

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: February 21, 2013

ANALYST: Bradley Matheson

I. COMMITTEE: Sherman for Congress
C00308742
Stephen J. Kaufman, Treasurer
777 S. Figueroa St., Ste. 4050
Los Angeles, CA 90017

II. RELEVANT STATUTES: 2 U.S.C. § 434(b)(8)
11 CFR § 104.3(d)

III. BACKGROUND:

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

Sherman for Congress ("the Committee") amended its 2012 October Quarterly Report to disclose additional debts of \$86,679.35, which were not reported in the original report (Attachment 2).

On October 15, 2012, the Committee filed the original 2012 October Quarterly Report covering the period from July 1, 2012 through September 30, 2012 (Image 12972682052). The report disclosed \$745,051.56 in debts on Line 10 (Debts and Obligations Owed by the Committee) of the Summary Page, \$702,500.00 of which were loans owed by the Committee and \$42,551.56 were newly incurred debts for the reporting period (Image 12972682053).

On October 25, 2012, the Committee filed an Amended 2012 October Quarterly Report (Image 12961206018). The report disclosed \$831,730.91 in debts on Line 10 of the Summary Page, \$702,500.00 of which were loans owed by the Committee and \$129,230.91 were newly incurred debts for the reporting period, an increase of \$86,679.35 from the original report (Image 12961206019).

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On November 23, 2012, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2012 October Quarterly Report, received October 25, 2012. The RFAI requested clarification regarding the substantial increase in debts that were not disclosed in the original filing (Image 12330016697).

On December 28, 2012, the Committee filed a Miscellaneous Electronic Submission ("Form 99") in response to the RFAI which stated, in part:

"The amended report discloses additional debts that were not previously disclosed on the Committees *[sic]* original October Quarterly Report. The relevant invoices and reimbursement requests were not received by the Committee until after it filed the original October Quarterly Report. Therefore, the Committee amended its October Quarterly Report on October 25, 2012, to ensure that these debts were disclosed before the date of the auction" (Image 12963870614).

On January 8, 9, and 25, 2012, the Reports Analysis Division (RAD) Analyst called Stacy Shin, the Committee's contact, and left a voicemail requesting a call back to discuss the increase in debts cited on the Amended 2012 October Quarterly Report.

On January 29, 2013, the RAD Analyst called Ms. Shin to inform her that the Committee would be referred for further Commission action due to the substantial increase in debts on the Amended October Quarterly Report, received 10/25/12. The Analyst advised Ms. Shin that if she wished to provide further clarification, she could submit an additional response. Ms. Shin stated she had nothing further to add, and that she was satisfied with the explanation the Committee has submitted (Attachment 3).

To date, no further communications have been received from the Committee regarding this matter.

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