



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1979

MEMORANDUM

TO: FRED EILAND
PRESS OFFICE

THROUGH: BOB COSTA *RC*

FROM: JUDY HAWKINS

SUBJECT: PUBLIC ISSUANCE OF AUDIT REPORT -
RICK TONRY CAMPAIGN COMMITTEE (LA/1)

Attached please find a copy of the final audit report of the Rick Tonry Campaign Committee (LA/1) which was approved by the Commission on November 20, 1979.

Informational copies of this report have been received by all parties involved and this report may be released to the public.

Attachment as stated

cc: FEC Library
RAD
Public Record



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 26, 1979

Honorable Richard A. Tonry
Rick Tonry Campaign Committee
Tonry For Congress Campaign
Committee
9061 West Judge Perez Drive
P.O. Box 32
Chalmette, Louisiana 70044

Dear Mr. Tonry:

Enclosed for your information is a copy of the final audit report of the Rick Tonry Campaign Committee and Tonry for Congress Campaign Committee which was approved by the Commission on November 20, 1979.

Upon notice of return receipt that your informational copy of the report has been received (within approximately five days), it will be released publicly by the Commission.

Should you have any questions regarding the public release of this report, please contact Mr. Fred S. Eiland 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 Ms. Sue Paschen of the Audit Division at (202) 523-4155 or at the above toll free number.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert J. Costa".

Robert J. Costa
Assistant Staff Director
for the Audit Division

Enclosure as stated

CERTIFIED MAIL:
RETURN RECEIPT REQUESTED



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

REPORT OF THE AUDIT DIVISION ON THE RICK TONRY CAMPAIGN COMMITTEE TONRY FOR CONGRESS CAMPAIGN COMMITTEE

I. Background

A. Overview

This report covers an audit of the Rick Tonry Campaign Committee (1976) and the Tonry for Congress Campaign Committee (1977) ("the Committees"), 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 Rick Tonry Campaign Committee registered with the Federal Election Commission on July 27, 1976, as the principal campaign committee of the Honorable Richard A. Tonry, candidate for the office of U.S. Representative from the 1st Congressional District of Louisiana. The Tonry for Congress Campaign Committee registered with the Federal Election Commission on June 17, 1977, as the principal campaign committee of the Honorable Richard A. Tonry, candidate in the 1977 special election for the office of U.S. Representative from the 1st Congressional District of Louisiana. The Committees maintained their headquarters in Chalmette, Louisiana.

The audit covered the period July 12, 1976 through September 30, 1977, the final coverage date of the latest report filed by the Committees at the time of the audit. The Rick Tonry Campaign Committee reported a beginning cash balance on July 12, 1976 of \$-0-, total receipts of \$259,963.51, total expenditures of \$252,072.85 and an ending cash balance on March 31, 1977 of \$7,890.66. The Committee filed FEC Form 3a for the period

April 1, 1977 through September 30, 1977. The Tonry for Congress Campaign Committee reported a beginning cash balance on May 4, 1977 of \$-0-, total receipts of \$76,106.55, total expenditures of \$74,920.28, and an ending cash balance of \$1,186.27.

This audit report is based on documents and working papers which support each of the 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 Committees at the time of the audit were:

	<u>Treasurer</u>	<u>Chairman</u>
Rick Tonry Campaign Committee	Guy J. D'Antonio, II	J. Wayne Mumphrey
Tonry For Congress Campaign Committee	Guy J. D'Antonio, II	Gordon P. Tonry

C. Scope

The audit included such tests as verification of total reported receipts and expenditures and individual transactions; review of required supporting documentation and analysis of Committee debts and obligations; and, such other audit procedures as deemed necessary under the circumstances.

II. Audit Findings and Recommendations
Rick Tonry Campaign Committee

A. Reporting of Receipts Including Transfers

Section 434(b)(2) of Title 2 of the United States Code states, in part, that each report shall disclose the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee within the calendar year in an aggregate amount or value in excess of \$100, together with the amount and date of such contributions.

Section 434(b) (4) of Title 2 of the United States Code states, in part, that each report shall disclose the name and address of each political committee from which transfers are received, together with the dates and amounts of each transfer.

Section 434(b) (8) of Title 2 of the United States Code states, in part, that each report shall disclose the total sum of receipts by or for such committee or candidate during the reporting period.

Our examination of the Committee records revealed the following:

1) The Committee received a total of 85 contributions which were in excess of or aggregated in excess of \$100. Of these, eight (8) or 9.41% were not reported in any manner. Those eight (8) receipts totaled \$19,526 and represented 8.35% of the total receipts which required itemization. In addition to the above, our examination revealed one (1) \$50 contribution which was not included in the unitemized receipt totals.

2) The Committee received a total of 47 transfers from other political committees. Of these, four (4) or 8.51% which totaled \$5,750 were not reported in any manner. Further, six (6) transfers or 12.77%, which totaled \$1,915.00 were originally reported in the unitemized receipts total. These ten (10) transfers totaled \$7,665 and represented 17.05% of the total amount of transfers required to be reported and itemized.

Based on the Audit staff's recommendation the Committee filed amendments on December 1, 1978 and March 9, 1979 which properly disclosed the contributions and transfers.

Recommendation

The Audit staff recommends no further action on these matters.

B. Itemization of Expenditures

Section 434(b) (9) of Title 2 of the United States Code states, in part, that each report shall disclose the identification of each person to whom expenditures have been made by or on behalf of such committee or candidate which in the aggregate exceeds \$100 within a calendar year, together with the purpose, amount and date of the expenditure.

Section 434(b)(11) of Title 2 of the United States Code states, in part, that each report shall disclose the total sum of expenditures made by such committee or candidate during the calendar year.

Our examination of the Committee's records revealed that of 144 expenditures in excess of or which aggregated in excess of \$100, 16 expenditures, or 11.11% were not reported in any manner. These 16 expenditures totaled \$32,969.74 and represented 11.78% of the total dollar amount required to be itemized.

Based on the Audit staff's recommendation the Committee filed amended reports on December 1, 1978 and March 9, 1979 itemizing these 16 expenditures.

Recommendation

The Audit staff recommends that no further action be taken on this matter.

III. Audit Findings and Recommendations Tonry For Congress Campaign Committee

A. Retention of Supporting Documentation for Expenditures

Section 432(d) of Title 2 of the United States Code states, in part, that each treasurer is required to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of \$100, or expenditures aggregating in excess of \$100, to the same person within a calendar year.

Section 102.9(c)(4) of Title 11, Code of Federal Regulations states, that when a receipted bill is not available, the treasurer may keep the cancelled check showing payment of the bill; and the bill, invoice or other contemporaneous memorandum of the transaction supplied to the committee by the payee.

Our examination of the Committee records disclosed that of 70 expenditures requiring supporting documentation, 49 expenditures or 70% lacked adequate supporting documentation. These 49 expenditures totaled \$53,276.12 and represented 72.75% of the total dollar amount of expenditures requiring documentation.

The expenditures noted above may be grouped into the following categories; (1) canvassing - 21 totaling \$15,520.00, and (2) general operating - 28 totaling \$37,756.12.

(1) Twenty-one canvassing expenditures, totaling \$15,520, were referred to the Office of General Counsel where on August 17, 1978, Matter Under Review 698 (78) was initiated. The Committee explained that the funds were used to employ individuals and organizations to distribute yard signs and posters, i.e., signs posted on telephone poles in certain locations within the Congressional district.

On November 21, 1978, the Commission found reason to believe that the Committee violated 2 U.S.C. 432(d) by failing to obtain and keep detailed documentation for certain expenditures. The Committee subsequently provided the Office of General Counsel evidence of its efforts to obtain the missing documentation. Based on the Committee's actions the Office of General Counsel determined that the Committee had demonstrated best efforts to obtain the documentation and recommended no further action. On August 14, 1979, the Commission approved the Office of General Counsel's recommendation and closed the file as it pertained to the Committee on this matter.

(2) Based on the Audit staff's recommendation the Committee provided for our review on October 5, 1978, December 18, 1978 and March 30, 1979, supporting documentation or evidence of its efforts to obtain the documentation for the 28 operating expenditures which totaled \$37,756.12.

Recommendation

Based on the above Committee response concerning the general operating expenditures, the Audit staff recommends no further action on this matter.

B. Disclosure of Contributor Information

Section 434(b)(2) of Title 2 of the United States Code states, in part, that each report shall disclose the full name, and mailing address (occupation and principal place of business, if any) of each person who has made one or more contributions to or for such Committee within the calendar year in an aggregate amount or value in excess of \$100, together with the amount and date of such contribution.

Our examination of the Committee's records disclosed that of 78 contributions requiring itemization 32 or 41.03% lacked complete contributor information.

Based on the Audit staff's recommendation the Committee filed an amended report on March 30, 1979, which disclosed the required contributor information for 28 of the 32 contributions. The Committee also provided for our review evidence of its efforts to obtain this information for the remaining four (4) contributors.

Recommendation

The Audit staff recommends that no further action be taken on this matter.

V. Other Matters

The following matter was noted during the audit for which no further action is recommended.

During the course of the receipts review it was noted that two (2) contributor checks totaling \$700.00 and \$50.00 in cash were used to pay a vendor for polling service. The Committee was advised that, in the future, contributions should be deposited and expenditures made from the campaign depository in accordance with 11 CFR 103.3(a).