

## REPORT OF THE REPORTS ANALYSIS AND AUDIT DIVISION

### BRIANNE FOR DC

#### EXECUTIVE SUMMARY

The Brianne for DC (Principal Campaign Committee) registered with the Office of Campaign Finance on December 13, 2012. The Committee was the Principal Campaign Committee of Brianne Nadeau, a 2014 candidate in the Primary and General Elections for the Office of Member of the Council, Ward 1.

The audit was conducted pursuant to D.C. Official Code Section 1-1163.04(8).

The findings of the audit were presented to the Committee in the Preliminary Audit Report issued on June 17, 2016. The responses of the Committee to the audit findings and recommendations are contained in the Audit Report.

The Committee filed an Amended Consolidated Report on October 6, 2016.

The following is an overview of the findings contained in the Audit Report.

#### **RECEIPTS NOT REPORTED**

D.C. Official Code Sections 1-1163.09(c)(2) and (7). The audit found that the Committee failed to report nine (9) check contributions totaling \$2,596.05 and ten (10) credit card contributions totaling \$558.00. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned contributions that were previously not reported. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned contributions that were previously not reported.

#### **IN-KIND CONTRIBUTIONS NOT REPORTED ON SCHEDULE A**

3 DCMR Section 3008.9. The audit found that the Committee failed to report four (4) in-kind contributions totaling \$963.00 on Schedule A, Itemized Receipts. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned four (4) in-kind contributions that were previously not reported on Schedule A. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned in-kind contributions totaling \$963.00 that were previously not reported on Schedule A.

### **CREDIT CARD CREDIT NOT REPORTED**

The audit found that the Committee failed to report a credit card credit in the amount of \$5.69. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned credit in the amount of \$5.69 that was previously not reported. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned credit card credit in the amount of \$5.69 that was previously not reported.

### **BANK CREDIT NOT REPORTED**

The audit found that the Committee failed to report a bank credit in the amount of \$30.00. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned bank credit in the amount of \$30.00 that was previously not reported. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned bank credit in the amount of \$30.00 that was previously not reported.

### **BANK DEPOSIT NOT REPORTED**

The audit found that the Committee failed to report a bank deposit in the amount of \$299.00. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned bank deposit in the amount of \$299.00 that was previously not reported. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned bank deposit in the amount of \$299.00 that was previously not reported.

### **UNDERSTATED CONTRIBUTIONS**

The audit found that the Committee reported three (3) contributions that resulted in an understatement of \$215.00 in total reported receipts. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the understatement in total receipts in the amount of \$215.00. On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the understatement in total reported receipts in the amount of \$215.00.

### **RECEIPTS NOT NEGOTIATED**

The audit found that the Committee reported seventeen (17) contributions totaling \$2,948.00 that were not negotiated through the Committee's bank account. In the Preliminary Audit Report, the Audit staff recommended that the Committee provide evidence that the contributions were negotiated through the Committee's bank account. In its Response, the Committee agreed with the Audit staff that the contributions were not negotiated through the bank account of the Committee. On October 6, 2016, the Committee filed an Amended Consolidated Report and made the appropriate adjustments.

### **OVERSTATED CONTRIBUTIONS**

The audit found that the Committee reported four (4) contributions that resulted in an overstatement of \$765.00 in total reported receipts. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report

correcting the overstatement in total reported receipts in the amount of \$765.00. On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the overstatement in total reported receipts in the amount of \$765.00.

**RECORDKEEPING ERRORS – RECEIPTS**

3 DCMR Section 3400.2. The audit found that the Committee reported one hundred fifty-one (151) check contributions totaling \$52,135.22 and sixty-two (62) check deposits totaling \$106,125.05 in which the proper documentation was not provided. In the Preliminary Audit Report, the Audit staff recommended that the Committee provide the proper documentation to substantiate each contribution and deposit. On August 17, 2016, the Committee provided the documentation to substantiate the aforementioned one hundred and fifty-one (151) check contributions totaling \$52,135.22 and the sixty-two (62) check deposits totaling \$106,125.05.

**DISCLOSURE ERRORS – RECEIPTS**

The audit found that the Committee reported forty-eight (48) contributions totaling \$13,347.00 that were not properly disclosed on the Committee's Reports of Receipts and Expenditures. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report accurately disclosing the proper information that was previously not provided. On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the aforementioned forty-eight (48) contributions totaling \$13,347.00 that were not properly disclosed on the Committee's Reports of Receipts and Expenditures.

**EXPENDITURES NOT REPORTED**

D.C. Official Code Sections 1-1163.09(c)(8) and (9). The audit found that the Committee failed to report thirteen (13) expenditures totaling \$2,788.49 and four (4) credit card merchant fees totaling \$483.24. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned expenditures that were previously not reported. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned expenditures that were previously not reported.

**BANK DEPOSIT ADJUSTMENT NOT REPORTED**

The audit found that the Committee failed to report five (5) bank deposit adjustments totaling \$1,220.00. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned five (5) bank deposit adjustments totaling \$1,220.00 that were previously not reported. On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the bank deposit adjustments totaling \$1,220.00 that were previously not reported.

**PAYROLL EXPENDITURE TRANSACTIONS NOT REPORTED**

The audit found that the Committee failed to report four (4) payroll expenditures totaling \$4,629.57. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned payroll expenditures totaling \$4,629.57 that were previously not reported. On October 6, 2016,

the Committee filed an Amended Consolidated Report inclusive of the payroll expenditures totaling \$4,629.57 that were previously not reported.

#### **UNDERSTATED EXPENDITURES**

The audit found that the Committee reported five (5) expenditures that resulted in an understatement of \$430.85 in total reported expenditures. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the \$430.85 understatement in total reported expenditures. On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the understatement in total reported expenditures.

#### **EXPENDITURES NOT NEGOTIATED THROUGH THE COMMITTEE'S BANK ACCOUNT**

The audit found that the Committee reported five (5) expenditures totaling \$2,570.00 that were not negotiated through the bank account of the Committee. In the Preliminary Audit Report, the Audit staff recommended that the Committee provide evidence that the expenditures were negotiated through the bank account of the Committee. In its Response, the Committee agreed with the Audit staff that the expenditures were not negotiated through the bank account of the Committee. On October 6, 2016, the Committee filed an Amended Consolidated Report and made the appropriate adjustments.

#### **OVERSTATED EXPENDITURES**

The audit found that the Committee reported three (3) expenditures that resulted in an overstatement of \$91.03 in total reported expenditures. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the overstatement in total reported expenditures in the amount of \$91.03. On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the overstatement in total reported expenditures in the amount of \$91.03.

#### **RECORDKEEPING ERRORS – EXPENDITURES**

3 DCMR Section 3400.2. The audit found that the Committee reported nineteen (19) expenditures totaling \$126,987.92 in which the proper documentation was not provided. In the Preliminary Audit Report, the Audit staff recommended that the Committee provide the proper documentation to substantiate each expenditure. On August 17, 2016, the Committee provided the documentation to substantiate the aforementioned nineteen (19) expenditures totaling \$126,987.92.

#### **DISCLOSURE ERRORS - EXPENDITURES**

D.C. Official Code Section 1-1163.09(c)(8). The audit found that the Committee reported thirty-four (34) expenditures totaling \$7,775.59 that were not properly disclosed on the Committee's Reports of Receipts and Expenditures. In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report accurately disclosing the proper information that was previously not provided. On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the

aforementioned thirty-four (34) expenditures totaling \$7,775.59 that were not properly disclosed on the Committee's Reports of Receipts and Expenditures.



Office of Campaign Finance

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AUDIT REPORT  
ON  
BRIANNE FOR DC  
PRINCIPAL CAMPAIGN COMMITTEE  
2014 GENERAL ELECTION

October 2016

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REPORTS ANALYSIS AND AUDIT DIVISION  
OFFICE OF CAMPAIGN FINANCE  
WASHINGTON, DC 20009

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## I. BACKGROUND

### A. OVERVIEW

This report is based upon a field audit of the Statements and Reports of Receipts and Expenditures filed by the Brianne for DC, Principal Campaign Committee ("the Committee"), undertaken by the Reports Analysis and Audit Division, Office of Campaign Finance (OCF), to determine whether the Committee has complied with the reporting requirements of D.C. Official Code Section 1-1163.09.

#### 1. Candidate

Brianne Nadeau, a candidate in the 2014 General Election for the Office of Member of the Council, Ward 1, of the District of Columbia, registered with the OCF on December 13, 2012, in accordance with D.C. Official Code Section 1-1163.12(a).

The field audit of the candidate's Statements covered the period October 11, 2013 through July 31, 2015. The candidate, in her Statement of Candidacy, designated the Brianne for DC as her Principal Campaign Committee.

#### 2. Principal Campaign Committee

The Brianne for DC Principal Campaign Committee registered with the OCF on December 13, 2012, in accordance with D.C. Official Code Section 1-1163.07(1).

The audit of the Brianne for DC Principal Campaign Committee covered the period, October 11, 2013 through July 30, 2015. The Committee's December 10, 2013 Report, the first report filed during audit period, disclosed a beginning cash balance of \$48,490.46. During the period of the pre-audit (desk) review, the reports filed by the Committee reflected total aggregated receipts of \$304,111.65 and total aggregated expenditures of \$352,602.11 with an ending cash balance of \$0.00. Receipts and expenditures per **audit** were \$312,197.72 and \$360,688.18, respectively, with an ending cash balance of \$0.00.

### B. KEY PERSONNEL

The principal officers of the Brianne for DC Principal Campaign Committee were Shelore C. Williams, Treasurer, and Tania B. Jackson, Chairperson, as indicated in the Statement of Organization. Acceptance of the positions of Treasurer and Chairperson forms were filed on June 9, 2014 and December 13, 2012, respectively.

### **C. SCOPE**

The audit procedures performed included a verification and/or examination of:

1. The mathematical accuracy of the Reports of Receipts and Expenditures filed with the Director, Office of Campaign Finance, during the period audited;
2. The total reported receipts and expenditures and individual transactions with source documents;
3. The conformity with the contribution limitation as mandated by D.C. Official Code Section 1-1163.33(a)(5);
4. The Committee debts and obligations;
5. The proper categorization of the Committee's receipts and expenditures; and,
6. The review procedures as deemed necessary under the circumstances.

The Preliminary Audit Report was issued on June 17, 2016. On July 15, 2016, the Committee attended a meeting with the Audit staff to discuss the findings noted in the Preliminary Audit Report.

On August 17, 2016, the Committee provided its written Response to the Preliminary Audit Report.

On October 5, 2016, the Committee filed an Amended Consolidated Report.

## **II. FINDINGS AND RECOMMENDATIONS**

### **RECEIPTS**

#### **A. RECEIPTS NOT REPORTED**

D.C. Official Code Sections 1-1163.09(c)(2) and (7) provide that, "Each report under this section shall disclose: The full name and mailing address, including the occupation and the principal place of business, if any, of each person who has made one or more contributions to or for a committee or candidate, including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events, within the calendar year in an aggregate amount or value in excess of \$50 or more, together with the amount and date of the contributions. The total sum of all receipts by or for a committee or candidate during the reporting period."



The audit revealed that the Committee failed to report nine (9) **check** contributions totaling \$2,596.05. The Audit staff was able to verify the contributions through the review of the Committee's bank statements and records.

In addition, the Committee failed to report ten (10) contributions contributed by **credit card** totaling \$558.00. The Audit staff was able to verify the contributions through the review of the Committee's credit card merchant statements.

Further, the Committee had an (\$6,027.33) unreconcilable difference in total reported receipts verses receipts per the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned check contributions totaling \$2,596.05 and credit card contributions totaling \$558.00 that were previously not reported.

Additionally, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the unreconcilable difference in the amount of (\$6,027.33) in total reported receipts.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned check contributions totaling \$2,596.05 and credit card contributions totaling \$558.00 that were previously not reported, and corrected the unreconcilable difference in the amount of (\$6,027.33) in total reported receipts.

## **B. IN-KIND CONTRIBUTIONS NOT REPORTED ON SCHEDULE A**

3 DCMR Section 3008.9 states that, "Each in-kind contribution under Sections 3008.5 and 3008.8 shall be assessed at the current local fair market value at the time of the contribution, and shall be itemized and reported on the appropriate sub-schedules of Schedules A and B." Therefore, all in-kind contributions must be reported on both Schedules A and B.

The audit revealed that the Committee failed to report four (4) in-kind contributions totaling \$963.00 on Schedule A, Itemized Receipts; however, the Committee reported the transactions as in-kind expenditures on Schedule B, Itemized Expenditures. The Audit staff was able to verify the aforementioned in-kind contributions through the review of the Committee's Report of Receipts and Expenditures.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned four (4) in-kind contributions totaling \$963.00 that were previously not reported on Schedule A.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned four (4) in-kind contributions totaling \$963.00 that were previously not reported on Schedule A.

**C. CREDIT CARD CREDIT NOT REPORTED**

The audit revealed that the Committee failed to report a credit card credit in the amount of \$5.69 that was credited back to the Committee's bank account by its credit card merchant. The Audit staff was able to verify the credit card credit through the review of the Committee's bank and credit card merchant statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned credit in the amount of \$5.69 that was previously not reported.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned credit card credit in the amount of \$5.69 that was previously not reported.

**D. BANK CREDIT NOT REPORTED**

The audit revealed that the Committee failed to report a bank credit in the amount of \$30.00. This was verified through the review of the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned bank credit in the amount of \$30.00 that was previously not reported.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned bank credit in the amount of \$30.00 that was previously not reported.

**E. BANK DEPOSIT NOT REPORTED**

The audit revealed that the Committee failed to report a bank deposit in the amount of \$299.00. The Audit staff was able to verify the bank deposit through the review of the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned bank deposit in the amount of \$299.00 that was previously not reported.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned bank deposit in the amount of \$299.00 that was previously not reported.

#### **F. UNDERSTATED RECEIPTS**

The audit revealed that the Committee reported three (3) contributions that resulted in an understatement of \$215.00 in total receipts.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the aforementioned understatement in total receipts in the amount of \$215.00.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned understatement in total receipts in the amount of \$215.00.

#### **G. RECEIPTS NOT NEGOTIATED**

The audit revealed that the Committee reported seventeen (17) contributions totaling \$2,948.00 that were not negotiated through the Committee's bank account. This was verified through the review of the Committee's Reports of Receipts and Expenditures, Committee credit card merchant statements, and bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee provide evidence that the aforementioned seventeen (17) contributions totaling \$2,948.00 were negotiated through the Committee's bank account.

On August 17, 2016, the Committee agreed with the Audit staff and provided evidence that the aforementioned seventeen (17) contributions totaling \$2,948.00 were not negotiated through the Committee's bank account and made the appropriate adjustments on its Report of Receipt and Expenditures.

#### **H. OVERSTATED CONTRIBUTIONS**

The audit revealed that the Committee reported four (4) contributions that resulted in an overstatement of \$765.00 in total receipts.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the aforementioned overstatement in total receipts in the amount of \$765.00.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned overstatement in total receipts in the amount of \$765.00.

## OTHER MATTERS NOTED – RECEIPTS

### I. RECORDKEEPING ERRORS - RECEIPTS

3 DCMR Section 3400.2 provides, that, “Each person required to file records under §3400.1 shall obtain and preserve, from the date of registration, detailed records of all contributions and expenditures disclosed in reports and statements filed with the Director, including the following: (a) Check stubs; (b) Bank statements; (c) Canceled checks; (d) Contributor cards and copies of donor checks; (e) Deposit slips; (f) Invoices; (g) Receipts; (h) Contracts; (i) Subcontracts; (j) Payroll records; (k) Lease agreements; (l) Petty cash journals, if applicable; (m) Ledgers; (n) Vouchers; and (o) Loan documents including the source of the funds.”

The audit revealed that the Committee reported one hundred fifty-one (151) **check contributions** totaling \$52,135.22 for which the proper documentation (copies of contributors’ checks) was not provided to substantiate the check contributions.

In addition, the audit revealed that the Committee reported sixty-two (62) **check deposits** totaling \$106,125.05 for which the proper documentation (breakdown of individual contributors, copies of the contributor checks, and/or deposit slips) was not provided to substantiate the deposits.

In the Preliminary Audit Report, the Audit staff recommended that the Committee provide the proper documentation to substantiate the aforementioned (151) check contributions totaling \$52,135.22 and sixty-two (62) check deposits totaling \$106,125.05 that was previously not provided.

On August 17, 2016, the Committee provided the documentation to substantiate the aforementioned (151) check contributions totaling \$52,135.22 and sixty-two (62) check deposits totaling \$106,125.05 that was previously not provided.

### J. DISCLOSURE ERRORS – RECEIPTS

The audit revealed that the Committee reported forty-eight (48) contributions totaling \$13,347.00 that were not properly disclosed (contribution type) on the Committee’s Reports of Receipts and Expenditures.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report accurately disclosing the proper information (contribution type) that was previously not provided.

On October 6, 2016, the Committee filed an Amended Consolidated Report disclosing the proper information of the aforementioned forty-eight (48) contributions totaling \$13,347.00 that were not previously properly disclosed (contribution type) on the Committee’s Reports of Receipts and Expenditures.

## DISBURSEMENTS

### **K. EXPENDITURES NOT REPORTED**

D.C. Official Code Sections 1-1163.09(c)(8) and (9) provide that, "Each report under this section shall disclose: The full name and mailing address (including the occupation and principal place of business, if any) of each person to whom expenditures have been made by a committee or on behalf of a committee or candidate within the calendar year in an aggregate amount or value of \$10 or more, the amount, date, and purpose of each expenditure, and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, and for each expenditure made by a political action committee or independent expenditure committee, the name of any candidate, initiative, referendum, or recall in support of or opposition to which the expenditure is directed. The total sum of expenditures made by such committee or candidate during the calendar year."

The audit revealed that the Committee failed to report:

- 1) Thirteen (13) expenditures totaling \$2,788.49; and,
- 2) Four (4) credit card merchant fees totaling \$483.24.

In addition, the Committee had an (\$1,141.92) unreconcilable difference in total reported expenditures verses expenditures per the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned expenditures that were previously not reported.

The Audit staff also recommended that the Committee file an Amended Consolidated Report correcting the unreconcilable difference in the amount of (\$1,141.92) in total reported expenditures.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned expenditures that were previously not reported, and correcting the unreconcilable difference in the amount of (\$1,141.92) in total reported expenditures.

### **L. BANK DEPOSIT ADJUSTMENTS NOT REPORTED**

The audit revealed that the Committee failed to report five (5) bank deposit adjustments totaling \$1,220.00. The Audit staff was able to verify the adjustments through the review of the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned five (5) bank deposit adjustments totaling \$1,220.00 that were previously not reported.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned five (5) bank deposit adjustments totaling \$1,220.00 that were previously not reported.

#### **M. PAYROLL EXPENDITURE TRANSACTIONS NOT REPORTED**

The audit revealed that the Committee failed to report four (4) payroll expenditures totaling \$4,629.57. The Audit staff was able to verify the payroll transactions through the review of the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report inclusive of the aforementioned payroll expenditures totaling \$4,629.57 that were previously not reported.

On October 6, 2016, the Committee filed an Amended Consolidated Report inclusive of the aforementioned payroll expenditure transactions totaling \$4,629.57 that were previously not reported.

#### **N. UNDERSTATED EXPENDITURES**

The audit revealed that the Committee reported five (5) expenditures that resulted in an understatement of \$430.85 in total reported expenditures.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the aforementioned understatement in total reported expenditures in the amount of \$430.85.

On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the aforementioned understatement in total expenditures in the amount of \$430.85.

#### **O. EXPENDITURES NOT NEGOTIATED**

The audit revealed that the Committee reported five (5) expenditures totaling \$2,570.00 that were not negotiated through the Committee's bank account. This was revealed through the review of the Committee's Reports of Receipts and Expenditures and the Committee's bank statements.

In the Preliminary Audit Report, the Audit staff recommended that the Committee provide evidence that the aforementioned five (5) expenditures totaling \$2,570.00 were negotiated through the Committee's bank account.

On August 17, 2016, the Committee agreed with the Audit staff and provided evidence that the aforementioned five (5) expenditures totaling \$2,570.00 were not negotiated through the Committee's bank account and made the appropriate adjustments on its Report of Receipts and Expenditures.

**P. OVERSTATED EXPENDITURES**

The audit revealed that the Committee reported three (3) expenditures that resulted in an overstatement of \$91.03 in total reported expenditures.

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the aforementioned overstatement in total reported expenditures in the amount of \$91.03.

On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the aforementioned overstatement in total expenditures in the amount of \$91.03.

**OTHER MATTERS NOTED**

**Q. RECORDKEEPING ERRORS - EXPENDITURES**

3 DCMR Section 3400.2 provides that, "Each person who is required to file records under §3400.1 shall obtain and preserve, from the date of registration, detailed records of all contributions and expenditures disclosed in reports and statements filed with the Director, including the following: (a) Check stubs; (b) Bank statements; (c) Canceled checks; (d) Contributor cards and copies of donor checks; (e) Credit card contributions, including merchant statements; (f) Deposit slips; (g) Invoices; (h) Receipts; (i) Contracts; (j) Subcontracts; (k) Payroll records; (l) Lease agreements; (m) Petty cash journals, if applicable; (n) Ledgers; (o) Vouchers; and (p) Loan documents including the source of funds."

The audit revealed that the Committee reported nineteen (19) expenditures totaling \$126,987.92 for which the proper documentation (check, invoice, receipt, and/or contract) was not provided to substantiate the expenditures.

In the Preliminary Audit Report, the Audit staff recommended that the Committee provide the proper documentation to substantiate the aforementioned nineteen (19) expenditures totaling \$126,987.92 that was previously not provided.

On August 17, 2016, the Committee provided the documentation to substantiate the aforementioned nineteen (19) expenditures totaling \$126,987.92 that was previously not provided.

**R. DISCLOSURE ERRORS - EXPENDITURES**

D.C. Official Code Section 1-1163.09(c)(8) provides that, "Each report under this section shall disclose: The full name and mailing address (including the occupation and principal place of business, if any) of each person to whom expenditures have been made by a committee or on behalf of a committee or candidate within the calendar year in an aggregate amount or value of \$10 or more, the amount, date, and

purpose of each expenditure, and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, and for each expenditure made by a political action committee or independent expenditure committee, the name of any candidate, initiative, referendum, or recall in support of or opposition to which the expenditure is directed.”

The audit revealed that the Committee reported thirty-four (34) expenditures totaling \$7,775.59 in which the “purpose” of each expenditure was not properly disclosed pursuant to D.C. Official Code Section 1-1163(c)(8).

In the Preliminary Audit Report, the Audit staff recommended that the Committee file an Amended Consolidated Report correcting the aforementioned disclosure errors where the “purpose” was not properly provided.

On October 6, 2016, the Committee filed an Amended Consolidated Report correcting the aforementioned thirty-four (34) expenditures totaling \$7,775.59 in which the “purpose” of each expenditure was not properly disclosed pursuant to D.C. Official Code Section 1-1163(c)(8).

**OVERALL RECOMMENDATION**

The Reports Analysis and Audit Division, therefore recommends that this report be issued as the “Audit Report”. We have determined that the Reports filed by the **Brianne for DC** Principal Campaign Committee with the Director, Office of Campaign Finance, are in compliance with D.C. Official Code Section 1-1163.09.

October 25, 2016  
Date

Renee Coleman-Rollins  
Renee Coleman-Rollins  
Audit Manager

**AUDIT REPORT APPROVED FOR RELEASE:**

Cecily E. Collier-Montgomery  
Cecily E. Collier-Montgomery  
Director

October 25, 2016  
Date