



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

A81-24

REPORT OF THE AUDIT DIVISION  
ON THE  
LIFE AMENDMENT POLITICAL ACTION COMMITTEE

I. Background

A. Overview

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This report is based on an audit of the Life Amendment Political Action 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(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 Federal Election Commission on November 7, 1977. The Committee maintains its headquarters in Washington, D.C.

The audit covered the period January 1, 1980 through December 31, 1980. The Committee reported a cash balance on January 1, 1980 of \$4,380.79; total receipts for the period of \$394,212.65; total expenditures for the period of \$395,628.66; and a cash balance on December 31, 1980 of \$2,964.78.

This audit report is based on documents and work papers which support each of its 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 the Commissioners and appropriate staff for review.

B. Key Personnel

The Treasurer for the Committee during the period covered by the audit was Mr. Paul Brown.

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. However, although the contribution records provided by the Committee met the recordkeeping requirements of 2 U.S.C. 432(c) and 11 C.F.R. 102.9(a), they did not include any material prepared outside of the Committee. Therefore, no verification of individual contribution transactions was performed.

II. Audit Findings and Recommendations

A. Missing Records

Section 432(d) of Title 2 of the United States Code states, in relevant part, that the treasurer shall preserve all records required to be kept by this section for 3 years after the report is filed.

During the audit, the Committee was requested to provide complete bank records for the audit period. On August 26, 1981, a written request for the missing records was made to the Committee. The Committee did not provide bank statements and associated debit and credit memoranda covering part of December, 1980 and five of eight loan agreements.

On February 23, 1982, the Commission made a determination that the Committee provide the records noted above within 30 days of receipt of the interim audit report. The Committee responded on March 25, 1982 providing a substantial amount of the records.

Recommendation

Based on the Committee's response, the Audit Division recommends no further action.

B. Checks Made Payable to "Cash"

Section 102.9(b)(1)(i) and (ii) of Title 11 of the Code of Federal Regulations states that an account shall be kept of all disbursements made by or on behalf of the political committee. Such account shall consist of a record of: the name and address of every person to whom any disbursement is made; the date, amount, and purpose of the disbursement.

During the review of disbursements, it was determined that the Committee issued six checks, totaling \$3,339.21, payable to "cash". The Committee did not provide documentation to support these expenditures.

On February 23, 1982, the Commission made a determination that the Committee provide documentation for the disbursements noted above within 30 days of receipt of the interim audit report. The Committee provided the documentation on March 25, 1982.

Recommendation

Based on the Committee's response, the Audit Division recommends no further action.

C. Itemization of Contributions

Section 434(b)(3) of Title 2 of the United States Code requires, in part, a committee to disclose the identification of each person who makes a contribution to the reporting committee, whose contribution or contributions have an aggregate amount or value in excess of \$200 within the calendar year, together with the date and amount of any such contribution.

Our review of the Committee's contribution records revealed that the Committee did not itemize 134 contributions totaling \$13,282.28 which were in excess of, or aggregated in excess of \$200.00. These contributions represent approximately 69% of the total number and 31% of the total dollar amount of contributions requiring itemization.

On February 23, 1982, the Commission made a determination that the Committee amend its reports to itemize the contributions noted above within 30 days of receipt of the interim audit report. The Committee filed amendments on March 25 and April 13, 1982 adequately itemizing the contributions.

Recommendation

The Audit Division recommends no further action.

D. Other Matters

Certain other matters noted during the audit were referred to the Commission's Office of General Counsel on February 23, 1982.

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