



Office of Campaign Finance

AUDIT REPORT
ON
THE FRIENDS OF COURTNEY SNOWDEN
PRINCIPAL CAMPAIGN COMMITTEE

APRIL 2015

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

I. Background

The Friends of Courtney Snowden Principle Campaign Committee registered with the Office of Campaign Finance (OCF) on July 1, 2014, in accordance with D.C. Official Code Section 1-1163.07(1). The Committee filed an August 10, 2014 Report of Receipts and Expenditures on August 13, 2014. Amended August 10, 2014 Reports of Receipts and Expenditures were filed on August 18, 2014 and March 31, 2015.

The periodic field audit of the Committee's reports, statements, and records covered the period June 11, 2014 through August 10, 2014. During the period of the pre-audit (desk review), the report filed by the Committee reflected total aggregate receipts of \$69,268.00 and expenditures of \$7,019.31 with an ending cash balance of \$62,248.69. Total receipts and expenditures per audit were \$70,908.35 and \$7,412.6, respectively, with an ending cash balance of \$63,495.74.

The Statement of Findings was issued on January 8, 2015.

II. Findings and Recommendations

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."

Our audit revealed that the Committee failed to report seven (7) receipts, totaling \$1,975.35. The Audit staff was able to verify the aforementioned unreported receipts through the review of the Committee's bank statements and credit card statements.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee file an **Amended August 10, 2014 Report** inclusive of the aforementioned seven (7) receipts totaling \$1,975.35 that were previously not reported.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures inclusive of the aforementioned receipts that were previously not reported as recommended by the Audit staff in the Statement of Findings.

B. Receipts Not Negotiated

Our audit revealed that the Committee reported four (4) receipts, totaling \$185.00, that were not negotiated through the bank account of the Committee. This was revealed through the review of the Committee's bank statements.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee provide evidence that the aforementioned receipts, totaling \$185.00, were negotiated through the bank account of the Committee.

In its response, the Committee stated that the aforementioned receipts were not negotiated through the bank accounts of the Committee as a result of the receipts being reported in duplicate on its Report of Receipts and Expenditures.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures excluding the aforementioned four (4) receipts that were not negotiated through the bank account of the Committee as a result of the receipts being reported in duplicate.

C. Overstated Receipts

Our audit revealed that the Committee reported (3) three receipts totaling, \$350.00, that resulted in an overstatement of \$150.00 in total reported receipts.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee file an **Amended August 10, 2014 Report** correcting the aforementioned overstatement in total receipts in the amount of \$150.00.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures correcting the aforementioned overstatement in total receipts in the amount of \$150.00 as recommended by the Audit staff in the Statement of Findings.

D. 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 such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made. The total sum of expenditures made by such committee or candidate during the calendar year."

Our audit revealed that the Committee failed to report two (2) expenditures totaling \$393.31. The Audit staff was able to verify the two (2) unreported expenditures through the review of the Committee's bank statements and credit card statements.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee file an **Amended August 10, 2014 Report** inclusive of the aforementioned two (2) expenditures, totaling \$393.31, that were previously not reported.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures inclusive of the aforementioned two (2) expenditures that were previously not reported as recommended by the Audit staff in the Statement of Findings.

E. Understated Expenditures

Our audit revealed that the Committee reported an expenditure that resulted in an understatement of \$500.00 in total reported expenditures.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee file an **Amended August 10, 2014 Report** correcting the aforementioned understatement in total reported expenditures in the amount of \$500.00.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures correcting the aforementioned understatement in total expenditures in the amount of \$500.00 as recommended by the Audit staff in the Statement of Findings.

F. Overstated Expenditures

Our audit revealed that the Committee reported two (2) expenditures that resulted in an overstatement of \$500.01 in total expenditures.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee file an **Amended August 10, 2014 Report** correcting the aforementioned overstatement in total expenditures in the amount of \$500.01.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures correcting the aforementioned overstatement in total expenditures in the amount of \$500.01 as recommended by the Audit staff in the Statement of Findings.

G. Disclosure Errors

D.C. Official Code Section 1-1163.09(c)(2) states 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."

D.C. Official Code Section 1-1163.09(c)(8) states 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 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.”

Our audit revealed that the Committee reported three (3) contributions from the candidate, totaling \$11,000.00, on Schedule A-3, Itemized Receipts From A Candidate. Additionally, the Committee also reported the receipts as loans on Schedule E, Loans Owed By The Committee Or The Candidate.

Through the review of Committee records, it was revealed that two (2) of the aforementioned receipts (\$2,500.00 + \$3,500.00 = \$6,000.00) were actually in-kind contributions made from the candidate's personal funds and were not drawn on the bank account of the Committee, and; therefore should have been reported on both Schedules A and B as in-kind contributions/expenditures. The latter receipt from the candidate (\$5,000.00) was an actual loan from the candidate as indicated on the Committee bank statements. Therefore, the two (2) aforementioned in-kind contributions from the candidate's personal funds, totaling \$6,000.00, should be reported on both Schedules A-3 and B, and the \$5,000.00 receipt should be reported on Schedule E as a loan. This activity was verified through the review of the Committee records.

In the Statement of Findings issued on January 8, 2015, the Audit staff recommended that the Committee file an **Amended August 10, 2014 Report** correcting the aforementioned disclosure errors.

On March 31, 2015, the Committee filed an Amended August 10, 2014 Report of Receipts and Expenditures correcting the aforementioned disclosure errors as recommended by the Audit staff in the Statement of Findings.

RECOMMENDATION

We, therefore, recommend that this Report be issued as the "Audit Report." We have determined that the Amended August 10, 2014 Report filed by the Friends of Courtney Snowden, Principal Campaign Committee, with the Director, Office of Campaign Finance, is in substantial compliance with the D.C. Official Code Section 1-1163.09.


Dwayne A. Gilliam, Sr.
Supervisory Auditor

4/7/15
Date

CONCURRENCE

In view of the forgoing, I HEREBY CONCUR with the Recommendation.

Renee Coleman-Rollins
Renee Coleman-Rollins
Audit Manager

April 7, 2015
Date

AUDIT APPROVED FOR RELEASE:

Cecily E. Collier-Montgomery
Cecily E. Collier-Montgomery
Director
Office of Campaign Finance

April 7, 2015
Date