



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

October 12, 2007

MEMORANDUM

To: Robert W. Biersack  
Press Officer

From: Joseph F. Stoltz *JF Stoltz*  
Assistant Staff Director  
Audit Division

Subject: Public Issuance of the Audit Report on Steve Israel for Congress

Attached please find a copy of the audit report on Steve Israel for Congress, which was approved by the Commission on October 2, 2007.

All parties involved have received informational copies of the report and the report may be released to the public.

Attachment as stated

cc: Office of General Counsel  
Office of Public Disclosure  
Reports Analysis Division  
FEC Library  
Web Manager



# Report of the Audit Division on Steve Israel for Congress Committee

January 1, 2005 – December 31, 2006

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## Why the Audit Was Done

Federal law permits the Commission to conduct audits and field investigations of any political committee that is required to file reports under the Federal Election Campaign Act (the Act). The Commission generally conducts such audits when a committee appears not to have met the threshold requirements for substantial compliance with the Act.<sup>1</sup> The audit determines whether the committee complied with the limitations, prohibitions and disclosure requirements of the Act.

## Future Action

The Commission may initiate an enforcement action, at a later time, with respect to any of the matters discussed in this report.

## About the Campaign (p. 2)

Steve Israel for Congress Committee is the principal campaign committee for Steve Israel, Democratic candidate for the U.S. House of Representatives from the state of New York, 2nd District, and is headquartered in Dix Hills, New York. For more information, see the chart on the Campaign Organization, p. 2.

## Financial Activity (p. 2)

- **Receipts**
  - From Individuals \$911,501
  - From Other Political Committees 583,889
  - Loan from Candidate 267
  - Other Receipts 6,904
  - **Total Receipts** **\$1,502,561**
- **Disbursements**
  - Operating Expenditures \$785,844
  - Contribution Refunds 18,477
  - Other Disbursements 362,710
  - **Total Disbursements** **\$1,167,031**

## Findings and Recommendations (p. 3)

The scope of the audit was limited as outlined in Part I of the report. Based on the limited examination of the reports and statements filed, and the records presented by Steve Israel for Congress Committee, no material non-compliance was discovered.

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<sup>1</sup> 2 U.S.C. §438(b).

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# **Part I**

## **Background**

### **Authority for Audit**

This report is based on an audit of Steve Israel for Congress Committee, undertaken by the Audit Division of the Federal Election Commission (the Commission) in accordance with the Federal Election Campaign Act of 1971, as amended (the Act). The Audit Division conducted the audit pursuant to 2 U.S.C. §438(b), which permits the Commission to conduct audits and field investigations of any political committee that is required to file a report under 2 U.S.C. §434. Prior to conducting any audit under this subsection, the Commission must perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act. 2 U.S.C. §438(b).

### **Scope of Audit**

Following Commission-approved procedures, the Audit staff evaluated various risk factors and as a result, the scope of this audit was limited to the following:

1. The consistency between reported figures and bank records;
2. The disclosure of individual contributors' occupation and name of employer; and
3. The receipt and permissibility of loans.

## Part II

### Overview of Campaign

#### Campaign Organization

<b>Important Dates</b>	<b>Steve Israel for Congress 2006</b>
• Date of Registration	June 16, 2000
• Audit Coverage	January 1, 2005 – December 31, 2006
<b>Headquarters</b>	Dix Hills, New York
<b>Bank Information</b>	
• Bank Depositories	Six
• Bank Accounts	Three checking accounts and three money market
<b>Treasurers</b>	
• Treasurer When Audit Was Conducted	Joel Schleifer
• Treasurer During Period Covered by Audit	Joel Schleifer
<b>Management Information</b>	
• Attended FEC Campaign Finance Seminar	Yes
• Used Commonly Available Campaign Management Software Package	Yes
• Who Handled Accounting, Recordkeeping Tasks and Other Day-to-Day Operations	Accounting firm and paid staff

#### Overview of Financial Activity (Audited Amounts)

<b>Cash on hand @ January 1, 2005</b>	<b>\$ 668,196</b>
Receipts -	
o From Individuals	\$ 911,501
o From Other Political Committees	583,889
o Loan from Candidate	267
o Other Receipts	6,904
o <b>Total Receipts</b>	<b>\$ 1,502,561</b>
Disbursements	
o Operating Expenditures	\$785,844
o Contribution Refunds	18,477
o Other Disbursements	362,710
o <b>Total Disbursements</b>	<b>\$ 1,167,031</b>
<b>Cash on hand @ December 31, 2006</b>	<b>\$ 1,003,726</b>

## **Part III**

# **Findings and Recommendations**

Based upon a limited examination of the reports and statements filed, and the records presented by Steve Israel for Congress Committee, no material non-compliance was discovered.