



AGENDA DOCUMENT NO. 07-44

**MINUTES OF AN OPEN MEETING
OF THE
FEDERAL ELECTION COMMISSION
THURSDAY, MAY 31, 2007**

PRESENT:

Robert D. Lenhard, Chairman, presiding

David M. Mason, Vice Chairman

Hans A. von Spakovsky, Commissioner

Steven T. Walther, Commissioner

Ellen L. Weintraub, Commissioner

**John W. Sigmon, Deputy Staff Director for
Management and Administration, and
Margarita Maisonet, Deputy Staff Director for
Compliance, representing Patrina M. Clark,
Staff Director**

Thomasenia P. Duncan, General Counsel

Mary W. Dove, Secretary

Chairman Robert D. Lenhard called the Federal Election Commission to order in an open meeting at 2:05 P.M. on Thursday, May 31, 2007, with a quorum present.

I. CORRECTION AND APPROVAL OF MINUTES

**Minutes for May 3, 2007
Agenda Document No. 07-36**

Chairman Lenhard recognized Vice Chairman Mason, who

MOVED to approve the minutes for the Open Meeting of Thursday, May 3, 2007, as set forth in Agenda Document No. 07-36.

The motion carried on the vote of 5-0 with Commissioners Lenhard, Mason, von Spakovsky, Walther, and Weintraub voting affirmatively.

II. DRAFT ADVISORY OPINION 2007-07

**Craig for U.S. Congress by counsel, Neil Reiff
Agenda Document No. 07-38**

Chairman Lenhard recognized Mr. Tony Buckley of the General Counsel's Office who presented draft Advisory Opinion 2007-07 regarding whether, under the Federal Election Campaign Act of 1971, as amended (the "Act"), and Commission regulations, Craig for U.S. Congress may amend its disclosure reports to report funds received

II. DRAFT ADVISORY OPINION 2007-07 (continued)

from the candidate as loans rather than as contributions, and accept additional contributions to pay off these loans.

Chairman Lenhard recognized Vice Chairman Mason, who

**MOVED to approve draft Advisory Opinion 2007-07,
as set forth in Agenda Document No. 07-38.**

The motion carried on the vote of 5-0.

**III. DRAFT STATEMENT OF POLICY REGARDING TREASURERS'
BEST EFFORTS TO OBTAIN, MAINTAIN, AND SUBMIT
INFORMATION AS REQUIRED BY THE FEDERAL ELECTION
CAMPAIGN ACT**

Agenda Document No. 07-41 (submitted late)

The Chairman recognized Vice Chairman Mason, who

**MOVED to suspend the rules on the timely
submission of agenda documents in order
to consider Agenda Document No. 07-41.**

The motion carried on the vote of 5-0.

**Chairman Lenhard recognized Ms. Margaret Perl of the General
Counsel's Office who presented the subject draft.**

The Chairman recognized Vice Chairman Mason, who

**MOVED to approve the draft Statement of
Policy Regarding Treasurers' Best Efforts to
Obtain, Maintain, and Submit Information as
required by the Federal Election Campaign
Act for publication in the *Federal Register*.**

**III. DRAFT STATEMENT OF POLICY REGARDING TREASURERS'
BEST EFFORTS TO OBTAIN, MAINTAIN, AND SUBMIT
INFORMATION AS REQUIRED BY THE FEDERAL ELECTION
CAMPAIGN ACT (continued)**

The motion carried on the vote of 5-0.

**IV. DRAFT NOTICE OF PROPOSED RULEMAKING FOR FEDERAL
ELECTION ACTIVITY AND NON-FEDERAL ELECTIONS
Agenda Document No. 07-42 (submitted late)**

The Chairman recognized Vice Chairman Mason, who

**MOVED to suspend the rules on the timely
submission of agenda documents in order
to consider Agenda Document No. 07-42.**

The motion carried on the vote of 5-0.

**Chairman Lenhard recognized Ms. Margaret Perl of the General
Counsel's Office who presented the draft Notice of Proposed Rule-
making for Federal Election Activity and Non-Federal Elections and
noted there would be a 30 day comment period after date of publication
in the *Federal Register*.**

A discussion followed.

Chairman Lenhard recognized Vice Chairman Mason, who

**MOVED to approve the draft Notice of Proposed
Rulemaking for Federal Election Activity and Non-
Federal Elections, as set forth in Agenda Document
No. 07-42, for publication in the *Federal Register*.**

The motion carried on the vote of 5-0.

The agenda was reordered and Item VI. was considered next.

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VI. KERRY/EDWARDS 2004 FINAL AUDIT REPORT

Agenda Document No. 07-37

Agenda Document No. 07-43 (submitted late)

The Chairman recognized Vice Chairman Mason, who

**MOVED to suspend the rules on the timely
submission of agenda documents in order
to consider Agenda Document No. 07-43.**

The motion carried on the vote of 5-0.

Chairman Lenhard recognized Mr. Thomas Nurthen of the Staff

**Director's Office (Audit Division) who reviewed the Audit's findings in the
above-captioned matter.**

A discussion followed.

The Chairman recognized Commissioner Weintraub, who

**MOVED to approve the Final Audit Report on the
Kerry-Edwards 2004, Inc. and the Kerry-Edwards
2004, Inc. General Election Legal and Accounting
Compliance Fund (GELAC), as set forth in Agenda
Document No. 07-37, subject to the following
amendments:**

VI. KERRY/EDWARDS 2004 FINAL AUDIT REPORT (continued)

Finding 2. To permit the Committee to allocate to the GELAC a \$100,000 payment to the media consultant for recordkeeping and reconciliation; to permit the Committee to allocate to the GELAC 85% of computer costs that relate to the operations of the accounting office; and, to permit the Committee to allocate \$25,241 to the primary committee for plane decal costs.

Finding 4. To amend this finding to indicate the Committee's compliance with the Audit Division's recommendation.

The motion carried on the vote of 5-0.

V. REPORT OF THE AUDIT DIVISION ON GEPHARDT FOR PRESIDENT, INC.

(Held over from the meeting of April 19, 2007)

Agenda Documents No. 07-30 and No. 07-39

Chairman Lenhard recognized Mr. Tom Hintermister of the Staff Director's Office (Audit Division) who presented the subject audit.

Following discussion, the Chairman recognized Commissioner Weintraub, who

MOVED that the Commission approve the Report of the Audit Division on Gephardt for President, Inc., as set forth in Agenda Document No. 07-30, subject to the following amendments:

Finding 1. To reduce the repayment by \$128,104 to the U.S. Treasury.

**V. REPORT OF THE AUDIT DIVISION ON GEPHARDT FOR
PRESIDENT, INC. (continued)**

**Finding 3. To reject the repayment of \$27,746 to the
U.S. Treasury.**

The motion carried on the vote of 4-1 with Commissioners

Lenhard, Mason, Walther, and Weintraub voting affirmatively.

Commissioner von Spakovsky dissented.

**Commissioner von Spakovsky requested that the record reflect
he dissented because the motion was made with regard to both findings.
However, he would have supported a motion which eliminated Finding 3.**

VII. FY 2007 Re-allocation of Funds

Agenda Document No. 07-40

**(Placed on the agenda pursuant to the filing of an objection
by Commissioner Walther following circulation on a 72-hour
tally vote.)**

**Chairman Lenhard recognized Commissioner Walther who
stated his concerns had been addressed by the Chief Financial Officer.
He removed his objection and voted in favor of the report, as contained
in Agenda Document No. 07-40. Therefore, the pre-meeting tally was
amended to reflect a vote of 5 approvals .**

VIII. MANAGEMENT AND ADMINISTRATIVE MATTERS

**There were no additional matters to come before the
Commission.**

The meeting adjourned at 3:45 P.M.

Signed:

**Robert D. Lenhard
Chairman of the Commission**

Attest:

**Mary W. Dove
Secretary of the Commission**