



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 5, 2012

MEMORANDUM

TO: Patricia C. Orrock
Chief Compliance Officer

Thomas Hintermister
Assistant Staff Director – Audit Division

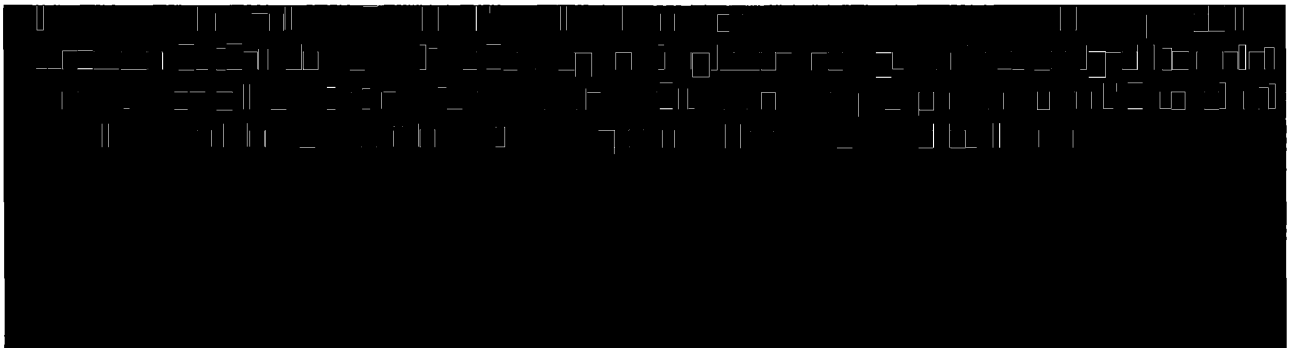
FROM: Lisa J. Stevenson
Deputy General Counsel – Law *LJS*

Lorenzo Holloway *LH*
Assistant General Counsel
For Public Finance and Audit Advice

Delanie DeWitt Painter *DDP*
Attorney

SUBJECT: Proposed Interim Audit Report on North Dakota Republican Party (LRA 883)

The Office of the General Counsel has reviewed the proposed Interim Audit Report ("IAR") for the North Dakota Republican Party ("Committee"). You requested our legal analysis of Finding 2: Recordkeeping for Salaries and Wages. The Committee paid most of its payroll from its federal account and a small amount from its non-federal account, and reported payroll costs as federal operating activity or federal election activity and a small amount as shared activity. The Committee did not maintain any monthly time logs, but it submitted affidavits for all employees including those paid with 100% federal funds and reported on line 30(b). The proposed IAR recommends that the Committee develop and implement new procedures designed to maintain monthly payroll logs to track the percentage of time each employee spends on federal election activity, regardless of whether that employee is paid with 100% federal funds.



[REDACTED]

We concur with the remaining findings in the proposed IAR.¹ If you have any questions, please contact Delanie DeWitt Painter, the attorney assigned to this audit.

¹ We recommend that the Commission consider this document in Executive Session because the Commission may eventually decide to pursue an investigation of matters contained in the proposed IAR. 11 C.F.R. §§ 2.4(a) and (b)(6).