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To embezzlepolicy@fec.gov

cc

Subject Public Comments for Proposed Embezzlement
Safeguards

Dear Mr. Stoltz:

I have studied the materials regarding the above.

They are excellent suggestions and my committee has been following most of these procedures since inception. The only comment I would have is that some judgment will be required in the implementation of certain controls. For example you suggest that someone other than the check signer reconcile the bank accounts. Ideally that would be correct; however, since I am a CPA the Congressman has me handle that aspect. What I have done to overcome that weakness is require that ONLY the Congressman, the Chief or Staff, the Finance Director (or Asst. Fin. Dir.) or the Campaign Manager (only during campaign season) be allowed to authorize disbursements. Such authorization must be in writing (E-mails are considered acceptable). Every check is pre-numbered and issued in sequential order. In addition every check is photocopied with the authorization and vendor's invoice (if applicable) attached. The only exception are paychecks. However the Chief of Staff and the Congressman inform me of all hires, terminations, resignations and pay levels in writing.

The other area I would like to comment on is the dual signatures. I think it is a very good idea. However again some judgment is also required here. In Long Island, NY a campaign routinely can spend well over a million dollars per cycle and will often issue checks over one thousand dollars. In my campaign I will probably adopt a \$5,000 threshold if permitted by the commission.

Finally I would recommend the use of an internal control questionnaire as a means of documenting a committee's internal control policies; with exceptions if any noted and explained.

Please feel free to contact me with any questions or comments you have regarding this response.

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