

Finding 2. Disclosure of Contributions Made to Federal Candidate Committees

Summary

During audit fieldwork, the Audit staff determined that NTMA failed to properly disclose the required information for contributions made to federal candidate committees totaling \$52,887. In response to the exit conference, NTMA filed amended disclosure reports that corrected the errors. In response to the Interim Audit Report recommendation and the Draft Final Audit Report, NTMA stated it had no further comments

The Commission approved a finding that NTMA failed to correctly disclose contributions made to federal candidate committees totaling \$52,887.

Legal Standard

Reporting Contributions to Candidate Committees. Contributions to candidates and political committees must be itemized, regardless of amount. This information includes:

- The amount of the expenditures;
- The date when the expenditures were made;
- The name and address of the payee;
- The purpose of the expenditures 52 U.S.C. § 30104(b)(5)(A) and 11 CFR §104.3(b)(3)(i); and
- The candidate's name and office sought (including the state and, if applicable, Congressional district) 11 CFR § 104.3(b)(3)(v).

Facts and Analysis

A. Facts

During audit fieldwork, the Audit staff reviewed NTMA's disbursement records and disclosure reports for proper reporting of contributions made to federal candidate committees. This review identified 51 contributions totaling \$52,887 that were either incorrectly disclosed or missing the required disclosure information. The majority of these errors were the result of the candidate's office sought, district or state not being disclosed. Additionally, in-kind contributions made to federal candidates were incorrectly disclosed as direct contributions.

B. Interim Audit Report & Audit Division Recommendation

The Audit staff discussed this matter with NTMA representatives at the exit conference and provided a schedule of the disclosure errors noted above. In response to the exit conference, NTMA filed amended reports that corrected the disclosure errors. NTMA also stated it has now hired an accounting firm to prepare and file disclosure reports and that a staff member attended the FEC regional conference in February 2020, to increase their knowledge of campaign finance law and reporting requirements.

The Interim Audit Report recommended that NTMA provide any additional comments it deemed relevant to this matter.

C. Committee Response to Interim Audit Report

In response to the Interim Audit Report recommendation, NTMA provided no further comments.

D. Draft Final Audit Report

The Draft Final Audit Report recommended that NTMA provide any additional comments it deemed relevant to this matter.

E. Committee Response to the Draft Final Audit Report

In response to the Draft Final Audit Report, NTMA provided no further comments.

Commission Conclusion

On January 14, 2021, the Commission considered the Audit Division Recommendation Memorandum in which the Audit staff recommended that the Commission find that NTMA failed to correctly disclose contributions made to federal candidate committees totaling \$52,887.

The Commission approved the Audit staff's recommendation.