



## FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON, D.C. 20463

### REPORT OF THE AUDIT DIVISION ON THE MACHEN FOR CONGRESS COMMITTEE

#### I. Background

##### A. Overview

This report is based upon an audit of the Machen for Congress Committee ("the Committee") undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to Section 438(a)(8) of Title 2, United States Code, which directs the Commission to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of the Act.

The Committee registered with the Federal Election Commission on March 4, 1976, as the principal campaign committee designated by Mr. Jyles Machen, Candidate for election to the U.S. House of Representatives from the 5th Congressional District of Alabama. The Committee maintained its headquarters in Huntsville, Alabama.

The audit covered the period March 1, 1976, the inception date of the Committee, through October 19, 1976, the final coverage date of the termination report filed by the Committee. The Committee reported a beginning cash balance at March 1, 1976 of \$-0-, total receipts for the period of \$59,146.20, total expenditures for the period of \$59,146.20 and a closing cash balance at October 19, 1976 of \$-0-.

This audit report is based on documents and working papers supporting each of its factual statements. They 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.



**B. Key Personnel**

The principal officers of the Committee during the period covered by the audit were Mr. Hall Brant, Jr., Chairman, and Mr. Robert E. Wilkinson, Treasurer.

**C. Scope**

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

**II. Auditor's Statement and Description of Findings**

It is the opinion of the Audit staff, based upon examination of the reports and statements filed and the records presented, that the reports and statements of the Machen for Congress Committee fairly present the financial activities of the Committee for the period covered by the audit. Further, except as noted below, no material problems in complying with the Federal Election Campaign Act were discovered during the course of the audit.

**Contributions**

Section 441b(a) of Title 2, United States Code, prohibits any corporation from making a contribution or expenditure in connection with any election for Federal office.

The Committee received two corporate contributions--the first on March 22, 1976, in the amount of \$25.00 and the second on April 7, 1976, in the amount of \$50.00. We recommended to the Committee that they return the two corporate contributions. On October 12, 1977, the Candidate refunded the contributions to the corporations and filed a candidate report on October 29, 1977, with the Office of the Clerk of the U.S. House of Representatives disclosing the contribution refunds.

**Recommendation**

We recommend the Commission take no further action on this matter.

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FEDERAL ELECTION COMMISSION

1325 K STREET N.W.  
WASHINGTON, D.C. 20463

January 23, 1978

Mr. Jyles Machen  
1515 Locust Circle, Southeast  
Huntsville, Alabama 35801

Dear Mr. Machen:

Enclosed for your information is a copy of the final audit report of the Machen for Congress Committee which was approved by the Commission on December 22, 1977.

As of this date, all audit reports pertaining to the random audits conducted within your District have not yet been approved by the Commission. However, while Commission policy regarding the public release of Congressional random audit reports is to issue the reports of all audits conducted within the District as a full District release, the policy further provides for the public issuance of an audit report which has been approved by the Commission for more than thirty days. Therefore, upon notice by return receipt that your informational copy of the report has been received (within approximately five days), it will be issued publicly by the Commission as a partial District release.

Should you have questions regarding the public release of these audit reports, please contact Mr. David Fiske of the Commission's Press Office at (202) 523-4065 or toll free at (800) 424-9530. Any questions you may yet have related to matters covered during the audit or in the audit report should be directed to Mr. Jim Nycum of the Audit Division at (202) 523-4155 or at the above toll free number.

Sincerely,

Robert J. Costa  
Assistant Staff Director  
for the Audit Division

Enclosure as stated

CERTIFIED MAIL:  
RETURN RECEIPT REQUESTED



FEC  
DOCUMENT  
SEPARATOR