



FEDERAL ELECTION COMMISSION

AK004469

December 13, 1993

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
FRANK RIGGS FOR CONGRESS

Attached please find a copy of the final audit report on Frank Riggs for Congress which was approved by the Commission on November 30, 1993.

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



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

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REPORT OF THE AUDIT DIVISION
ON
FRANK RIGGS FOR CONGRESS

I. Background

A. Overview

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This report is based on an audit of Frank Riggs 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 Office of the Clerk United States House of Representatives on August 2, 1989, and maintains its headquarters in Windsor, California. The audit covered the period June 1, 1989 to December 31, 1990. The Committee reported an opening cash balance on June 1, 1989 of \$-0-; total receipts of \$257,746.99; total disbursements of \$251,665.95; and, a cash balance on December 31, 1990 of \$6,677.04.^{1/}

This report is based on documents and workpapers supporting each of its factual statements. The documents and workpapers form part of the record upon which the Commission based its decisions on the matters in this report, and were available to Commissioners and appropriate staff for review.

^{1/} A difference of \$596 is due to math errors made by the Committee.

B. Key Personnel

Treasurers of the Committee during the audit period were Winifred P. Riggs from inception to February 4, 1990, and Michael J. Langston from February 5, 1990 to December 31, 1990. The current Treasurer is Daniel J. Christensen.

C. Scope

The audit included such tests as verification of total reported receipts, disbursements and individual transactions; review of required supporting documentation; analysis of debts and obligations; review of contribution limitations; and other audit procedures deemed necessary under the circumstances; except, due to the lack of information relative to the receipt of loans and certain in-kind contributions, the Audit staff's review of compliance with the limitations and prohibitions on contributions was limited.

II. Audit Findings and Recommendations

A. Itemization of Disbursements

Section 434(b)(5)(A) of Title 2 of the United States Code states that each report shall disclose the name and address of each person to whom an expenditure in an aggregate amount or value in excess of \$200 within the calendar year is made by the reporting committee to meet a candidate or committee operating expense, together with the date, amount, and purpose of such operating expenditure.

Our review of disbursements was conducted on a sample basis. The results of our testing indicated a material number of disbursements requiring itemization were not itemized on the Committee's disclosure reports. It should be noted that during audit fieldwork the Committee filed amended reports. Based on our review, the amendments corrected the errors noted.

Recommendation #1

The Audit staff recommends no further action on this matter.

B. Matters Referred to the Office of General Counsel

Certain matters noted during the course of the audit were referred to the Commission's Office of General Counsel.