



Final Audit Report of the Commission on the Massachusetts Democratic State Committee – Fed Fund (January 1, 2009 - December 31, 2010)

Why the Audit Was Done

Federal law permits the Commission to conduct audits and field investigations of any political committee that is required to file reports under the Federal Election Campaign Act (the Act). The Commission generally conducts such audits when a committee appears not to have met the threshold requirements for substantial compliance with the Act.¹ The audit determines whether the committee complied with the limitations, prohibitions and disclosure requirements of the Act.

About the Committee (p. 2)

The Massachusetts Democratic State Committee – Fed Fund is a state party committee headquartered in Boston, Massachusetts. For more information, see the chart on the Committee Organization, p. 2.

Financial Activity (p. 2)

• Receipts	
○ Contributions from Individuals	\$ 3,606,019
○ Transfers from Other Party Committees	902,521
○ Offsets to Operating Expenditures	51,557
○ Transfers from Non-federal Account	93,000
○ Other Receipts	14
Total Receipts	\$ 4,653,111
• Disbursements	
○ Operating Expenditures	\$ 1,564,656
○ Transfers to Other Party Committees	4,402
○ Coordinated Expenditures	716,739
○ Refunds of Contributions	12,720
○ Federal Election Activity	2,201,374
○ Other Disbursements	1,890
Total Disbursements	\$ 4,501,781

Commission Finding (p. 3)

Based upon an examination of the statements and reports filed, and the records presented by the Massachusetts Democratic State Committee – Fed Fund, no material non-compliance was discovered.

¹ 2 U.S.C. §438(b).

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Part I

Background

Authority for Audit

This report is based on an audit of the Massachusetts Democratic State Committee – Fed Fund, undertaken by the Audit Division of the Federal Election Commission (the Commission) in accordance with the Federal Election Campaign Act of 1971, as amended (the Act). The Audit Division conducted the audit pursuant to 2 U.S.C. §438(b), which permits the Commission to conduct audits and field investigations of any political committee that is required to file a report under 2 U.S.C. §434. Prior to conducting any audit under this subsection, the Commission must perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act. 2 U.S.C. §438(b).

Scope of Audit

Following Commission-approved procedures, the Audit staff evaluated various risk factors and as a result, this audit examined:

1. the receipt of excessive contributions and loans;
2. the receipt of contributions from prohibited sources;
3. the disclosure of contributions received;
4. the disclosure of individual contributors' occupation and name of employer;
5. the disclosure of disbursements, debts and obligations;
6. the disclosure of expenses allocated between federal and non-federal accounts;
7. the disclosure of independent expenditures;
8. the consistency between reported figures and bank records;
9. the completeness of records; and
10. other committee operations necessary to the review.

Part II

Overview of Committee

Committee Organization

Important Dates	
• Date of Registration	March 11, 1978
• Audit Coverage	January 1, 2009 - December 31, 2010
Headquarters	Boston, Massachusetts
Bank Information	
• Bank Depositories	Two
• Bank Accounts	Two Federal, One Non-federal
Treasurer	
• Treasurer When Audit Was Conducted	Eric Turner
• Treasurer During Period Covered by Audit	Eric Turner
Management Information	
• Attended Commission Campaign Finance Seminar	Yes
• Who Handled Accounting and Recordkeeping Tasks	Paid Staff

Overview of Financial Activity (Audited Amounts)

Cash-on-hand @ January 1, 2009	\$ 47,128
Receipts	
○ Contributions from Individuals	3,606,019
○ Transfers from Other Party Committees	902,521
○ Offsets to Operating Expenditures	51,557
○ Transfers from Non-federal Account	93,000
○ Other Receipts	14
Total Receipts	\$ 4,653,111
Disbursements	
○ Operating Expenditures	1,564,656
○ Transfers to Other Party Committees	4,402
○ Coordinated Expenditures	716,739
○ Refunds of Contributions	12,720
○ Federal Election Activity	2,201,374
○ Other Disbursements	1,890
Total Disbursements	\$ 4,501,781
Cash-on-hand @ December 31, 2010	\$ 198,458

Part III

Commission Finding

Based upon an examination of the statements and reports filed, and the records presented by the Massachusetts Democratic State Committee - Fed Fund, no material non-compliance was discovered.