

From: [Marty Favin](#)
To: [Ryan Krogen](#)
Subject: FW: SDDP Written Response to Interim Audit Report (IAR)
Date: Tuesday, April 30, 2019 5:44:19 PM
Attachments: [SDDP Response to FEC Finding 1.pdf](#)
[SDDP Response to FEC Finding 2.pdf](#)
[SDDP Response to FEC Finding 3.pdf](#)

From: Megan Forster [mailto:megan@sddp.org]
Sent: Tuesday, April 30, 2019 5:37 PM
To: Audit <audit@fec.gov>
Cc: Marty Favin <mfavin@fec.gov>; Sam Parkinson <sam@sddp.org>
Subject: SDDP Written Response to Interim Audit Report (IAR)

To Whom It May Concern:

The South Dakota Democratic Party's written response to the Interim Audit Report (IAR, Findings 1-3) can be found in the attached documents.

Please do not hesitate to contact us if you have any questions.

Thank you,

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Megan Forster

Finance Director

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Audit Committee,

In cooperation with your requests per your findings and recommendations, below is our response to "Finding 1. Misstatement of Financial Activity - Increased Activity."

The Audit staff found that the South Dakota Democratic Party (SDDP) had understated disbursements on original reports filed for the two year period ending December 31, 2016. The SDDP failed to properly comply with FEC guidelines during this period by not disclosing disbursements by \$2,500,147 on the originally filed reports.

Reason for not properly disclosing the disbursements was a failure on the part of the SDDP due to overlooking filing procedures and need for better training on reporting of receipts and disbursements to the FEC. There was no intent to not report the disbursements on the originally filed reports.

Audit Committee,

In cooperation with your requests per your findings and recommendations, below is our response to "Finding 2. Contributions from Unregistered Political Organizations" Below are permissible fund notes from committees in question for Finding 2 in the SD IAR.

We obtained statement's from each organization confirming that the funds contributed to the SDDP's federal account were made with federally permissible donations.

Any organization that did not respond above will receive a returned donation from the SDDP. Until those donations are returned, they will be listed as a 'debt or obligation' on our upcoming monthly FEC report.

Audit Committee,

In cooperation with your requests per your findings and recommendations, below is our response to “Finding 3. Reporting of Debts and Obligations”

The SDDP has filed amendments to reflect the debts & obligations listed on the Interim Audit Report on the relevant monthly report(s) they appear on.