



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 17, 1979

MEMORANDUM

TO: FRED EILAND
PRESS OFFICE

THROUGH: BOB COSTA *BJC*

FROM: JUDY HAWKINS *JH*

SUBJECT: PUBLIC ISSUANCE OF AUDIT REPORT -
DEMOCRATIC NATIONAL COMMITTEE - TRAVEL
ESCROW ACCOUNT

Attached please find a copy of the final audit report of the Democratic National Committee - Travel Escrow Account which was approved by the Commission on December 6, 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

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

REPORT OF THE AUDIT DIVISION
ON THE
DEMOCRATIC NATIONAL COMMITTEE - TRAVEL ESCROW ACCOUNT

I. Background

A. Overview

This report is based upon an audit of the Democratic National Committee - Travel Escrow Account ("the Committee"), undertaken by the Audit Division 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 of the 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 August 8, 1977, and maintains its headquarters in Washington, D.C. The primary function of the Committee, as an affiliate of the Democratic National Committee ("DNC"), is to receive reimbursement checks for individuals traveling on government aircraft for political purposes. All money received is submitted to the U.S. Treasurer or other billing agency. As an affiliate of the DNC, all administrative expenses of the Committee are paid by the DNC Services Corporation which serves as the source for disbursements of administrative costs for all DNC affiliates.

The audit covered the period from July 1, 1977 through September 30, 1979, the final coverage date of the most recent report filed by the Committee. The Committee reported an opening cash balance on July 1, 1977 of \$-0-, total receipts for the period of \$549,153.45, total expenditures for the period of \$538,102.91, and a closing cash balance on September 30, 1979 of \$11,050.54.

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This report is based upon 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 the report and were available to Commissioners and appropriate staff for review.

B. Key Personnel

The principal officers of the Committee during the period audited were as follows:

<u>Date</u>	<u>Chairman</u>	<u>Treasurer</u>
7/1/77 - 6/6/78	Kenneth M. Curtis	Joel McCleary
6/6/78 - 4/4/79	John C. White	Evan Dobbelle
4/4/79 - 9/30/79	John C. White	Peter G. Kelly

C. Scope

The audit included such tests as verification of total reported receipts, 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. Finding and Recommendation

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 Democratic National Committee - Travel Escrow Account fairly present the financial activities 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.

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