



FEDERAL ELECTION COMMISSION

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

April 25, 1979

MEMORANDUM

TO: FRED EILAND
PRESS OFFICE

THROUGH: BOB COSTA *R/C*

FROM: JUDY HAWKINS *JH*

SUBJECT: PUBLIC ISSUANCE OF AUDIT REPORT -
WASHINGTON STATE DEMOCRATIC COMMITTEE

Attached please find a copy of the final audit report of the Washington State Democratic Committee which was approved by the Commission on March 30, 1979.

As of this date all informational copies of the 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





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REPORT OF THE AUDIT DIVISION ON THE WASHINGTON STATE DEMOCRATIC COMMITTEE AND THE WASHINGTON STATE DEMOCRATIC COMMITTEE/FEDERAL

I. Background

A. Overview

This report is based upon audits of the Washington State Democratic Committee and the Washington State Democratic Committee/Federal, 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)(2) 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 Washington State Democratic Committee registered with the Federal Election Commission on August 15, 1975. The Committee had maintained seven (7) bank accounts, one (1) of which was related to federal activity. This Committee terminated on August 3, 1976 stating that no support would be given to candidates for federal office. On September 2, 1976, the Washington State Democratic Party registered the Washington State Democratic Committee/Federal with the Federal Election Commission to report the activity relating solely to the one (1) federal bank account. The Committees maintained their headquarters in Seattle, Washington.

The audit covered the period January 1, 1976 through June 30, 1978, the date of the current report due of the Committee at the time of the audit. The Washington State Democratic Committee/Federal reported a beginning cash balance at August 1,



1976 of \$6,583.92, 1/ total receipts of \$36,672.51, total expenditures of \$39,985.99, and an ending cash balance at June 30, 1978 of \$3,270.44. The Committee terminated on August 24, 1978.

B. Key Personnel

The principal officers of both Committees during the period covered by the audit were Mr. Neale V. Chaney, Chairman, and Mr. Phillip Krueger, Treasurer.

C. Scope

The audit included such tests as verification of total reported receipts and expenditures and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedure 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 Washington State Democratic Committee was not a political committee as defined by the Act and is not subject to the jurisdiction of the Commission.

This opinion is based on the fact that this Committee did not support candidates in connection with Federal elections. Committee officials stated that reports were filed with the Commission upon instructions from Commission personnel.

It is also 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 Washington State Democratic Committee/Federal fairly present the financial activity of the Committee for the period covered by the audit. No material problems in complying with the Federal Election Campaign Act were discovered during the course of the audit.

1/ The Committee adequately disclosed the source of these funds as required by 11 CFR 104.10.

