

## REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: October 28, 2005

ANALYST: Edward D. Ryan

- I. COMMITTEE: American Institute of Certified Public Accountants Political Action Committee (C00077321)  
Mr. Anthony Pugliese, Treasurer (April 19, 2005 to Present)  
Ms. Dale Atherton, Treasurer (February 27, 2001 to April 18, 2005)  
Harborside Financial Center  
201 Plaza III  
Jersey City, NJ 07311
- II. RELEVANT STATUTE: 2 U.S.C. §434(b)(2)(A)  
11 C.F.R. §104.3(a)(2)(i)(A)  
11 C.F.R. §104.3(a)(2)(i)(B)

## III. BACKGROUND:

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

On March 11, 2005, the American Institute of Certified Public Accountants Political Action Committee ("the Committee") filed an Amended 2004 August Monthly Report disclosing \$111,828.00 in additional receipts, an Amended 2004 September Monthly Report disclosing \$81,663.50 in additional receipts and an Amended 2004 Year End Report disclosing \$59,923.10 in additional receipts (Attachment 2).

**2004 August Monthly Report**

On August 18, 2004, the Committee filed the 2004 August Monthly Report covering the period from July 1, 2004 through July 31, 2004 (Image 24962125048). This report disclosed no receipts on Lines 11(a)(i) and 11(a)(ii) (Itemized and Unitemized

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Contributions from Individuals/Persons Other Than Political Committees) of the Detailed Summary Page (Image 24962125050).

On March 11, 2005, the Committee filed an Amended 2004 August Monthly Report that disclosed \$111,828.00 on Lines 11(a)(i) and 11(a)(ii) (Itemized and Unitemized Contributions from Individuals/Persons Other Than Political Committees) of the Detailed Summary Page (Image 25990219038).

On April 6, 2005, a Request for Additional Information ("RFAI") was sent to the Committee. The RFAI asked for clarification regarding the \$111,828.00 in additional receipts that were not disclosed on the Committee's original 2004 August Monthly Report (Image 25038771325).

On May 6, 2005, the Committee submitted another Amended 2004 August Monthly Report with a miscellaneous "memo" text attached explaining the additional receipts. The Committee stated that, "The additional receipts of \$111,828 on the Amended report were not disclosed on our original report due to programming issues arising from a major systems conversion. The AICPA has recently converted its Legacy systems to an Oracle-based platform, requiring the conversion of data fields and extensive testing to ensure accuracy, which extended longer than planned, and caused us to omit these receipts on the original report." (Image 25990729289)

#### **2004 September Monthly Report**

On September 17, 2004, the Committee filed the 2004 September Monthly Report covering the period from August 1, 2004 to August 31, 2004 (Image 24971478600). This original report disclosed no receipts on Lines 11(a)(i) and 11(a)(ii) (Itemized and Unitemized Contributions from Individuals/Persons Other Than Political Committees) of the Detailed Summary Page (Image 24971478602).

On March 11, 2005, the Committee filed an Amended 2004 September Monthly Report that disclosed \$81,663.50 on Lines 11(a)(i) and 11(a)(ii) (Itemized and Unitemized Contributions from Individuals/Persons Other Than Political Committees) of the Detailed Summary Page (Image 25990219847).

On April 6, 2005, an RFAI was sent to the Committee. The RFAI asked for clarification regarding the \$81,663.50 in additional receipts that were not disclosed on the Committee's original 2004 September Monthly Report (Image 25038771327).

On May 6, 2005, the Committee submitted another Amended 2004 September Monthly Report with a miscellaneous "memo" text attached explaining the additional receipts. The Committee stated that, "The additional receipts of \$81,663 on the Amended report were not disclosed on our original report due to programming issues arising from a major systems conversion. The AICPA has recently converted its Legacy systems to an Oracle-based platform, requiring the conversion of data fields and extensive testing to ensure accuracy, which extended longer than planned, and caused us to omit these receipts on the original report." (Image 25990729300)

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## **2004 Year End Report**

On January 31, 2005, the Committee filed its 2004 Year End Report covering the period from November 23, 2004 to December 31, 2004 (Image 25980394323). This original report disclosed no receipts on Lines 11(a)(i) and 11(a)(ii) (Itemized and Unitemized Contributions from Individuals/Persons Other Than Political Committees) of the Detailed Summary Page (Image 25980394325).

On March 11, 2005, the Committee filed an Amended 2004 Year End Report that disclosed \$59,923.10 on Lines 11(a)(i) and 11(a)(ii) (Itemized and Unitemized Contributions from Individuals/Persons Other Than Political Committees) of the Detailed Summary Page (Image 25990220357).

On April 6, 2005, an RFAI was sent to the Committee. The RFAI asked for clarification regarding the \$59,923.10 in additional receipts that were not disclosed on the Committee's original 2004 Year End Report (Image 25038771322).

On May 3, 2005, Ms. Cynthia Lund, a representative of the Committee, called the Reports Analysis Division ("RAD") to speak with an Analyst regarding the Committee's responses to RFAI's for the Amended 2004 August Monthly, Amended 2004 September Monthly, Amended 2004 30 Day Post-General and Amended 2004 Year End Reports. Ms. Lund was preparing a letter explaining why the reports were filed with missing receipt information, and she wanted to run the response by a RAD analyst before filing. Ms. Lund said the Committee was in the process of switching over to a new Oracle database and because of this switch they were unable to transmit the receipt information to the FEC when the reports were due. Ms. Lund was told by the Analyst to submit the explanation in writing, and to make sure it was sent electronically via a miscellaneous electronic submission (Form 99) or as a memo text included within the reports referenced in the RFAI's. Ms. Lund was further reminded that an electronic filer could not file a response on paper. Ms. Lund said she would send her response to her electronic filing person in New Jersey and he would upload the response directly (Attachment 3).

On May 6, 2005, the Committee submitted an Amended 2004 Year End Report with a miscellaneous "memo" text attached, explaining the additional receipts. The Committee stated that, "The additional receipts of \$59,923 on the Amended report were not disclosed on our original report due to programming issues arising from a major systems conversion. The AICPA has recently converted its Legacy systems to an Oracle-based platform, requiring the conversion of data fields and extensive testing to ensure accuracy, which extended longer than planned, and caused us to omit these receipts on the original report" (Image 25980499737).

On June 29, 2005, Cynthia Lund called a RAD analyst regarding a message she received from the RAD analyst assigned to her Committee. The Analyst explained that the Committee had disclosed an increase in activity on the 2004 Amended August Monthly, Amended September Monthly and Amended Year End Reports and due to the dollar amounts involved, the matter was referable to the Office of General Counsel (OGC). Ms. Lund was advised that the Commission wanted to give the Committee the opportunity to provide any additional information about the situation in case the issue was

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pursued further. She was advised to file a miscellaneous electronic submission referencing the above reports and to outline what happened in more detail. In addition, she was told that typically a committee has about a week to respond and if she had more questions, she could wait to speak with her assigned RAD analyst. Ms. Lund said it would not be a problem to have it in by the end of following week (Attachment 4).

To date, no further communication has been received from the Committee regarding this matter.

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