

AUG 04 2000

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4871
Broadcast Music, Inc.)
Lana Andrews)
Hannah Bolte)
Barbara Cane)
Cheryl Dickerson)
Linda Livingston)
Rick Riccobono)
Doreen Ringer-Ross)
Paige Sober)

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GENERAL COUNSEL'S REPORT # 3

I. ACTIONS RECOMMENDED

Take no further

action and close the file with respect to Lana Andrews.

II. BACKGROUND

This matter commenced with a *sua sponte* submission by Broadcast Music, Inc. ("BMI").

The company's submission stated that one of its now-former employees informed senior management that certain staff in BMI's Los Angeles office were reimbursed with corporate funds for federal contributions made to Congressman Howard Berman's campaign committee. The staff obtained the reimbursements by submitting false expense vouchers which were approved by, or under the direction of, then-Vice President Rick Riccobono, who was at that time the head of BMI's Los Angeles office. According to BMI, it conducted a "thorough internal review" to

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investigate the misconduct, and subsequently provided to this Office the names of employees believed to have made reimbursed contributions, as well as a list of the contributions.

The Commission made the following reason to believe findings:

that Lana Andrews (Riccobono's assistant, and the individual who allegedly alerted management to the scheme),¹

knowingly and willfully violated 2 U.S.C. § 441f.

¹ Andrews was involved in a discrimination suit against BMI at the time and was represented by counsel. Andrews subsequently left after signing a confidentiality agreement, but she told this Office that her departure from BMI was unrelated to the reimbursement scheme.

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III. RESULTS OF INVESTIGATION

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Former BMI employee Andrews testified that she was instructed to make the two contributions listed in the Attachment; she did so, but asserted that she did not reimburse herself. Andrews at 25-27; 31-33,⁴ 41.

⁴ Andrews' check register and bank statements for the relevant time periods do not provide evidence of reimbursement. Moreover, Andrews has a history of contributing to Democratic and liberal causes.

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IV. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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Finally, this Office recommends taking no further action against Andrews and closing the file with respect to her, because there is no evidence that she was reimbursed for her contributions and because her participation in the reimbursement scheme was limited to following her supervisor's instructions:


V. **RECOMMENDATIONS**

Take no further action and close the file with respect to Lana Andrews.

Lawrence M. Noble
General Counsel

8/3/00

Date

BY: 

Lois G. Lerner
Associate General Counsel

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