

Chris Mashiba <cmashiba@cades.com>

03/02/2012 07:20 PM

Dear Tom:

I have amended Djou For Hawaii's FEC disclosure reports for the unreported debts and cash balance adjustment per the FEC interim audit report.

The specific amended reports are as follows:

Amended Reports for Unreported Debts

FEC-767279 – April 2010 Quarterly

FEC-767339 – Pre-Special 2010

FEC-768007 – July 2010 Quarterly

FEC-768203 – Oct 2010 Quarterly

FEC-768204 – Pre-General 2010

Amended Reports for Cash Balance Adjustment

FEC-768669 – April 2011 Quarterly

I will be sending you a letter before March 8, 2012, regarding additional information for consideration for the interim FEC audit report for Djou for Hawaii.

Thanks,

Chris Mashiba
Djou for Hawaii

Chris Mashiba <cmashiba@cades.com>

03/08/2012 04:56 AM

Subject: Additional Information to consider for Interim Audit Report - Djou for Hawaii

Dear Tom/Philomena:

The purpose of this email is to provide additional information for consideration for the interim audit report.

1. **Unrecorded Debts.** The campaign continues to believe that a majority of the unrecorded debts were either for: (a) invoices that we did not receive until shortly before payment (e.g., Edward Enterprise), or (b) invoices that were being disputed, in which case the amount of the debt actually due was unknown as of the respective FEC report dates. Please see attached emails for further details.
2. **48 Hour reports.** The remaining 48 hour reports did not disclose the reportable contributions as noted in the interim audit report. The reason why those contributions were not reported in the 48 hour reports was because overall contributions were being received at an enormous rate during the reporting periods and due to the shortage of manpower, some of those contributions were physically inputted into our FEC software a day or two after the dates they were received but the transaction date still used was the receipt date. I was timely checking the contribution receipts in the FEC software and uploading the 48 hour reports. However, on certain occasions, I was not able to report some of the contributions for the 48 hour report that were received on the respective 48 hour report date because they were in fact entered into the software a day or two later by another volunteer staff member. This procedure has been corrected and should not happen again in this next election cycle.
3. **Cash Overstatement.** We were having software problems in connection with the reconciliation of the FEC reports. This caused a delay in correcting the discrepancies. Further, the all-volunteer accounting team was very short staffed relative to the significant volume of transactions in 2010. However, we now have more help with the accounting so we do not foresee any similar problems being repeated for this next election cycle.

Thank you for your continued consideration.

Sincerely,

Chris Mashiba
Treasurer for Djou for Hawaii