



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

THIS IS THE BEGINNING OF MUR # 4014

DATE FILMED 3-6-85 CAMERA NO. 2

CAMERAMAN JmH

25043630231



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

AK005185

July 18, 1994

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

THROUGH: JOHN C. SURINA  
STAFF DIRECTOR

FROM: ROBERT J. COSTA  
ASSISTANT STAFF DIRECTOR  
AUDIT DIVISION

SUBJECT: REFERRAL MATTER - COMMITTEE ON ARRANGEMENTS FOR THE  
1992 REPUBLICAN NATIONAL CONVENTION

Attached please find a copy of Finding II.B., entitled Excessive Contributions from Staff or Other Individuals, which in accordance with the Commission approved Materiality Thresholds, is being referred to your office for possible enforcement action.

The Audit staff notes that the excessive portion of the advances has not been reduced by \$1,000 pursuant to 11 C.F.R. §100.7(b)(8) for exempt activity. Should the exemption be applied to advances made by this individual, the excessive amount would be reduced to \$8,201.76; the number of days outstanding before reimbursement would be between 71 and 103 days; and the number of days the excessive portions were outstanding would be between 71 and 92 days. Finally, the amount which exceeded the Materiality Threshold for referral was outstanding for 76 days.

The Final Audit Report on the Committee on Arrangements for the 1992 Republican National Convention was approved by the Commission on June 23, 1994.

Should you have any questions please contact Cornelia Riley or Marty Favin at 219-3720.

Attachment as stated

25043630233

B. Excessive Contributions from Staff or Other  
Individuals

Section 116.5(b) of Title 11 of the Code of Federal Regulations states that the payment by an individual from his or her personal funds, including a personal credit card, for the costs incurred in providing goods or services to, or obtaining goods or services that are used by or on behalf of, a candidate or a political committee is a contribution unless the payment is exempted from the definition of contribution under 11 C.F.R. §100.7(b)(8). If the payment is not exempted under this section, it shall be considered a contribution by the individual unless the payment is for the individual's transportation expenses incurred while traveling on behalf of a candidate or political committee of a political party or for usual and normal subsistence expenses incurred by an individual, other than a volunteer, while traveling on behalf of a candidate or political committee of a political party; and, the individual is reimbursed within sixty days after the closing date of the billing statement on which the charges first appear if the payment was made using a personal credit card, or within thirty

days after the date on which the expenses were incurred if a personal credit card was not used. For purposes of this section, the closing date shall be the date indicated on the billing statement which serves as the cutoff date for determining which charges are included on that billing statement. In addition, "subsistence expenses" include only expenditures for personal living expenses related to a particular individual traveling on committee business, such as food or lodging.

Section 100.7(a)(1)(iii) of Title 11 of the Code of Federal Regulations states that the term "contribution" includes a gift, subscription, loan, advance, or deposit of money or anything of value. The term "anything of value" includes all in-kind contributions. Unless specifically exempted under 11 C.F.R. §100.7(b), the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution.

During our review of the Committee's expense reimbursements to campaign staff, we noted that one individual advanced funds or credit on behalf of the Committee for amounts totaling \$10,202. The expenses were incurred for his own travel and subsistence (\$5,151) and for the subsistence of others (mostly meals to volunteers, \$5,051) between July 30, 1992 and August 22, 1992. The individual was reimbursed on November 18, 1992.<sup>2/</sup>

At the Exit Conference the Committee was provided a schedule of the items in question. With respect to the meals provided to volunteers, the Committee had explained at interim conferences that the Committee procedure was to pay vendors directly for meals catered (box lunches) to volunteers. The individual noted above was a non-paid staff member in an honorary position who supervised several staff members and many volunteers. He handled the bills directly instead of using the Committee procedure, and provided the Committee with the catering costs after the close of the convention.

Subsequent to the Exit Conference the Committee provided a letter from the individual (dated 9/15/92) which stated, in reference to the volunteers, that "...feeding them fell between the cracks of planning. I was approached in a moment of panic by the coordinator to solve this problem or in his opinion we would lose many of these people. In response, I arranged for them to be fed..." on three occasions.

---

<sup>2/</sup> A reimbursement check dated November 18, 1992 was returned to the Committee because it represented an overpayment by \$162. The replacement check for the amount \$10,196 was dated December 1, 1992. The \$6 apparent under-reimbursement represents the net of two arithmetic errors.

In the interim audit report the Audit staff recommended that within 30 calendar days of service of that report, the Committee either demonstrate that no contribution occurred with respect to these expense reimbursements, or offer any other information or mitigating circumstances that are believed to be relevant to the issue.

In response to the interim report the Committee outlined the sequence of incurrences and reimbursements, and advanced the following reasoning to support their contention that the Commission take no further action with respect to this matter.

1. The Committee found no relevance between staff reimbursements and Section 441a(a) cited in the interim report.
2. Regarding one portion of the reimbursement (\$5,151) the Committee: Stated that it "...had no knowledge of the billing date of the credit card statement in order to comply with the 60 day rule..."; noted that the overage period was 11 days for \$5,151 in reimbursements for personal travel and subsistence; and stated that this reimbursement was only one of many issued to individuals.
3. The Committee submits that "...there is no contribution for the volunteers' meals [\$5,051] ...[s]ince the individual was tendered payment on 11/18/92, prior to any disbursement for these meals by the individual...".

With regard to Section 441a(a) the Audit staff acknowledges that this citation as it appeared in the interim report is not relevant to a Convention committee.

The Audit staff does not consider the 11-day overage period cited by the Committee or the lack of knowledge concerning the billing date of the credit card statement to be materially relevant to the issue. In any event, the Audit staff determined that the personal travel and subsistence expenses for this individual (\$5,151) were outstanding between 71 and 111 days, not 71 as calculated by the Committee. The portion paid by credit card was outstanding between 71 and 105 days. The expenses for volunteers' meals (\$5,051) were outstanding for 90 and 92 days.

The Committee's contention, that the reimbursement for volunteers' meals is not a contribution because the individual was reimbursed by the Committee before he disbursed funds for these meals, is without merit. Pursuant to 11 C.F.R. §100.7 a

25043630235

"contribution" is defined to include a loan, advance, or anything of value. The contribution was made when the obligation was incurred for the provision of food on 8/18/92 and 8/20/92. The operative date is the date of incurrence not the date of payment.

Furthermore, it is not clear when the invoices for food were actually paid by the individual. Within the letter dated 9/15/92 discussed above, the individual stated with reference to providing food for the volunteers: "The paid invoices for expenses are included". The Committee provided copies of two non-negotiated checks, drawn on the individual's account and dated well after the 9/15/92 letter:

1. Check #2659 dated 11/25/92 in payment for two "Charge Sale" invoices totaling \$3,441 and dated 8/18/92 and 8/20/92.
2. Check #2671 dated 12/4/92 in payment for one "Net 10 Days" invoice dated 9/9/92 for services provided on 8/20/92.

The Committee has provided no additional information relative to this finding and the analysis as presented in the interim audit report is unchanged.

25043630236





Auditee: Committee on Arrangements for the  
1992 Republican National Convention

Explanation of Symbols and  
Methodology Used in Generating  
Report of Apparent Excessive Contributions  
Resulting from Staff Advances as  
Defined under 11 C.F.R. 116.5

Field Definitions

- 25043630233
- |    |   |  |
|----|---|--|
| a) | W/S Name<br>(Worksheet Name)  | name of individual generally<br>per Committee's data tape<br>supplied to Audit staff.  |
| b) | W/S Vch No.<br>(Worksheet Voucher Number)                             | sequential number assigned<br>by the Audit staff to the<br>expenses associated with<br>each voucher/reimbursement<br>request and, if possible, to<br>the related reimbursement(s);<br>if the reimbursement could not<br>be directly associated with the<br>payment of specific expenses,<br>then the reimbursement is<br>numbered '999'. |
| c) | W/S Cont<br>Inc Date<br>(Worksheet Contribution<br>Incurrence Date)   | generally the date on which the<br>expense was incurred per receipt<br>or invoice.   |
| d) | W/S Cont<br>Calc Dte<br>(Worksheet Contribution<br>Calculation Date)  | same as W/S Cont Inc Date<br>except when a personal<br>credit card is used for<br>the cardholder's travel<br>and subsistence and the<br>a credit card statement<br>is available. In this<br>case, the statement/closing<br>date is used as the<br>calculation date. (11 CFR<br>116.5(b)(2))  |
| e) | W/S Contr<br>Inc Amt<br>(Worksheet Contribution<br>Incurrence Amount) | the amount of each expense<br>(positive numbers) associated<br>with a voucher/reimbursement<br>request, or the amount of each<br>reimbursement and of each debt<br>settlement (negative numbers).  |



Field Definitions

f) W/S  
O/S Amt  
(Worksheet Outstanding  
Amount)

a running balance of expenses  
and direct contributions net  
of reimbursements and debt  
settlements to date.

g) W/S  
Exp  
Cde  
(Worksheet  
Expense Code)

1 thru 3  
are negative  
amounts

1 - reimbursements  
2 - debt settlements  
3 - miscellaneous

4 thru 7  
are positive  
amounts

4 - advances made by an  
individual for other  
than his/her own travel  
and subsistence, (e.g.,  
others' subsistence,  
office supplies, other  
campaign expenses).  
5 - advances made by an  
individual for his/  
her own travel and  
subsistence paid by other  
than personal credit card.  
6 - advances made by an  
individual for his/her  
own travel and subsis-  
tence paid with his/her  
own personal credit card.  
7 - direct contributions

(h) W/S Date  
Reimb  
(Worksheet Date  
of Reimbursement)

date on which each expense was  
reimbursed, assuming a  
chronological order of  
payment (i.e., expenses  
incurred first were  
reimbursed first, irrespective  
of the specific expenses  
associated with a given  
reimbursement by a committee).

250436022

Field Definitions

- 25043630240
- (i) W/S  
Days  
O/S  
(Worksheet Days Out-  
Standing - Calculation  
Date vs. Date of  
Reimbursement)
- the number of days between  
the calculation date and the  
date the expense was reimbursed  
(i.e., W/S Date Reimb.- W/S  
Cont Calc Dte).
- (j) W/S Contr  
Amts  
(Worksheet Contribution  
Amounts)
- determined by the expense  
code--for each expense code  
there is a different number of  
days within which the expense  
must be reimbursed before it  
becomes a contribution  
(explained below under 'Data  
and Methodology Used')--and  
the W/S Days O/S.
- (k) W/S Run  
Contr Bal  
(Worksheet Running  
Contribution Balance)
- a running balance that  
starts w/ -1000 where appropriate,  
(\$1000 contribution limit-  
ation is built in) and adds  
'W/S Contr Amt's' successively;  
as reimbursements are  
encountered, all contributions  
paid on that 'W/S Date Reimb'  
are subtracted.
- (l) W/S Excess  
Amount  
(Worksheet Excessive  
Contribution Amount)
- the amount of excessive  
contributions (i.e., the W/S  
Run Contr Bal is positive) as  
of each incurrence date;
- (m) W/S Exc Bal  
Aft Reimb  
(Worksheet Excessive  
Contribution Balance  
After Reimbursement)
- the amount of excessive  
contributions (i.e., the W/S  
Run Contr Bal is positive)  
remaining after each  
reimbursement is applied.

Data and Methodology Used

The direct contributions, expense vouchers/reimbursement requests, and reimbursements were reviewed for the period beginning with the Committee's inception date through 12/31/92. Generally, this data was gathered from the Committee's data tape and the Committee's vendor or check files.

Advances made by an individual for other than his/her own travel and subsistence (expense code 4) become contributions if not reimbursed on or before the date the expense is incurred. Advances made by an individual for his/her own travel and subsistence paid by the individual in cash not paid by the individual's personal credit card (expense code 5) become contributions if not reimbursed within 30 days from the date the expense is incurred. Advances made by an individual for his/her own travel and subsistence paid by the individual with his/her own personal credit card (expense code 6) become contributions if not reimbursed within 60 days from the credit card statement date, however, if the credit card statement is not available, 60 days from the date of incurrence is used.

25743630241

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

JAN 30 11 46 AM '95

FEDERAL ELECTION COMMISSION  
999 E Street, N.W.  
Washington, D.C. 20463

**SENSITIVE**

**FIRST GENERAL COUNSEL'S REPORT**

MUR 4014

STAFF MEMBER: Andre G. Pineda

SOURCE: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS: Committee on Arrangements for the  
1992 Republican National Convention  
Alec Poitevint, as treasurer

Republican National Committee  
William J. McManus, as treasurer

Jack Laughery, Individually

**RELEVANT STATUTES/  
REGULATIONS:**

2 U.S.C. § 441a(a)(1)(B)  
26 U.S.C. §§ 9008(b)(1) and (5)  
26 U.S.C. § 9008(d)(1)  
26 U.S.C. § 9008(g)  
11 C.F.R. § 100.7(b)(8)  
11 C.F.R. § 110.1(c)  
11 C.F.R. § 110.3(a)(1)(ii)  
11 C.F.R. § 116.5(b)  
11 C.F.R. § 9008.3(a)  
11 C.F.R. § 9008.4  
11 C.F.R. §§ 9008.6(a) and (b)  
11 C.F.R. § 9008.7(a)(1)  
11 C.F.R. § 9008.7(e)  
11 C.F.R. § 9008.8(a)(2)  
11 C.F.R. §§ 9008.8(b)(1) and (2)  
11 C.F.R. § 9008.9  
11 C.F.R. §§ 9008.10(c) and (d)

INTERNAL REPORTS CHECKED: Audit Documents

FEDERAL AGENCIES CHECKED: None

25043630242

**I. GENERATION OF MATTER**

25043630243

The Committee on Arrangements for the 1992 Republican National Convention ("the Committee") was established by the Republican National Committee ("RNC") for the purpose of conducting the 1992 presidential nominating convention of the Republican Party. The Committee registered with the Commission on February 12, 1990. The Committee received \$11,048,000 in public funds under the Presidential Election Campaign Fund Act. Pursuant to 26 U.S.C. § 9008(g), the Commission conducted an audit and examination of the Committee. This matter was generated from information obtained from the audit of the Committee. See 11 C.F.R. § 9008.9. The Audit Division's referral materials are attached. See Attachment 1.

**II. FACTUAL AND LEGAL ANALYSIS**

**A. Contribution Limitation**

The payment by an individual from his or her personal funds for the costs incurred in providing goods or services to, or obtaining goods or services that are used by or on behalf of a political committee is a contribution. 11 C.F.R. § 116.5(b). However, two exemptions exist. First, an individual may spend an aggregate of \$2,000 per calendar year for personal transportation expenses on behalf of a political committee without such expenditures counted as contributions. 11 C.F.R. §§ 100.7(b)(8) and 116.5(b). Second, advances of personal funds will not be considered contributions if they are for the individual's personal transportation expenses or for the usual and normal subsistence expenses of the individual who is not a volunteer, where such

expenses are incurred while the individual is traveling on behalf of a candidate or a political committee of a political party. 11 C.F.R. § 116.5(b); see also, Explanation and Justification for 11 C.F.R. § 116.5(b), 55 Fed. Reg. 26382-83 (June 27, 1989). If the individual's transportation and subsistence expenses were paid by personal credit card, they must be reimbursed within 60 days after the closing date of the billing statement on which the charge first appears, or if a personal credit card was not used, within 30 days after the date on which the expenses were incurred.<sup>1/</sup> Id.

Convention committees, which are established by the national committee of political parties and responsible for the day-to-day operations of conventions, receive all public funds and private contributions on behalf of the national committee. 11 C.F.R. § 9008.8(b)(2).<sup>2/</sup> See also 26 U.S.C. §§ 9008(b)(1) and (5); 11 C.F.R. §§ 9008.3(a) and 9008.4. Individuals are prohibited from making contributions to political committees established and maintained by a national political party, which are not the authorized political committees of any candidate, in any calendar year, which in the aggregate exceed \$20,000. 2 U.S.C. § 441a(a)(1)(B).

1/ "Subsistence expenses" only include expenditures for personal living expenses related to a particular individual traveling on committee business, such as food or lodging. 11 C.F.R. § 116.5(b)(2).

2/ The Commission has adopted revisions to its regulations governing publicly financed presidential nominating conventions for the 1996 election cycle. 59 Fed. Reg. 33606 (June 29, 1994).



The audit of the Committee determined that Jack Laughery, identified by the Committee as a National Committeeman, advanced \$10,202 to the Committee for his own travel and subsistence, and the subsistence of others. See Attachment 1, p. 3. Specifically, between July 30, 1992 and August 22, 1992, Mr. Laughery incurred expenses totaling \$5,151 for his own travel and subsistence,<sup>3/</sup> as well as \$5,051 for the subsistence of others. Id.

Mr. Laughery paid \$4,487.84 of his own personal travel and subsistence expenses with his personal credit card. Id. at 6. He paid the remaining \$662.65 by means other than his personal credit card.<sup>4/</sup> Id. Mr. Laughery's travel and subsistence expenses were outstanding between 71 and 111 days. Id. at 4. The Committee reimbursed Mr. Laughery for these expenses on November 18, 1992.<sup>5/</sup>

The Committee argues that it did not know the billing date of Mr. Laughery's credit card statement, and thus could not reimburse Mr. Laughery within 60 days of the closing date of the billing statement. 11 C.F.R. § 116.5(b)(2). See Attachment 3, p. 3. However, section 116.5(b)(2) does not require the Committee to have knowledge of a credit card's closing date before the 60 day

<sup>3/</sup> These expenses were for the rental of hotel rooms, parking, and meals. See Attachment 2, p. 1.

<sup>4/</sup> It is unclear how the remaining expenses were paid, but presumably they were paid with either cash or a check.

<sup>5/</sup> The Committee reimbursed Mr. Laughery by check for his personal travel and subsistence expenses on November 18, 1992. See Attachment 3, p. 3. On November 24, 1992, Mr. Laughery returned the November 18, 1992 check to the Committee because it represented a \$162 overpayment to him. On December 4, 1992, the Committee sent him a replacement check. The replacement check contained a \$6 under-reimbursement, which represented the net of two arithmetic errors. See Attachment 1, p. 3.

25043630245

rule applies. Therefore, Mr. Laughery's personal travel and subsistence expenses appear to be a contribution to the Committee.

Similarly, the advances Mr. Laughery made for the costs of the meals for the committee's volunteers are contributions to the Committee. 11 C.F.R. § 116.5(b). Mr. Laughery arranged for the delivery of meals to the Committee's volunteers between July 30, 1992 and August 22, 1992. Attachment 1, p. 3. However, the Committee's response to the Interim Audit Report stated in part that because Mr. Laughery was reimbursed on November 18, 1992, prior to his payment for these meals, no contribution occurred. Attachment 3, p. 3-4.

25043630246  
A contribution occurs when an individual incurs expenses for the subsistence of others at the time the financial obligation is incurred, regardless of when the payment is due or when the individual pays the debt. 11 C.F.R. § 116.5. See also, Explanation and Justification of 11 C.F.R. § 116.5(b), 55 Fed. Reg. 26382 (June 27, 1989). Therefore, contrary to the Committee's assertion, Mr. Laughery's payment of \$5,051 for the subsistence of others constitutes a contribution to the Committee. Taken together, Mr. Laughery's expenditures constitute contributions to the Committee totaling \$10,202 (\$5,151 personal travel and subsistence + \$5,051 subsistence of others).

The Office of General Counsel believes that, in accordance with 2 U.S.C. § 441a(a)(1)(B), a \$20,000 contribution limitation applies to convention committees. A convention committee is affiliated with the national committee in that it is established, financed, maintained, and controlled by the national committee.

See 11 C.F.R. §§ 9008.8(b)(1) and (2); 110.3(a)(1)(ii).

Therefore, a convention committee shares the national committee's \$20,000 contribution limitation. See 2 U.S.C. § 441a(a)(1)(B).<sup>6/</sup>

A review of the Commission's contributor database for the 1991-92 election cycle revealed that Mr. Laughery did not make additional contributions to the Committee in calendar year 1992.<sup>7/</sup> As a result, Mr. Laughery made contributions to the Committee for calendar year 1992 totaling \$10,202. Such contributions are within the individual contribution limits for publicly financed convention committees. Id. Therefore, the Office of General Counsel recommends that the Commission find no reason to believe that Mr. Laughery violated 2 U.S.C. § 441a(a)(1)(B) and 11 C.F.R. § 110.1(c).

**B. The Committee's Receipt of Mr. Laughery's Contribution**

A publicly-financed convention committee may elect to receive all or a part of the public funds which it is entitled to receive. 11 C.F.R. § 9008.8(a)(2). A convention committee may forgo its full entitlement and accept and use private contributions to defray convention expenses as long as the sum of the private contributions and public funds the committee elected to receive

---

<sup>6/</sup> The Commission acknowledged this policy in the 1996 regulations for presidential nominating convention financing. The Commission reasoned that because "the convention committee is established, financed, maintained and controlled by the national committee, and therefore affiliated with the national committee, it shares the national committee's \$20,000 contribution limit." Explanation and Justification for 11 C.F.R. § 9008.6, 59 Fed. Reg. 33607, 33608 (June 29, 1994).

<sup>7/</sup> This review also revealed that Mr. Laughery did not make contributions to the RNC in calendar year 1992.

25043630247

does not exceed the total expenditure limitation. Id. The expenditures a convention committee may incur are limited to its full entitlement of public funds under 26 U.S.C. § 9008(b). 11 C.F.R. § 9008.7(a). The full entitlement for the 1992 presidential nominating conventions was \$11,048,000. Thus, if a convention committee elects to accept the full entitlement of \$11,048,000, it may not accept private contributions to defray convention expenses. See 11 C.F.R. § 9008.8(a)(2).

The Committee elected to receive the full entitlement of \$11,048,000 in public funds. Consequently, the Committee was prohibited from accepting any private contributions. As described above, Mr. Laughery's expenditures constitute contributions to the Committee totaling \$10,202.8<sup>8</sup>/ Therefore, the Office of General Counsel recommends that the Commission find reason to believe that the Committee and its treasurer violated 11 C.F.R. § 9008.8(a)(2).<sup>9</sup>/ Since the RNC established the convention

<sup>8</sup>/ Mr. Laughery's expenditures apparently were for the purpose of conducting the convention, rather than to attend and participate in the convention. See 11 C.F.R. § 9008.7(e); compare 11 C.F.R. § 9008.6(a) (permissible uses) with 11 C.F.R. § 9008.6(b) (prohibited uses). Thus, the Committee's reimbursement of these expenditures constituted a permissible use of federal funds. A convention committee is required to make a repayment for any public funds that were used for an improper purpose. 11 C.F.R. § 9008.10(d).

<sup>9</sup>/ Although a convention committee receiving its full entitlement to public funds is prohibited from accepting private contributions, neither the Presidential Election Campaign Fund Act or the Commission's regulations prohibit an individual from making contributions to the convention committee. See 11 C.F.R. § 9008.8(a)(2); cf. 26 U.S.C. § 9003(b)(2) (publicly financed general election committees are prohibited from accepting contributions, but individuals may make contributions to general election committees).

25048630248

committee and the convention committee accepts public funds and private contributions on behalf of the RNC, 11 C.F.R. §§ 110.3(a)(1)(ii) and 9008.8(b)(1) and (2), the Office of General Counsel recommends that the Commission find reason to believe that the RNC violated 11 C.F.R. § 9008.8(a)(2).

However, the Committee reimbursed Mr. Laughery for his expenses on November 18, 1992, and as a result, the Committee no longer had contributions which it was not permitted to receive under 11 C.F.R. § 9008.8(a)(2).<sup>10/</sup> Therefore, in furtherance of the Commission's priorities and resources, we recommend that the Commission take no further action against the Committee and the RNC. See Heckler v. Chaney, 470 U.S. 821 (1985).

#### C. Expenditure Limitation

The acceptance and use of Mr. Laughery's \$10,202 in advances did not cause the Committee to incur convention expenses which exceeded the total expenditure limitation. See 26 U.S.C. § 9008(d)(1). The Committee had unspent public funds in the amount of \$30,911. Statement of Reasons supporting Final Repayment Determination of the Committee on Arrangements for the 1992 Republican National Convention (January 12, 1995). Therefore, the

<sup>10/</sup> The 1996 regulations for presidential nominating convention financing accommodates the practice of staff advances made under 11 C.F.R. § 116.5. Specifically, the Commission noted that "a convention committee may accept up to \$20,000 in staff advances if it provides reimbursement and accepts full public funding." Presidential Election Campaign Fund and Federal Financing of Presidential Nominating Conventions, 59 Fed. Reg. 33608 (June 29, 1994).

25043630249

public funds actually used to defray convention expenses was \$11,017,089 (\$11,048,000 - \$30,911). Thus, the sum of the private contributions and public funds, \$11,027,291 (\$11,017,089 + \$10,202), used to defray convention expenses is less than the total expenditure limitation of \$11,048,000. See 11 C.F.R. § 9008.8(a)(2). Accordingly, the Office of General Counsel recommends that the Commission find no reason to believe that the Committee and its treasurer, or the RNC and its treasurer violated 26 U.S.C. § 9008(d)(1) and 11 C.F.R. § 9008.7(a)(1).

#### RECOMMENDATIONS

1. Find no reason to believe that Jack Laughery, violated 2 U.S.C. § 441a(a)(1)(B) and 11 C.F.R. § 110.1(c);
2. Find reason to believe that the Committee on Arrangements for the 1992 Republican National Convention, and Alec Poitevint, as treasurer, violated 11 C.F.R. § 9008.8(a)(2), but take no further action;
3. Find reason to believe that the Republican National Committee, and William J. McManus, as treasurer, violated 11 C.F.R. § 9008.8(a)(2), but take no further action;
4. Find no reason to believe that the Committee on Arrangements for the 1992 Republican National Convention, and Alec Poitevint, as treasurer, violated 26 U.S.C. § 9008(d)(1) and 11 C.F.R. § 9008.8(b)(4)(i);
5. Find no reason to believe that the Republican National Committee, and William J. McManus, as treasurer, violated 26 U.S.C. § 9008(d)(1) and 11 C.F.R. § 9008.7(a)(1).


25043630250



6. Approve the appropriate letters; and
7. Close the file.

Date

1/27/95

  
Lawrence M. Noble  
General Counsel

Attachments

1. Referral Materials.
2. Letter dated September 15, 1992 from Jack A. Laughery to Hairs & Associates.
3. Response of the Committee on Arrangements for the 1992 Republican National Convention dated March 1, 1994 to the Interim Report of the Audit Division issued December 15, 1993.

25043630251



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS  
COMMISSION SECRETARY

DATE: FEBRUARY 3, 1995

SUBJECT: MUR 4014 - FIRST GENERAL COUNSEL'S REPORT  
DATED JANUARY 27, 1995.

The above-captioned document was circulated to the  
Commission on Monday, January 30, 1995 at 4:00 p.m.

Objection(s) have been received from the  
Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	_____	
Commissioner Elliott	XXX	<u>FOR THE RECORD ONLY.</u>
Commissioner McDonald	_____	
Commissioner McGarry	_____	
Commissioner Potter	_____	
Commissioner Thomas	_____	

25043630252

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Committee on Arrangements for the )  
1992 Republican National Convention )  
and Alec Poitevint, as treasurer; )  
Republican National Committee and )  
William J. McManus, as treasurer; )  
Jack Laughery, Individually. )

MUR 4014

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 2, 1995, the Commission decided by a vote of 5-1 to take the following actions in MUR 4014:

1. Find no reason to believe that Jack Laughery, violated 2 U.S.C. § 441a(a)(1)(B) and 11 C.F.R. § 110.1(c).
2. Find reason to believe that the Committee on Arrangements for the 1992 Republican National Convention, and Alex Poitevint, as treasurer, violated 11 C.F.R. § 9008.8(a)(2), but take no further action.
3. Find reason to believe that the Republican National Committee and William J. McManus, as treasurer, violated 11 C.F.R. § 9008.8(a)(2), but take no further action.
4. Find no reason to believe that the Committee on Arrangements for the 1992 Republican National Convention and Alec Poitevint, as treasurer, violated 26 U.S.C. § 9008.8(d)(1) and 11 C.F.R. § 9008.8(b)(4)(i).

(continued)

5. Find no reason to believe that the Republican National Committee and William J. McManus, as treasurer, violated 26 U.S.C. § 9008(d)(1) and 11 C.F.R. § 9008.7(a)(1).
6. Approve the appropriate letters, as recommended in the General Counsel's Report dated January 27, 1995.
7. Close the file.

Commissioners Aikens, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner Elliott dissented.

Attest:

2-3-95

Date

*for Delores Hardy*  
for Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Mon., Jan. 30, 1995 11:46 a.m.  
Circulated to the Commission: Mon., Jan. 30, 1995 4:00 p.m.  
Deadline for vote: Thurs., Feb. 02, 1995 4:00 p.m.

bjr



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

February 16, 1995

Mr. Jack A. Laughery  
800 Tiffany Blvd., Suite 305  
Rocky Mount, North Carolina 27804

RE: MUR 4014

Dear Mr. Laughery:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission considered the issue of whether you violated 2 U.S.C. § 441a(a)(1)(B) and 11 C.F.R. § 110.1(c), provisions of the Federal Election Campaign Act of 1971 ("Act"), as amended, and the Act's implementing regulations, by incurring expenses on behalf of the Committee on Arrangements for the 1992 Republican National Convention for your own travel and subsistence, as well as for the subsistence of others. On February 2, 1995, the Commission found no reason to believe that you violated 2 U.S.C. § 441a(a)(1)(B) and 11 C.F.R. § 110.1(c). Accordingly, the Commission has closed the file in this matter. The General Counsel's Report, which formed the basis for the Commission's finding, is attached for your information.

The confidentially provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble  
General Counsel

*Kim Bright-Coleman*

BY: Kim Bright-Coleman  
Associate General Counsel

Enclosure  
General Counsel's Report

25043630255



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 16, 1995

Alec Poitevint, Treasurer  
Committee on Arrangements for the  
1992 Republican National Convention  
228 South Washington Street  
Suite 200  
Alexandria, Virginia 22314

RE: MUR 4014

Dear Mr. Poitevint:

On February 2, 1995, the Federal Election Commission found reason to believe that the Committee on Arrangements for the 1992 Republican National Convention ("Committee") and you, as treasurer, violated 11 C.F.R. § 9008.8(a)(2), a provision of the implementing regulations to the Presidential Election Campaign Fund Act ("Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action. The Commission also found no reason to believe that the Committee, or you, as treasurer, violated 26 U.S.C. § 9008(d)(1) and 11 C.F.R. § 9008.8(b)(4)(i). Accordingly, the Commission has closed the file in this matter. The General Counsel's Report, which formed a basis for the Commission's finding, is attached for your information.

The confidentiality provision at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

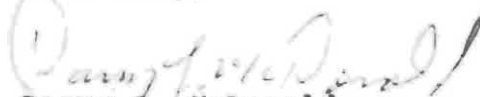
25043630258



Letter to Alec Poitevint  
Committee on Arrangements for  
the 1992 RNC Convention  
Page 2

If you have any questions, please contact Andre G. Pineda,  
the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

  
Danny L. McDonald  
Chairman

Enclosure  
General counsel's Report

25043630257



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 16, 1995

William J. McManus, Treasurer  
Republican National Committee  
310 First Street, S.E.  
Washington, D.C. 20003

RE: MUR 4014

Dear Mr. McManus:

On February 2, 1995, the Federal Election Commission found reason to believe that the Republican National Committee ("Committee") and you, as treasurer, violated 11 C.F.R. § 9008.8(a)(2), a provision of the implementing regulations to the Presidential Election Campaign Fund Act ("Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action. The Commission also found no reason to believe that the Committee, or you, as treasurer, violated 26 U.S.C. § 9008(d)(1) and 11 C.F.R. § 9008.8(b)(4)(i). Accordingly, the Commission has closed the file in this matter. The General Counsel's Report, which formed a basis for the Commission's finding, is attached for your information.

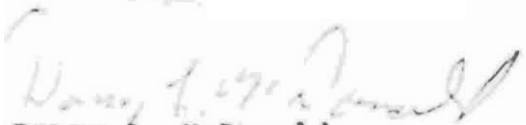
The confidentiality provision at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

25043630258

Letter to William J. McManus  
Republican National Committee  
Page 2

If you have any questions, please contact Andre G. Pineda,  
the attorney assigned to this matter, at (202) 219-3690.

Sincerely,



Danny L. McDonald  
Chairman

Enclosure  
General Counsel's Report

25043630259



FEDERAL ELECTION COMMISSION  
WASHINGTON D C 20463

THIS IS THE END OF MUR # 4014

DATE FILMED 3-2-95 CAMERA NO. 2

CAMERAMAN Jm H

25043630260