



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

MAY 29 1996

C. Wesley Lane II, Treasurer  
Oklahoma Leadership Council  
4031 N. Lincoln Boulevard  
Oklahoma City, OK 73105

Identification Number: C00167213

Reference: April Quarterly Report (1/1/96-3/31/96)

Dear Mr. Lane:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your EVENT YEAR-TO-DATE calculations for administrative/voter drive are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous EVENT YEAR-TO-DATE total for that category or event. This running EVENT YEAR-TO-DATE total should be disclosed after each disbursement is listed. Please amend your report by providing the correct administrative/voter drive EVENT YEAR-TO-DATE totals.

-Schedules H2 and H4 of your report disclose a number of fundraising events that are listed as 100% non-federal activities. 100% non-federal fundraising events do not fall within the definitions of an allocable expense and should not be shown on your report. Please amend your report to clarify this discrepancy.

-The Commission notes the transfer-out of the apparent impermissible funds received from organizations that are not registered political committees. Although the Commission may take further legal action concerning the acceptance of impermissible funds, your prompt corrective action will be taken into consideration.

*Celebrating the Commission's 20th Anniversary*

YESTERDAY, TODAY AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

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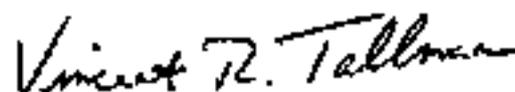
-Your report discloses a transfer(s) to the Oklahoma Leadership Council which appears to be a non-federal account of your committee. 11 CFR §§106.5 and 106.6 prohibits a committee's federal account from reimbursing its non-federal account for shared allocable expenses. Also, the non-federal account is prohibited from paying the federal account's share of these expenses. These types of costs must be paid according to the allocation ratio derived from the appropriate method on Schedule H1.

If the transfer(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR §106.5 and 106.6 and establish procedures to insure future compliance with allocation regulations.

Although the Commission may take further legal action regarding this improper allocation activity, your prompt action will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Vincent R. Tallman  
Reports Analyst  
Reports Analysis Division

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