

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: August 6, 2014

ANALYST: Paul Stoetzer

I. COMMITTEE:

FaegreBD PAC
C00386904
Frederick Garver, Treasurer
300 N. Meridian Street
Suite 2700
Indianapolis, IN 46204

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)

FaegreBD PAC ("the Committee") amended its 2013 October Monthly Report to disclose additional receipts of \$125,000.00 that were not disclosed in the original report (Attachment 2).

On October 18, 2013, the Committee filed the original 2013 October Monthly Report covering the period from September 1, 2013 through September 30, 2013. The report disclosed \$3,031.42 in receipts on Line 11(a)(i) (Itemized Contributions from Individuals) of the Detailed Summary Page (Image 13964806433).

On February 18, 2014, the Committee filed an Amended 2013 October Monthly Report. The report disclosed no changes in receipts from the original report (Image 14940509514).

On March 19, 2014, the Committee filed an Amended 2013 October Monthly Report. The report disclosed \$128,031.42 in receipts on Line 11(a)(i) of the Detailed Summary Page, a total increase in receipts of \$125,000.00 from the original report (Image 14960512317, Attachment 2).

On April 20, 2014, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2013 October Monthly Report, received March 19, 2014. The RFAI requested clarification regarding the substantial increase in receipts disclosed on the Amended 2013 October Monthly Report that were not disclosed on the original filing (Image 14330048812).

On May 22, 2014, Ken Beaver, office manager for the Committee, called the Reports Analysis Division (RAD) Analyst to discuss, among other issues, the RFAI sent to the Committee regarding the Amended 2013 October Monthly Report. Mr. Beaver explained that the unreported receipts were the result of a miscommunication regarding a wire transfer and asked how the Committee should respond to the RFAI. The Analyst stated that he should explain the situation and what has been done to ensure accurate and timely reporting of all receipts in the future in a Miscellaneous Electronic Submission ("Form 99"). Mr. Beaver also asked if there would be any additional action regarding the matter. The Analyst told him that the matter would be referred to another office for potential further action (Attachment 3).

On May 27, 2014, the Committee filed a Form 99 in response to the RFAI, which stated, in part:

"The FBD PAC receives support from partners and employees of the law firm of Faegre Baker Daniels. That firm is the consequence of a 2012 merger of Baker & Daniels with Faegre & Benson. Since the merger we have had a number of changes within the accounting administration part of the organization. In the process of transitioning the management of the PAC accounting and reporting last Fall to new persons, two deposits were made to the PAC which the new staff failed to properly take note of. We identified, through a routine 2013 year end PAC audit in January 2014, the unreported deposits and the relevant reports were immediately amended.

Faegre Baker Daniels takes seriously the responsibilities in accurately reporting all relevant PAC transactions. Our process has routinely required the persons handling and approving deposits and disbursements are separate from those persons responsible for reconciliation and reporting. With the change in personnel in Fall 2013, that process did not work as required, reflecting a lack of experience.

We have procedures requiring a monthly reconciliation of bank statements and accounting records and are ensuring the training of redundant accounting and reporting personnel in these procedures. The PAC will also utilize new PAC specific accounting software which several members

of the firm will be trained on. In addition, we are requiring all those involved with management or reporting responsibilities for the PAC account take the FEC course in PAC management.

We regret this inaccurate reporting and are confident that there will be no further errors in PAC reporting” (Image 14961228923).

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

UNRECORDED