE: INTERNALLY GENERATED
Audit (See Attachment)

RESPONDENT'S NAME: Goodman for Congress Committee

RELEVANT STATUTE: 2 U.S.C. §432(a), §432(d), §434(b)(12),
11 C.F.R. §102.7(a)

INTERNAL REPORTS CHECKED: Audit findings

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

Referred to Office of General Counsel from the Audit
Division as a result of a random audit of the Respondent
Committee.

SUMMARY OF ALLEGATIONS

That respondent Committee failed to: accurately report
Committee debts and obligations as required by 2 U.S.C. §434(b)
(12); obtain and keep receipted bills for certain of its
expenditures as required by 2 U.S.C. §432(d); designate separate
individuals to act as Chairman and Treasurer of the Committee
as required by 2 U.S.C. §432(a) and interpreted by 11 C.F.R.
§102.7(a).

PRELIMINARY LEGAL ANALYSIS

During the course of auditing the Goodman for Congress
Committee, the auditors found the following instances of non-
compliance with the requirements of the Act (See Attachment);

a) the Committee mis-reported the status of the Candidate's loans to the Committee in four of six reports filed in 1976. Also the activity on these loans was not continuously reported until extinguishment thereof, as required.

b) 12 expenditures totaling \$1,833.14 (11.01% of the number of total itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures) were not adequately documented.

c) the position of Committee Treasurer and Chairman were occupied by the same person, which is specifically prohibited under 11 C.F.R. §102.7(a).

The auditors have requested that the Committee submit amendments to its reports and further documentation, as needed, for the above instances of non-compliance but have received no response, despite an extension of time, other than indications from the Candidate and Committee that they are willing to comply.

The auditors found a Committee debt for media services, in the amount of \$12,000 outstanding as of December, 1976, owed to the Walter J. Klein Co., Ltd., a firm headed by the candidate's brother-in-law. The Candidate informed the auditors that these services were contracted for through an oral agreement in September, 1976. The only written record of the obligation was a single bill, for the entire amount, on which no payment had been made as of one year later (the time of the audit). No statement of settlement has been submitted yet by the Committee to terminate this debt.

In our opinion there is no reason to believe at this time that the extension of credit by the Walter J. Klein Co., Ltd., an incorporated entity, was not made in the ordinary course of business constituting a prohibited corporate contribution.

RECOMMENDATIONS

1. Find reason to believe that the Goodman for Congress Committee: violated 2 U.S.C. §434(b) (12) by failing to accurately report certain Committee debts and obligations; violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures; violated 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee;
2. Send attached letter.

79040134583



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite 401, Executive Bldg.,
Charlotte, NC 28202

RE: MUR 586

Dear Mr. Smith:

This letter is to inform you that on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has determined that it has reason to believe that the Goodman for Congress Committee has violated the Federal Election Campaign Act, as amended (the "Act"), in that the Committee has:

- a) failed to accurately report certain Committee debts in violation of 2 U.S.C. §434(b)(12);
- b) failed to obtain and keep receipted bills for certain of its expenditures in violation of 2 U.S.C. §432(d);
- c) failed to designate separate individuals to act as Chairman and Treasurer of the Committee, in violation of 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a);

Each of the above-mentioned violations are described in greater detail in a letter to the Committee from the Commission dated February 16, 1978, which discusses the audit findings concerning the Goodman for Congress Committee.

Upon making a determination that there is reason to believe that a violation has occurred, the Commission is required to make an investigation and to afford you a reasonable opportunity to demonstrate that no action should be taken. As part of this process, please submit, within 10 days of receipt of this letter, any factual or legal materials which you deem relevant to the Commission's investigation of this matter.

19040134584

This letter will remain confidential in accordance with 2 U.S.C. §437g(a) (3) unless you state to the Commission, in writing, that you wish the investigation to be made public. The staff member assigned to this matter is Clare Lindsay, (telephone number 202/523-4040 or toll free 800/424-9530, ext. 50).

Sincerely yours,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite 306
Executive Bldg.
Charlotte, NC 28202

79040134585

May 10, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr *ETG*
SUBJECT: MUR 586 *add*

Please withdraw the 7 day report for MUR 586
from consideration by the Commission.

A revised 7 day report will be shortly submitted
for consideration.

Thank you.

79040134586

May 22, 1978

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 586

Please have the attached 7 day report on MUR 586
distributed to the Commission on a 48 hour tally basis.

Thank you.

79040134587

FEDERAL ELECTION COMMISSION

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO COMMISSION _____

MUR NO. 586
STAFF MEMBER(S) _____

Lindsay

SOURCE OF MUR: INTERNALLY GENERATED
Audit (See Attachment)
RESPONDENT'S NAME: Goodman for Congress Committee
Mecklenberg County Democratic Men's Club
Walter J. Klein Co., Ltd.
RELEVANT STATUTE: 2 U.S.C. §432(a), §432(d), §434(b)(12), §441a(a)(1)(A),
§441a(f), §441b, 11 C.F.R. §102.7(a)

INTERNAL REPORTS CHECKED: Audit findings

3

FEDERAL AGENCIES CHECKED: None

5

4

GENERATION OF MATTER

3 That respondent Committee failed to: accurately report Committee debts and obligations as required by 2 U.S.C. §434(b)(12); obtain and keep receipted bills for certain of its expenditures as required by 2 U.S.C. §432(d); designate separate individuals to act as Chairman and Treasurer of the Committee as required by 2 U.S.C. §432(a) and interpreted by 11 C.F.R. §102.7(a).

C That the Committee accepted a corporate contribution from respondent Walter J. Klein Co., Ltd., in violation of 2 U.S.C. §441b. That the Committee accepted a contribution in excess of statutory limits in violation of 2 U.S.C. §441a(f).

That respondent Mecklenberg County Democratic Men's Club contributed to the respondent Committee in excess of its statutory limits in violation of 2 U.S.C. §441a(a)(1)(A).

That respondent Walter J. Klein Co., Ltd., made a corporate contribution to respondent Committee in violation of 2 U.S.C. §441b.

PRELIMINARY LEGAL ANALYSIS

During the course of auditing the Goodman for Congress Committee, the auditors found the following instances of non-compliance with the requirements of the Act (See Attachment);

a) the Committee mis-reported the status of the Candidate's loans to the Committee in four of six reports filed in 1976. Also the activity on these loans was not continuously reported until extinguishment thereof, as required.

b) the auditors found a Committee debt for media services, in the amount \$12,000 of outstanding as of December, 1976, owed to the Walter J. Klein Co., Ltd., a firm headed by the candidate's brother-in-law. The Candidate informed the auditors that these services were contracted for through an oral agreement in September, 1976. However, the only written record of the obligation was a single bill, for the entire amount, on which no payment had been made as of one year later (the time of the audit).

8 In our opinion there is reason to believe that this extension of credit by the Walter J. Klein Co., Ltd., an incorporated entity, was not made in the ordinary course of business and is therefore a prohibited Corporate contribution.

3 c) 12 expenditures totaling \$1,833.14 (11.01% of the number of total itemizable expenditures and 6.06% of the total dollar amount of itemizable expenditures) were not adequately documented.

0 d) the position of Committee Treasurer and Chairman were occupied by the same person, which is specifically prohibited under 11 C.F.R. §102.7(a).

9 e) the Committee accepted a \$1,500 contribution from the Mecklenberg County Democratic Men's Club which, according to its Statement of Organization, is neither a multi-candidate committee itself nor is affiliated with the multi-candidate North Carolina State Democratic Committee.

The auditors have requested that the Committee submit amendments to its reports and further documentation, as needed, for the above instances of non-compliance but have received no response, despite an extension of time, other than indications from the Candidate and Committee that they are willing to comply.

RECOMMENDATIONS

1. Find reason to believe that the Goodman for Congress Committee: violated 2 U.S.C. §434(b)(12) by failing to accurately report certain Committee debts and obligations; violated 2 U.S.C. §432(d) by failing to keep receipted bills for certain of its expenditures; violated 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a) by failing to designate separate individuals to act as Chairman and Treasurer of the Committee; violated 2 U.S.C. §441b by accepting a corporate contribution from Walter J. Klein Co., Ltd.; and violated 2 U.S.C. §441a(f) by accepting from the Mecklenberg County Democratic Men's Club a contribution in excess of statutory limits.
2. Find reason to believe that the Walter J. Klein C., Ltd., violated 2 U.S.C. §441b by making a corporate contribution to the Goodman for Congress Committee.
3. Find reason to believe the Mecklenberg County Democratic Men's Club violated 2 U.S.C. §441a(a)(1)(A) by contributing in excess of its statutory limits to the Goodman for Congress Committee.

Send attached letters.

79040134590



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Walter J. Klein
Walter J. Klein Co., Ltd.,
1214 Elizabeth Ave.
Charlotte, NC 28204

Re: MUR 586

Dear Mr. Klein:

This letter is to inform you that on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has determined that it has reason to believe that your company has violated the Federal Election Campaign Act, as amended (the "Act"), in that it has made a corporate contribution to the Goodman for Congress Committee.

Our staff has determined that an oral agreement was entered into by Arthur Goodman and your company in September of 1976 whereby the Walter J. Klein Company would provide media services in the amount of \$12,000 for the campaign for Federal office of Mr. Goodman. Since the time of the agreement, only one bill has been sent to the Goodman Committee and no payments have been made on this obligation. Absent any evidence that credit was extended to this Committee by your company in the ordinary course of business or that your company has exhausted all commercially reasonable efforts to satisfy this debt, there is reason to believe this debt is a contribution from your company to Mr. Goodman's campaign for election to Federal office.

Under 2 U.S.C. §441b it is unlawful for any corporation to contribute to a candidate for Federal office. For purposes of this section of the Act, "contribution" includes any services to any candidate or campaign committee in connection with any election to any Federal office.

134591

Upon making a determination that there is reason to believe that a violation has occurred, the Commission is required to make an investigation and to afford you a reasonable opportunity to demonstrate that no action should be taken. As part of this process, please submit within 10 days of receipt of this letter, any factual or legal materials which you deem relevant to the Commission's investigation of this matter.

This letter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you state to the Commission, in writing, that you wish the investigation to be made public. The staff member assigned to this matter is Clare Lindsay, (telephone number 202/523-4040 or toll free 800/424-9530, ext. 50).

Sincerely yours,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite 306
Executive Bldg.
Charlotte, NC 28202

79040134592



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. D. G. Smith, CPA
Goodman for Congress Committee
Suite 401, Executive Bldg.,
Charlotte, NC 28202

Re: MUR 586

Dear Mr. Smith:

This letter is to inform you that on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has determined that it has reason to believe that the Goodman for Congress Committee has violated the Federal Election Campaign Act, as amended (the "Act"), in that the Committee has:

- a) failed to accurately report certain Committee debts in violation of 2 U.S.C. §434(b)(12);
- b) failed to obtain and keep receipted bills for certain of its expenditures in violation of 2 U.S.C. §432(d);
- c) failed to designate separate individuals to act as Chairman and Treasurer of the Committee, in violation of 2 U.S.C. §432(a) as interpreted by 11 C.F.R. §102.7(a);
- d) accepted a \$1,500 contribution from the Mecklenberg County Democratic Men's Club which exceeds the statutory contribution limits, in violation of 2 U.S.C. §441a(f).

79040134593

e) accepted a corporate contribution from the Walter J. Klein Co., Ltd., in violation of 2 U.S.C. §441b. (In the absence of any evidence that the initial extension of credit to the Goodman for Congress Committee from the Walter J. Klein Co., Ltd., was in the ordinary course of business or that both parties have undertaken customary efforts to satisfy this debt, the media services totaling \$12,000 would appear to be a corporate contribution in violation of the Act.)

Each of the above-mentioned violations are described in greater detail in a letter to the Committee from the Commission dated February 16, 1978, which discusses the audit findings concerning the Goodman for Congress Committee.

Upon making a determination that there is reason to believe that a violation has occurred, the Commission is required to make an investigation and to afford you a reasonable opportunity to demonstrate that no action should be taken. As part of this process, please submit, within 10 days of receipt of this letter, any factual or legal materials which you deem relevant to the Commission's investigation of this matter.

This letter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you state to the Commission, in writing, that you wish the investigation to be made public. The staff member assigned to this matter is Clare Lindsay, (telephone number 202/523-4040 or toll free 800/424-9530, ext. 50).

Sincerely yours,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine & Goodman
Suite 306
Executive Bldg.
Charlotte, NC 28202

79040134594



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Mark Leggett
Treasurer
Mecklenberg County Democratic Men's Club
1101 Burtonwood Circle
Charlotte, NC 28212

Re: MUR 586

Dear Mr. Leggett:

This letter is to inform you that on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has determined that it has reason to believe that the Mecklenberg County Democratic Men's Club has violated the Federal Election Campaign Act, as amended (the "Act"), in that the Club contributed \$1,500 to the Goodman for Congress Committee in October, 1976.

Under 2 U.S.C. §441a(a)(1)(A), a political committee is prohibited from contributing more than \$1,000 to any candidate for Federal office. If a political committee qualifies as a multi-candidate committee, it may contribute up to \$5,000 to a candidate for Federal office. However, a review of the Statement of Organization of the Mecklenberg County Democratic Men's Club reveals that your club does not so qualify.

Upon making a determination that there is reason to believe that a violation has occurred, the Commission is required to make an investigation and to afford you a reasonable opportunity to demonstrate that no action should be taken. As part of this process, please submit, within 10 days of receipt of this letter, any factual or legal materials which you deem relevant to the Commission's investigation of this matter.

79040134595

This letter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you state to the Commission, in writing, that you wish the investigation to be made public. The staff member assigned to this matter is Clare Lindsay (telephone number 202/523-4040 or toll free 800/424-9530, ext. 50).

Sincerely yours,

William C. Oldaker
General Counsel

cc: Arthur Goodman, Jr.
Levine and Goodman
Suite 306
Executive Building
Charlotte, NC 28202

79040134596

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Goodman for Congress Committee
Mecklenberg County Democratic Men's Club
Walter J. Klein Co., Ltd.

MUR 586

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Commission, do hereby
certify that on May , 1978, the Commission accepted the General
Counsel's recommendations as follows:

1. Find reason to believe that the Goodman for Congress Committee:
violated 2 U.S.C. §434(b)(12) by failing to accurately report
certain Committee debts and Obligations; violated 2 U.S.C. §432(d)
by failing to keep receipted bills for certain of its ex-
penditures; violated 2 U.S.C. §432(a) as interpreted by
11 C.F.R. §102.7(a) by failing to designate separate indi-
viduals to act as Chairman and Treasurer of the Committee;
violated 2 U.S.C. §441b by accepting a corporate contribution;
and violated 2 U.S.C. §441a(f) by accepting a contribution
in excess of statutory limits.
2. Find reason to believe that the Walter J. Klein Co., Ltd., violated
2 U.S.C. §441b by making a corporate contribution to the
Goodman for Congress Committee.
3. Find reason to believe the Mecklenberg County Democratic Men's
Club violated 2 U.S.C. §441a(a)(1)(A) by contributing in excess
of its statutory limits to the Goodman for Congress Committee.
4. Send proposed letters attached to the First General Counsel's
Report.

Date

Marjorie W. Emmons
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20546

THIS IS THE BEGINNING OF MUR # 586

Date Filmed 6/18/79 Camera No. --- 2

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