



Final Audit Report of the Commission on Freedomworks for America

(July 15, 2011 - December 31, 2012)

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)

Freedomworks for America is a nonconnected, independent expenditure-only committee headquartered in Washington, DC. For more information, see the chart on Committee Organization, p. 2.

Financial Activity (p. 2)

• Receipts	
○ Contributions from Individuals	\$ 23,447,457
○ Contributions from Other Political Committees	88,550
○ Offsets to Operating Expenditures	43,248
Total Receipts	\$ 23,579,255
• Disbursements	
○ Independent Expenditures	\$ 19,632,370
○ Operating Expenditures	2,921,264
○ Other Disbursements	63,928
Total Disbursements	\$ 22,617,562

Commission Finding (p. 3)

Based upon a limited examination of the statements and reports filed, and the records presented by Freedomworks for America, no material non-compliance was discovered.

¹ 52 U.S.C. §30111(b).

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Part I

Background

Authority for Audit

This report is based on an audit of Freedomworks for America, 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 52 U.S.C. §30111(b), which permits the Commission to conduct audits and field investigations of any political committee that is required to file a report under 52 U.S.C. §30104. 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. 52 U.S.C. §30111(b).

Scope of Audit

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

1. the consistency between reported figures and bank records;
2. the disclosure of individual contributors' occupation and name of employer;
3. the disclosure of independent expenditures;
4. the disclosure of debts and obligations pertaining to independent expenditures;
5. the completeness of records; and
6. other committee operations necessary to the review.

Part II

Overview of Committee

Committee Organization

Important Dates	
• Date of Registration	July 15, 2011
• Audit Coverage	July 15, 2011 - December 31, 2012
Headquarters	Washington, DC
Bank Information	
• Bank Depositories	One
• Bank Accounts	Two checking
Treasurer	
• Treasurer When Audit Was Conducted	R. Russ Walker (1/28/14 – 8/19/14) Matt Kibbe (8/20/14 – 1/29/15) James A. Cardillo (1/30/15 – 6/9/15) Cabell Hobbs (6/10/15 – 8/25/15) Melodie Johnson (8/26/15 – 5/19/16) Paul Kilgore (5/20/16 – present)
• Treasurer During Period Covered by Audit	R. Russ Walker (7/15/11 – 9/5/11) Ryan Hecker (9/6/11 – 12/31/12)
Management Information	
• Attended FEC Campaign Finance Seminar	Yes
• Who Handled Accounting and Recordkeeping Tasks	Paid Staff

Overview of Financial Activity (Audited Amounts)

Cash-on-hand @ July 15, 2011	\$ 0
Receipts	
○ Contributions from Individuals	23,447,457
○ Contributions from Other Political Committees	88,550
○ Offsets to Operating Expenditures	43,248
Total Receipts	\$ 23,579,255
Disbursements	
○ Independent Expenditures	19,632,370
○ Operating Expenditures	2,921,264
○ Other Disbursements	63,928
Total Disbursements	\$ 22,617,562
Cash-on-hand @ December 31, 2012	\$ 961,693

Part III

Commission Finding

Based upon a limited examination of the statements and reports filed, and the records presented by Freedomworks for America, no material non-compliance was discovered.