

24L-23

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: July 16, 2024

ANALYST: Michael Beckman

- I. COMMITTEE: Alaska Democratic Party
C00191247
Monica Southworth, Treasurer
P.O. Box 240207
Anchorage, AK 99524
- II. RELEVANT STATUTE: 52 U.S.C. § 30104(b)(2), (b)(4)
11 C.F.R. §104.3(a), (b)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

The Alaska Democratic Party (“the Committee”) failed to disclose all financial activity in its 2023 Year-End Report filed on January 31, 2024. On February 20, 2024, the Committee filed an Amended 2023 Year-End Report which disclosed \$370,000.00 in additional receipts and \$352,500.00 in additional disbursements which were not disclosed in the original report (Attachment 1).

On January 31, 2024, the Committee filed the original [2023 Year-End Report](#) covering the period from December 1, 2023 to December 31, 2023. The report disclosed \$2,941.17 in receipts on Line 12 (Transfers From Affiliated/Other Party Committees) of the [Detailed Summary Page](#), and no disbursements on Line 22 (Transfers to Affiliated/Other Party Committees) of the [Detailed Summary Page](#).

On February 20, 2024, the Committee filed an [Amended 2023 Year-End Report](#). The report disclosed \$372,941.17 in receipts on Line 12 of the [Detailed Summary Page](#), a total increase of \$370,000.00 from the original report. Additionally, the report disclosed \$352,500.00 in disbursements on Line 22 of the [Detailed Summary Page](#), a total increase

of \$352,500.00 from the original report (Attachment 1). [Memo text¹](#) was attached to the report stating, in part:

“A transfer in from the Biden Victory Fund and a transfer out to the Democratic National Committee were unintentionally left off the original version of this report due to a clerical error relating to the new year. The Biden Victory Fund transfer was reflected on the original version of this report in Column B, but not correctly appears in Column A as well. The dates on these transactions have been adjusted to correctly appear on this report, which has been amended to more accurately reflect the public record.”

On April 9, 2024, a [Request for Additional Information \(RFAI\)](#) was sent to the Committee referencing the Amended 2023 Year-End Report, received February 20, 2024. The RFAI requested any additional clarification regarding the substantial increase in receipts and disbursements disclosed in the Amended 2023 Year-End Report.

On May 14, 2024, the Committee filed an [FEC Form 99 \(Miscellaneous Electronic Submission\)](#) in response to the RFAI referencing the Amended 2023 Year-End Report. The Committee stated:

“This is in response to the Commission's Request for Additional Information dated April 9, 2024. The increase in both receipts and disbursements was unintentional and was caused due to a clerical issue when the transactions were being uploaded into the Committee's compliance software. When the Date of Receipt for the 12/21/2023 Biden Victory Fund contribution was being entered into a spreadsheet, the individual in charge of the reporting process entered "12/21" into the date column. Because the spreadsheet was uploaded in 2024, rather than 2023, the software defaulted to what was at time of upload the current the year, 2024, rather than 2023 as was intended. A similar error occurred when uploading the spreadsheet containing the 12/22/2023 Democratic National Committee. The date "12/22" was typed into the Date of Disbursement column, and the software defaulted it to 2024, rather than 2023. During reconciliation of the 2023 Year-End Report, the transactions themselves were present in the compliance software, so their absence on the report was not caught at the time of filing. As soon as this was caught by the Committee's compliance team on 2/20/2024, an amendment was filed immediately to more accurately reflect the public record. Since this unintentional error was discovered, the Committee has made changes to its internal reconciliation process to ensure that this exclusion of transactions will not occur again in the future.”

¹ The \$370,000.00 transfer from the Biden Victory Fund and the \$352,500.00 transfer to the Democratic National Committee were reflected in the total amounts disclosed on Lines 12 and 22 of the Detailed Summary Page in Column B (Calendar Year to Date Total) of the original 2023 Year-End Report received on January 31, 2024. The activity was not included on Lines 12 or 22 of the Detailed Summary Page in Column A (Total This Period) or itemized on Schedule A or B of the original report.

RAD Referral 24L-23
Alaska Democratic Party
Page 3 of 3

Since June 6, 2024, the Reports Analysis Division (RAD) logged three (3) communications with a representative of the Committee, which reflects efforts to help the Committee voluntarily comply with the Act regarding the matters referenced above. RAD was able to connect with the Committee on one (1) occasion with Blair Schuman, a representative for the Committee, notifying him that the matter would be referred to another Commission office for further review (Attachment 2). To date, no further communications have been received from the Committee regarding these matters.

Filings and correspondence related to the Committee can be found here: [Alaska Democratic Party](#).

Alaska Democratic Party (C00191247)[2023 Year-End Report/Amended 2023 Year-End Report](#)Overview of Additional Receipts

Report Line	<u>Original 2023 Year-End Report</u>	<u>Amended 2023 Year-End Report, Received 2/20/2024</u>	Variance Amount
Line 12: Transfers From Affiliated/Other Party Committees	\$2,941.17	\$372,941.17	\$370,000.00
		Total:	\$370,000.00

Alaska Democratic Party (C00191247)[2023 Year-End Report/Amended 2023 Year-End Report](#)Overview of Additional Disbursements

Report Line	<u>Original 2023 Year-End Report</u>	<u>Amended 2023 Year-End Report, Received 4/20/2023</u>	Variance Amount
Line 22: Transfers To Affiliated/Other Party Committees	\$0.00	\$352,500.00	\$352,500.00
		Total:	\$352,500.00