

REPORTS ANALYSIS DIVISION REFERRAL  
TO  
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: May 7, 2014

ANALYST: Brian Jones

I. COMMITTEE:

Defend America PAC  
C00325993  
John J. Lloyd, Treasurer  
P.O. Box 2626  
Tuscaloosa, AL 35403

II. RELEVANT STATUTE:

2 U.S.C. § 434(b)(2)  
11 CFR § 104.3(a)

III. BACKGROUND:

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

The Defend America PAC ("the Committee") amended its 2012 June Monthly Report to disclose additional receipts totaling \$204,250.00, which were not disclosed on the original report (Attachment 2).

On June 16, 2012, the Committee filed the original 2012 June Monthly Report covering the period from May 1, 2012 through May 31, 2012. The report disclosed \$81,500.00 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals) and \$30,000.00 in receipts on Line 11(c) (Contributions from Other Political Committees) of the Detailed Summary Page (Image 12952130318).

On July 15, 2012, the Committee filed an Amended 2012 June Monthly Report. The report disclosed \$215,750.00 in receipts on 11(a)(i) and \$100,000.00 in receipts on Line 11(c) of the Detailed Summary Page, a total increase in receipts of \$204,250.00 from the original report (Image 12952472174; Attachment 2).

On November 1, 2012, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2012 June Monthly Report, received July 15, 2012. Among other items, the RFAI requested clarification regarding the substantial increase in receipts on the Amended 2012 June Monthly Report, that were not disclosed in the original filing (Image 12330015120).

On December 4, 2012, John Lloyd, the Committee's Treasurer, called the Reports Analysis Division (RAD) Analyst to discuss the RFAI referencing the Amended 2012 June Monthly Report, received July 15, 2012. The Analyst stated that the Committee may be referred for further action to the Commission for the increase in activity disclosed on the Amended 2012 June Monthly Report. The Analyst also informed Mr. Lloyd that the Committee had the option of filing a Miscellaneous Electronic Submission ("Form 99") to provide additional information on the public record if they wished to do so (Attachment 3).

On December 5, 2012, the Committee filed an Amended 2012 June Monthly Report. The report disclosed no change in receipts from the previous amendment (Image 12940827202).

Also on December 5, 2012, Mr. Lloyd called to inform the RAD Analyst that the Committee intended to file a Form 99 clarifying the increase in activity disclosed on the Amended 2012 June Monthly Report, received July 15, 2012 (Attachment 3).

On December 6, 2012, the Committee filed a Form 99. The Committee stated, in part:

"As per our telephone conversation yesterday, the amended June monthly report filed on July 15, 2012 correctly reports receipts that were not properly disclosed due to clerical errors in the data entry process for the original report filed on June 16, 2012. During preparation of the July 2012 monthly report, it was discovered by the committee that four (4) contribution/deposit batches for the June monthly report were incorrectly entered on the FEC campaign software resulting in the batches not appearing correctly on the June monthly report. The error was discovered on July 15, 2012 and the committee filed an amended June monthly report on July 15, 2012 (the same day) to correctly report activity for June 2012. The amended report disclosed a substantial increase (\$204,250.00) because the four contribution batches were in the amounts of \$97,000, \$50,000, \$32,500 and \$24,750 resulting in a total of \$204,250. Three of the batches were for contributions received on 5/30/2012 and the fourth batch was for contributions in the amount of \$24,750 for contributions received on 5/9/2012. Because the contributions were received during the period of May 1, 2012 to May 31, 2012, the committee amended its report to correctly show the receipt of the contributions on its June monthly report. The committee uses FEC campaign software that allows multiple contributions to be entered in batches/groups so that the clerk only has to enter the date once for all of the contributions in the batch/group, which saves time and usually helps to reduce data entry errors and transposing of numbers. However, if the date for the batch is entered incorrectly, then all of the contributions in the batch are wrong. The date for the batches were incorrectly entered for these four contribution batches, resulting in the campaign

software not picking up the contributions for the June report when it was electronically filed. The error was discovered when the committee was preparing to file the next electronic monthly report. Immediately upon discovering the clerical error, the committee amended the June monthly report to correctly report and disclose the contributions as being received in May 2012” (Image 12962850980).

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

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