

August 21, 2012

MEMORANDUM

To: The Commission

Through: Alec Palmer
Staff Director

From: Patricia C. Orroek
Chief Compliance Officer

Tom Hintermister
Assistant Staff Director
Audit Division

Marty Favin
Audit Manager

By: Camilla Reminsky
Lead Auditor

Subject: Audit Division Recommendation Memorandum on Friends of Sharron Angle (FOSA) (A11-09)

Pursuant to Commission Directive No. 70 (FEC Directive on Processing Audit Reports), the Audit staff presents its recommendations below and discusses the findings in the attached Draft Final Audit Report (DFAR). The Office of General Counsel has reviewed this memorandum and concurs with the recommendations.

Finding 1. Filing of 48-Hour Notices

In its response to the DFAR, FOSA had no additional comments on this finding. The Audit staff recommends that the Commission find that FOSA filed in an untimely manner or failed to file 48-hour notices for 169 contributions totaling \$243,750, that were made prior to the primary and general elections.

Finding 2. Reporting of Debts and Obligations

In its response to the DFAR, FOSA had no additional comments on this finding. The Audit staff recommends that the Commission find that FOSA failed to itemize debts totaling \$2,287,080 on Schedule D (Debts and Obligations).

The Committee did not request an audit hearing.

If this memorandum is approved, a Proposed Final Audit Report will be prepared within 30 days of the Commission's vote.

In case of an objection, Directive No. 70 states that the Audit Division Recommendation Memorandum will be placed on the next regularly scheduled open session agenda.

Documents related to this audit report can be viewed in the Voting Ballot Matters folder. Should you have any questions, please contact Camilla Reminsky or Marty Favin at 694-1200.

Attachment:

- Draft Final Audit Report of the Audit Division on Friends of Sharron Angle

cc: Office of General Counsel