



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20463

MJ000202

August 19, 1991

MEMORANDUM

TO: FRED EILAND  
CHIEF, PRESS OFFICE

FROM: ROBERT J. COSTA *RJC*  
ASSISTANT STAFF DIRECTOR  
AUDIT DIVISION

SUBJECT: PUBLIC ISSUANCE OF THE FINAL AUDIT  
REPORT ON CURRY FOR CONGRESS

Attached please find a copy of the Final Audit Report on Curry for Congress, which was approved by the Commission on August 13, 1991.

Informational copies of the report have been received by all parties involved 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

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FEDERAL ELECTION COMMISSION

WASHINGTON D C 20463

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REPORT OF THE AUDIT DIVISION  
ON  
CURRY FOR CONGRESS

I. Background

A. Overview

This report is based on an audit of Curry for Congress (the Committee), undertaken by the Audit Division of the Federal Election Commission in accordance with the provisions of the Federal Election Campaign Act of 1971 as amended (the Act). The audit was conducted pursuant to Section 438(b) of Title 2 of the United States Code which states, in part, that the Commission may conduct audits and field investigations of any political committee required to file a report under Section 434 of this title. Prior to conducting any audit under this section, the Commission shall 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.

The Committee registered with the U.S. House of Representatives on May 19, 1988 as the principal campaign committee of Jerry R. Curry, Republican candidate for the U.S. House of Representatives from the state of Virginia. The Committee maintains its headquarters in Virginia Beach, Virginia.

The audit covered the period from the Committee's inception through December 31, 1988, the closing date for the latest report filed at the time of the audit. The Committee reported a beginning cash balance of \$0; total receipts for the period of \$194,005.66; total disbursements for the period of \$189,394.74; and a closing cash balance on December 31, 1988 of \$4,726.92.\*/

This report is based on documents and workpapers which support each of its 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 the Commissioners and appropriate staff for review.

\*/ The reported totals do not foot due to mathematical errors.

B. Key Personnel

The Treasurer of the Committee during the period covered by the audit was Mr. Vincent G. Thomas.

C. Scope

The audit included such tests as verification of total reported receipts and disbursements 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.

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## II. Audit Findings and Recommendations

### A. Misstatements of Financial Activity

Sections 434(b)(1), (2) and (4) of Title 2 of the United States Code require a committee to report the amount of cash on hand at the beginning of each reporting period and the total amount of all receipts and disbursements for the reporting period and calendar year.

The Audit staff's reconciliation of the Committee's reported activity to its bank activity revealed the following misstatements:

#### 1. Receipts

The Committee's reported receipts were understated by a net amount of \$351.77. The components of the misstatement are as follows:

1988 Reported Receipts		\$194,005.66
Unreported In-Kind Contributions from Political Committees	\$4,322.41	
Contributions from Candidate reported twice	(200.00)	
Internal transfer included in total of unitemized contributions	(4,750.00)	
Total of itemized contributions from Political Committees not included in report total	5,890.00	
Unitemized contributions over- stated	(4,700.00)	
Unexplained difference	<u>(210.64)</u>	<u>351.77</u>
Correct reportable receipts		<u>\$194,357.43</u>

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2. Disbursements

The Committee's reported disbursements were understated by a net amount of \$841.82. The components of the misstatement are as follows:

1988 Reported Disbursements		\$189,394.74
Unreported In-Kind Contributions from Political Committees	\$4,322.41	
Unreported disbursements	1,010.78	
Addition error on Schedule B	1,199.84	
Reported disbursements not made	(1,334.06)	
Duplicate reporting of disbursements	(39.99)	
Unitemized disbursements over- stated	<u>(4,317.16)</u>	<u>841.82</u>
Correct reportable disbursements		<u>\$190,236.56</u>

3. Ending Balance

The reported ending balance at December 31, 1988 was overstated by a net amount of \$606.05, resulting from the misstatements detailed above and an addition error on the reported totals of \$116.00. The correct ending balance was \$4,120.87.

Copies of schedules detailing the differences were provided to the Committee at the exit conference. The Committee official stated that she would file the appropriate amendment to correct the misstatement.

In the interim audit report, the Audit staff recommended that the Committee file a comprehensive amendment for calendar year 1988 correcting reported receipts, disbursements and cash on hand. In response to the interim audit report, the Candidate filed such an amendment.

Recommendation #1

The Audit staff recommends no further action on this matter.

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B. Itemization of Contributions/Disbursements

Section 434(b)(3)(B) of Title 2 of the United States Code states that each report under this section shall disclose the identification of each political committee which makes a contribution during the reporting period together with the date and amount of any such contribution.

Under 11 C.F.R. §100.7(a)(1), the term "contribution" includes a gift, loan, advance, deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. For purposes of 11 C.F.R. §100.7(a)(1), the term "anything of value" includes all in-kind contributions.

In addition to the unreported in-kind contributions totaling \$4,322.41 noted in Finding II.A., the Committee failed to itemize 13 contributions received from political committees totaling \$5,075.66.

The Committee was provided with schedules of the contributions requiring itemization at the exit conference.

In the interim audit report the Audit staff recommended that the Committee include in the comprehensive amendment requested in Recommendation #1, an amended Schedule A (Itemized Receipts), itemizing the \$5,075.66 in contributions from political committees as well as Schedule A and Schedule B (Itemized Disbursements) reporting the \$4,322.41 in in-kind contributions.

The comprehensive amendment filed by the Candidate in response to the interim report included amended Schedules A and B which itemized correctly the contributions noted above.

Recommendation #2

The Audit staff recommends no further action on this matter.

C. Other Matters

Other matters noted during the audit have been referred to the Commission's Office of General Counsel.

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