



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 19, 1980

MEMORANDUM

TO: FRED ELLAND  
PRESS OFFICE

THROUGH: BOB COSTA *RJC*

FROM: JUDY HAWKINS *JH*

SUBJECT: PUBLIC ISSUANCE OF FINAL AUDIT REPORT -  
TEXAS MEDICAL POLITICAL ACTION COMMITTEE

Attached please find a copy of the final audit report of the Texas Medical Political Action Committee which was approved by the Commission on June 9, 1980.

Informational copies of this report have been received by all parties involved and this report may be released to the public as of today, June 19, 1980.

Attached as stated

cc: FEC Library  
RAD  
Public Record

6107015-95;



## FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20543

### REPORT OF THE AUDIT DIVISION ON THE TEXAS MEDICAL POLITICAL ACTION COMMITTEE

#### I. Background

##### A. Overview

This report is based on an audit of the Texas Medical Political Action Committee ("the Committee"), undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to Section 438(a)(8) of Title 2 of the United States Code which directs the Commission to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of the Act.

The Committee registered with the United States House of Representatives on April 14, 1972 to support candidates and inform the medical profession of political events which affect the practice of medicine. The Committee maintains its headquarters in Austin, Texas.

The audit covered the period January 1, 1977 through March 31, 1979, the final coverage date of the most recent report filed by the Committee at the time of the audit. The Committee reported an opening cash balance on January 1, 1977 of \$53,564.56, total receipts for the period of \$905,415.15 total expenditures for the period of \$848,176.16 and a closing cash balance on March 31, 1979 of \$110,120.67. 1/

This audit report is based on documents and working papers which support each of the factual statements. They form part of the record upon which the Commission based its decisions on the matters in the report and were available to Commissioners and appropriate staff for review.

1/ The discrepancy in ending cash is due to mathematical errors on the Committee's reports.

B. Key Personnel

The principal officers of the Committee during the period audited were Mr. Charles Wilson, Chairman, 1/1/77-1/28/79; Mr. George G. Alexander, Chairman, 1/29/79-present; and Mr. Robert Stluka, Treasurer.

C. Scope

The audit included such tests as verification of total reported receipts and expenditures and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances.

II. Audit Findings and Recommendations

A. Itemization of Contributions

During the period covered by the audit section 434(b)(7) of Title 2 of the United States Code, stated that each report shall disclose each contribution, rebate, refund, or other receipt in excess of \$100 not otherwise listed under paragraphs (2) through (6).

Section 104.2(b)(7) of Title 11 of the Code of Federal Regulations stated, in part, that each report shall disclose each receipt in excess of \$100 received during the reporting period, together with the identification, date and amount received, occupation, and principal place of business of each such person from whom such receipts have been received during the reporting period.

A review of the Committee's solicitation materials and contributor records disclosed the following:

The Committee solicited contributions for the American Medical Political Action Committee (AMPAC) in conjunction with its own solicitations. The Committee received checks representing combined contributions for itself and AMPAC, which were deposited into the Committee's checking account. The portion of the checks representing AMPAC contributions were subsequently forwarded by separate check to AMPAC.

8 1 0 7 0 1 5 9 5 7

During 1978 and 1979 the Committee only itemized its portion of the contributions in excess of \$100 and reported the AMPAC portion as unitemized. This resulted in 367 itemization errors totaling \$92,825 which accounts for 31.47% of the number and 50.25% of the amount of receipts required to be itemized.

On April 14, 1980, the Committee submitted amended reports, correctly itemizing the receipts.

Recommendation

The Audit staff recommends no further action on this matter.

01070161853

