

Part IV

Commission Findings

Finding 1. Misstatement of Financial Activity

Summary

During audit fieldwork, a comparison of DCRP's reported financial activity with its bank records revealed that, for 2010, DCRP understated its reported receipts and disbursements by \$31,817 and \$32,201, respectively. In response to the Interim Audit Report recommendation, DCRP amended its reports and materially corrected its misstatements.

The Commission approved a finding that DCRP misstated its financial activity for calendar year 2010.

Legal Standard

Contents of Reports. Each report must disclose:

- the amount of cash-on-hand at the beginning and end of the reporting period;
- the total amount of receipts for the reporting period and for the calendar year;
- the total amount of disbursements for the reporting period and for the calendar year; and
- certain transactions that require itemization on Schedule A (Itemized Receipts) or Schedule B (Itemized Disbursements). 2 U.S.C. §434(b)(1), (2), (3), (4) and (5).

Facts and Analysis

A. Facts

During audit fieldwork, the Audit staff reconciled reported financial activity with bank records for calendar years 2009 and 2010 and identified a misstatement of receipts and disbursements for 2010. The following chart outlines the discrepancies.

2010 Activity			
	Reported	Bank Records	Discrepancy
Opening Cash Balance @ January 1, 2010	\$1,178	\$2,045	\$867 Understated
Receipts	\$287,185	\$319,002	\$31,817 Understated
Disbursements	\$288,344	\$320,545	\$32,201 Understated
Ending Cash Balance @ December 31, 2010	\$19	\$502	\$483 Understated

The understatement of receipts resulted from the following.

