



Office of Campaign Finance

AUDIT REPORT
ON
FRIENDS OF LEON T. ANDREWS, JR.
PRINCIPAL CAMPAIGN COMMITTEE

JULY 2015

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

I. Background

The Friends of Leon T. Andrews, Jr. Principal Campaign Committee registered with the Office of Campaign Finance (OCF) on January 7, 2015, in accordance with D.C. Official Code Section 1-1163.07(1). The Committee filed the March 10, 2015 Report of Receipts and Expenditures on March 16, 2015. An Amended March 10, 2015 Report was filed July 7, 2015.

The periodic field audit of the Committee's reports, statements, and records covered the period February 1, 2015 through March 10, 2015. During the period of the pre-audit (desk review), the reports filed by the Committee reflected total aggregate receipts of \$19,720.00 and expenditures of \$31,733.39, with an ending cash balance of \$9,878.70. Total receipts and expenditures per **audit** were \$19,722.00 and \$31,735.39, respectively with an ending cash balance of \$9,878.70.

The Committee reported a beginning cash on hand balance of \$21,892.09. However, Committee bank statements reflected a beginning balance for the period of \$21,842.07 (a difference of \$50.02). The Audit staff submits the difference in the beginning cash balances is a result of contributions and expenditures that were reported on the prior filing, **January 31, 2015 Report**, yet were not posted to the Committee bank account until the period under audit.

The Statement of Findings was issued on June 19, 2015.

II. Findings and Recommendations

A. Bank Credit 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 a bank credit in the amount of \$2.00. The Audit staff submits that the bank credit that was not reported was the result of the Committee's depository understating a deposit then correcting the understatement by posting an "error correction" (credit) for the understated amount, \$2.00. The Audit staff was able to verify the bank credit that was not reported through the review of the Committee's bank statements.

In the Statement of Findings issued on June 19, 2015, the Audit staff recommended that the Committee file an **Amended March 10, 2015 Report** inclusive of the aforementioned bank credit in the amount of \$2.00 that was previously not reported.

On July 7, 2015, the Committee filed an Amended March 10, 2015 Report of Receipts and Expenditures inclusive of the aforementioned bank credit in the amount of \$2.00 that was previously not reported as recommended by the Audit staff in the Statement of Findings.

B. Understated Expenditures

Our audit revealed that the Committee reported an expenditure resulting in an understatement in the amount of \$2.00 in total expenditures.

In the Statement of Findings issued on June 19, 2015, the Audit staff recommended that the Committee file an **Amended March 10, 2015 Report** correcting the aforementioned understatement in total expenditures in the amount of \$2.00.

On July 7, 2015, the Committee filed an Amended March 10, 2015 Report of Receipts and Expenditures correcting the aforementioned understatement in total expenditures in the amount of \$2.00 as recommended by the Audit staff in the Statement of Findings.

C. Recordkeeping Errors

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 the funds."

Our audit revealed that the Committee reported seven (7) **contributions** totaling \$925.00 and one (1) **expenditure** in the amount of \$50.00 in which proper documentation were not provided.

In the Statement of Findings issued on June 19, 2015, the Audit staff recommended that the Committee provide the proper documentation to substantiate each of the aforementioned seven (7) contributions totaling \$925.00 and the one (1) expenditure in the amount of \$50.00 that were previously not provided.

On July 7, 2015, the Committee provided the proper documentation to substantiate each of the aforementioned seven (7) contributions and one (1) expenditure that were previously not provided as recommended by the Audit staff in the Statement of Findings.

RECOMMENDATION

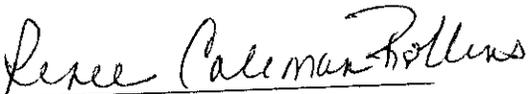
We, therefore, recommend that this Report be issued as the "Audit Report." We have determined that the Amended March 10, 2015 Report filed by the Friends of Leon T. Andrews, Jr., Principal Campaign Committee, with the Director, Office of Campaign Finance, is in substantial compliance with the D.C. Official Code Section 1-1163.09.


Dwayne A. Gilliam, Sr.
Supervisory Auditor

July 31, 2015
Date

CONCURRENCE

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


Renee Coleman-Rollins
Audit Manager

July 31, 2015
Date

AUDIT APPROVED FOR RELEASE:


Cecily E. Collier-Montgomery
Director
Office of Campaign Finance

July 31, 2015
Date