



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A87-15

December 21, 1987

MEMORANDUM

TO: FRED EILAND
CHIEF, PRESS OFFICE

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

SUBJECT: PUBLIC ISSUANCE OF FINAL AUDIT REPORT-
CITIZENS FOR LAURENTI, INC.

Attached please find a copy of the final audit report on Citizens for Laurenti, Inc. which was approved by the Commission on December 8, 1987.

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: FEC Library
RAD
Public Disclosure ✓
Office of General Counsel

3
4
3
1
3
4
3
0
7
0
1
3



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A87-15

REPORT OF THE AUDIT DIVISION
ON
CITIZENS FOR LAURENTI, INC.

I. Background

A. Overview

9 3 0 7 0 1 4 3 1 4

This report is based on an audit of Citizens for Laurenti, Inc. ("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 Clerk of the House of Representatives on December 28, 1983 and maintains its headquarters in Trenton, New Jersey.

The audit covered the period January 1, 1985, through December 31, 1986. The Committee reported an opening cash on hand balance on January 1, 1985 of \$81.93; total receipts of \$335,708.85; total disbursements of \$304,079.23; and a closing cash balance on November 20, 1986 of \$31,711.55.

On October 21, 1987, the Committee submitted a 1986 Year End Report disclosing an opening cash balance on November 21, 1986 of \$31,711.55; total receipts of \$6,080.47; total disbursements of \$37,309.10; and a closing cash balance on December 31, 1986 of \$482.92.

This report is based on documents and workpapers 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 Treasurers of the Committee during the period of the audit were Mr. John H. Petito from January 1, 1985 through November 26, 1985; Mr. Steven M. Richman from November 27, 1985 through July 20, 1986; and the current Treasurer is Mr. Gary Matthews.

C. Scope

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

II. Audit Findings and Recommendations

A. Reporting of Expenditures

Section 434(b)(4) of Title 2 of the United States Code states, in part, that each report shall contain, for the reporting period and the calendar year, the total amount of all disbursements.

Section 434(b)(5) of Title 2 of the United States Code requires, in relevant part, that each report 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 expenditures. Additionally, each report shall disclose the name and address of each person who receives a loan repayment from the reporting committee during the reporting period, together with the date and amount of such loan repayment.

During the course of the auditors' review of Committee disbursements, it was noted that 19 expenditures, totaling \$16,333.35, were not reported. Additionally, two loan repayments, totaling \$626.93, were not reported.

It should be noted that it was the Committee's practice to itemize all disbursements regardless of amount.

The Treasurer was apprised of these matters and agreed to file amendments as required.

In response to the Interim Audit Report, the Committee filed an amendment on October 21, 1987, substantially disclosing these disbursements as part of the Committee's 1986 Year End Report.

9 8 0 7 0 1 4 3 1 5

Recommendation

The Audit staff recommends no further action on this matter.

B. Matters Referred to the Office of General Counsel

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

8807014316