

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: May 21, 2014

ANALYST: Kaitlin Eger

I. COMMITTEE: Committee on Letter Carriers Political Education (Letters Carriers Political Action Fund)
C00023580
William H. Young, Treasurer
100 Indiana Ave., NW
Washington, DC 20001

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 Committee on Letter Carriers Political Education (Letters Carriers Political Action Fund) ("the Committee") amended its 2012 30 Day Post-General Report to disclose additional receipts totaling \$186,237.12, which were not disclosed on the original report (Attachment 2).

On December 5, 2012, the Committee filed the original 2012 30 Day Post-General Report covering the period from October 18, 2012 through November 26, 2012. The report disclosed \$24,475.40 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals) and \$159,418.28 in receipts on Line 11(a)(ii) (Unitemized Contributions from Individuals) of the Detailed Summary Page (Image 12961352930).

On January 30, 2013, February 5, 2013, and May 14, 2013, the Committee filed Amended 2012 30 Day Post-General Reports, which disclosed no changes in receipts from the original report (Images 13940077101, 13940102984, and 13940701830 respectively).

On July 10, 2013, the Committee filed an Amended 2012 30 Day Post-General Report. The amended report disclosed \$88,627.37 in receipts on Line 11(a)(i) and \$281,503.43 in receipts on Line 11(a)(ii) of the Detailed Summary Page, a total increase in receipts of \$186,237.12 from the original report (Image 13940970389, Attachment 2).

On August 23, 2013, a Request for Additional Information ("RFAI") was sent to the Committee referencing the Amended 2012 30 Day Post-General Report, received July 10, 2013. The RFAI requested clarification regarding the substantial increase in receipts disclosed on the Amended 2012 30 Day Post-General Report that were not disclosed on the original report (Image 13330037757).

On September 24, 2013, the Committee filed a Miscellaneous Electronic Submission ("Form 99"), stating in part:

"The additional \$186,237.12 in receipt activity was not disclosed on the original report due to an error made during the receipt data import process. The import error caused some of our PAC receipts to be dated as 11/30/12 receipts by mistake and these records were included on our original FEC Year-End Report. The data error was discovered in July and we immediately corrected our receipt records and prepared an Amended 30 Day Post-General Report in order to properly disclose our PAC activity" (Image 13941660207).

On November 26, 2013, the Analyst spoke with Ms. Slater and explained that the increase in receipts disclosed on the Committee's Amended 2012 30 Day Post-General Report, received July 10, 2013, was an issue that could be referred for further action to the Commission. The Analyst explained that the purpose of the call was to give the Committee the opportunity to provide further clarification about the increase in activity on the public record (Attachment 3).

On December 4, 2013, the Committee filed another Form 99, stating in part:

"The additional \$186,237.12 in receipt activity was not disclosed on the original report due to errors made by our outside vendor during the receipt data import process. The import error caused some of our PAC receipts to be dated 11/30/12 (rather than within the Post-General period) and also miscoded some as unitemized receipt records. As a result of these errors, these records were included as unitemized receipts on Line 11(a)(ii) in our original FEC Year-End Report. Therefore, the overall receipt totals for 2012 were disclosed to the public by the end of January

2013. The subsequent amendments served to itemize them properly in each reporting period.

We discovered this data error in July during our annual voluntary PAC audit, and we immediately requested that our vendor correct our receipt records and prepare the Amended 30 Day Post-General Report in order to properly disclose our PAC receipt activity.

We have worked closely with our vendor to improve their receipt entry and audit procedures to ensure that all of our PAC receipt records are coded correctly and that the system total matches the total of the contributions in the file provided for each reporting period. We believe that our vendor has made the requested changes to their receipt entry procedures and are confident that this mistake will not occur again in the future.

Our goal is to file accurate and timely reports that meet all FEC disclosure regulations. We hope that our explanation of our audit process, the voluntary [sic] amendments filed and our enhanced efforts to improve accuracy in the future will illustrate that our intention was always to fully itemize and disclose [sic] data properly. We have not had a similar occurrence [sic] in the past, and we trust our record along with our written explanation will serve to adequately respond to your request and lay this matter to rest" (Image 13942738409).

On March 7, 2014, the Committee filed an Amended 2012 30 Day Post-General Report. The amendment disclosed no changes in receipts from those disclosed on the Amended 2012 30 Day Post-General Report, received July 10, 2013 (Image 14960490349, Attachment 2).

To date, no additional information has been provided by the Committee regarding this matter.