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April 10, 1996

BY FEDERAL EXPRESS

Kenneth A. Davis, Jr.
Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, N.W.
Washington DC 20463

Re: Tenet Healthcare Corporation Federal Political
Action Committee (FKA National Medical
Enterprises, Inc. Federal Political Action
Committee and American Medical International Inc.
(AMI), Federal Political Action Committee) II No.:
C00119354

Year End Report (7/1/95-12/31/95)

Dear Mr. Davis:

This is to follow up on our telephone conversation on Thursday, April 4, 1996 concerning the above referenced exceptions letter dated March 27, 1996, addressed to Mr. James Borowski, Treasurer. The undersigned made that response, and makes this follow-up response, as registered Assistant Treasurer of the above-referenced committee.

In response to your first exception, that Schedule A appears to reflect an excessive contribution, relative to the transfer from American Medical International, Inc. (AMI), Federal Political Action Committee, I noted that American Medical International (AMI), Federal Political Action Committee has been listed as an "affiliated committee" of the above-referenced committee as indicated by a letter which accompanied the 1995 mid-year report. In the above-referenced filing itself, the report reflects the consolidation of the two affiliated committees (FEC Regulation 110.3(c). According to the FEC's Campaign Guide for Corporations and Labor Organizations (1995) at p. 13, "Transfers-In", "[a]n SSF may receive unlimited transfers of permissible funds from other affiliated SSF's. 110.3(c) and, thus, there is no contribution limit on transfers between affiliated committees.

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You advised me that the exception reflected an incomplete computer update of the FEC's records and that we should disregard this exception.

With respect to the second exception, a Schedule A, Line 12 item described as "Offsets to Operating Expenditures," a receipt of \$19,503.04 from "Friends of Newt Gingrich". It is further described as a "refund of expenses for dinner event." I explained to you that the committee had held a fundraiser on behalf of the Friends of Newt Gingrich in July, 1995. The committee and the Friends of Newt Gingrich had agreed that the Friends of Newt Gingrich would reimburse all costs of the event. The committee promptly invoiced the Friends of Newt Gingrich for such costs after the event, and the repayment reflects the belated reimbursement of those costs. The committee viewed the obligation as a "debt" under 111 CFR § 100.8(a)(2). However, inasmuch as the debt was substantially paid during the period of the Year End Report, the committee did not report the amount as incurred and paid on Schedule D, believing the itemization and disclosure on Schedule A as an "Offset to Operating Expenditure" was sufficient. (The payment reflects a reimbursement of those costs incurred. A very small sum, \$104.93, the remaining unpaid amount, was actually reimbursed by the Friends of Newt Gingrich in early 1996, and will be reflected on the committee's monthly report for the period 1/1/96-1/31/96.)

Please feel free to contact me if you have any questions about this response.

Very truly yours,

Janelle E. Blanco
Assistant Treasurer

JEB\crb

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