



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Alec Pointevint, Treasurer
Republican National Committee-RNC
310 First Street SE
Washington, DC 20003

MAY 7 1997

Identification Number: C00003418

Reference: Year End Report (11/26/96-12/31/96)

Dear Mr. Pointevint:

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:

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received impermissible funds, the Commission recommends

that you transfer the impermissible funds to an account not used to influence federal elections or refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

-Schedule C-1 of your report discloses the receipt of two draws on your line of credit extended by Signet Bank totaling \$2,000,000. This total amount is also recorded on Schedule A to indicate the receipt of the funds; however, Schedule C discloses the original amount of your outstanding obligation to now be \$10,500,000. The Schedule C figure appears to incorporate past draws on the line of credit. Please amend your report to clarify this discrepancy. As loans must be continuously reported until extinguished, it may be necessary to amend the loan schedules for subsequent reports.

-Schedule F of your report discloses the Aggregate General Election Expenditure for Dole for President, Inc. to be \$11,688,747.70. However, FEC calculations disclose this amount to be \$11,706,218.81. Please amend your report to clarify this discrepancy.

-Please clarify all expenditures made for media costs, production costs and satellite time disclosed as shared administrative expenses on Schedule H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedule B or F supporting Line 23 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §104.3(b)

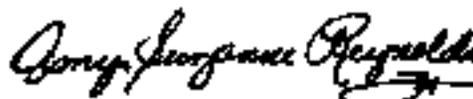
-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule H4 of your report to clarify the following description(s): Event Costs. For further

guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-All payments disclosed on Schedule H4 for "shared" fundraising events this period use either a 100% federal or 100% non-federal allocation ratio as indicated on Schedule H2. The Commission notes your consistent explanation of your committee's anticipation of receiving funds into both the federal and non-federal accounts as you prepare to begin each shared fundraising effort and that you have not made any transfers of non-federal funds into your federal account for 100% federal fundraising events. Please be advised that the allocation regulations exist to allow the federal account to offset its expenditures for truly shared activities. In the future, it would be in the best interest of the committee to provide the original allocation ratio estimate for any event which was determined to benefit only one account at the end of the activity and to disclose any 100% federal disbursements on Schedule B supporting Line 21(b).

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.

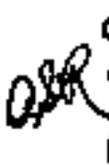
Sincerely,



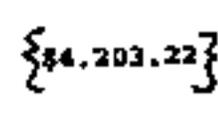
Amy Suzanne Reynolds
Reports Analyst
Reports Analysis Division

TENNESSEE UNITY '96 COMMITTEE

| NAME/ADDRESS | RECEIPTS | | |
|------------------------------------------------------------------|-----------------|---------------------------|------------------------------|
| | TOTAL AMOUNT | RNC FEDERAL ACCOUNT | TEEN REP PARTY ACCOUNT |
| CHAS B METZ 1024 AUDSON DR MEMPHIS TN 38117 | \$180.00 | \$75.00 | \$75.00 |
| J GORDON PETERS 5703 WILLOW TRACE CHATTANOOGA TN 37421 | \$50.00 | \$25.00 | \$25.00 |
| MARIE C REED 91 VALLEY FORGE NASHVILLE TN 37205 | \$25.00 | \$12.50 | \$12.50 |
| JOSEPH SMARTT 309 MARTIN LANE COTTONTOWN TN 37048 | \$25.00 | \$12.50 | \$12.50 |
| CLYDE D WEAR 117 WEAR DRIVE ROCKFORD TN 37853 | \$50.00 | \$25.00 | \$25.00 |
| MRS LEONARD WEMER 5845 BARFIELD ROAD MEMPHIS TN 38120 | \$16.00 | \$7.50 | \$7.50 |
| DOUGLAS WIGGINS 10712 DOGWOOD DRIVE KNOXVILLE TN 37931 | \$30.00 | \$15.00 | \$15.00 |
| CHARLES MCMILLAN 8548 JOCELYN HOLLOW RD NASHVILLE TN 37205 | \$10.00 | \$5.00 | \$5.00 |


 TENNESSEE UNITY '96 COMM
 (NON-FEDERAL)
 310 FIRST STREET SE
 WASHINGTON DC 20003

\$8,408.43


 \$4,203.22

\$4,203.22

