



FEDERAL ELECTION COMMISSION
Washington, DC 20463


RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2005 NOV 29 P 4: 04

November 29, 2005

MEMORANDUM

TO: The Commission

THROUGH: Robert J. Costa 
Acting Staff Director

FROM: Allan D. Silberman 
Director ADR Office

SUBJECT: ADR 301 – Boyd for Congress and Stephanie Boyd, Treasurer
Recommendation to Assign Case

SENSITIVE

On October 18, 2005, the ADR Office received from RAD 05L-59 to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case, **ADR 301**, is appropriate for ADR and recommend that it be assigned to the ADR Office.

Summary: RAD determined that the Boyd for Congress Committee and Stephanie Boyd, Treasurer (the “Respondents” or “Committee”) amended their 2004 30-Day Post General Report disclosing additional total disbursements of \$117,403 over the amount disclosed on the original Report. The original Report filed on December 2, 2004, covering the period from October 14, 2004 through November 22, 2004, disclosed \$530,854.00 in disbursements for Operating Expenditures. The amended 2004 30-Day Post General Report, filed on July 15, 2005, disclosed \$648,257 in disbursements for Operating Expenditures – a 22% increase over the amount reported on the original Report. Respondents disclosed that after filing the 2004 30-Day Post General Report but prior to filing the Amended Report that they had conducted an internal audit of their finances and discovered a number of discrepancies. In response to a RFAI sent on July 26, 2005, Respondents filed a Miscellaneous Document which described the Committee’s efforts to reconcile their banking activity with FEC reporting requirements. In describing the underreporting of disbursement activity, the Document noted that “one large discrepancy occurred in October 2004 when a wire transfer was made from a Committee bank account in the amount of \$117,403.00” The Committee concluded that the discrepancy occurred because the individual who input the expenditures for the FEC reporting was unaware that the transfer had been made

Attached for the Commission’s review is the *ADR Case Analysis Report* on **ADR 301** along with a copy of the EPS and ADR Rating Sheets. The *Case Analysis Report* includes an analysis of the case and a description of the issues that the ADR Office (ADRO) anticipates addressing if the case is assigned to ADR. In addition, the Report has been reviewed by OGC, which concurs in the description of the case. If the Commission concurs in the recommendation to assign the matter to ADRO, the above case description will be provided to Respondents as part of ADRO’s notification package sent to Respondents.

26190264498

ADR CASE ANALYSIS REPORT

ADR Case: 301

Respondents: Boyd for Congress
Stephanie Boyd, Treasurer

RAD: 05L-59

Respondents Rep: Stephanie Boyd

Opened: --

Committee Type: Authorized

Date Forwarded to ADRO: 10-18-05

Committee Name: Boyd for Congress

Date Reviewed by ADRO: 11-21-05

Election Cycle: 2004

District #/or State: FL 2nd C.D.

Election: Won

Complainants: RAD Referral

Summary of Referral: RAD determined that the Boyd for Congress Committee and Stephanie Boyd, Treasurer (the "Respondents" or "Committee") amended their 2004 30-Day Post General Report disclosing additional total disbursements of \$117,403 over the amount disclosed on the original 30-Day Post General Report. The original Report filed on December 2, 2004, covering the period from October 14, 2004 through November 22, 2004, disclosed \$530,854.00 in disbursements on Line 17 (Operating Expenditures). The amended 2004 30-Day Post General Report, filed on July 15, 2005, disclosed \$648,257 in disbursements on Line 17 (Operating Expenditures) – a 22% increase over the amount reported on the original report.

Respondents' Reply: After filing the 2004 30-Day Post General Report but prior to filing the Amended Report for the same period, Respondents advised RAD that the Committee had conducted an internal audit of their finances and discovered a number of discrepancies, including a "transfer out" of approximately \$114,000. In response to RAD's recommendation, Respondents filed the amended Report. Following receipt of the 2004 30-Day Post General Amended Report on July 15, 2005, RAD sent the Committee on July 26, 2005 a RFAI requesting clarification regarding the substantial increase in disbursements. On August 20, 2005, Respondents filed a Miscellaneous Document which described the Committee's efforts to reconcile their banking activity with FEC reporting requirements. In describing the underreporting of disbursement activity, the Document noted that "one large discrepancy occurred in October 2004 when a wire transfer was made from a Committee bank account to Main Street Media in the amount of \$117,403.00 to pay for campaign advertising". The Committee concluded that the "discrepancy occurred because the individual who input the expenditures for the FEC reporting was unaware that the transfer had been made". A subsequent Miscellaneous Document, filed on August 23, 2005, referencing the 2004 30-Day Post General Report, acknowledged the previously-reported increase in disbursements and reiterated that the "error included a wire transfer of \$117,403 for campaign advertising made from the Committee's

26190264499

bank account. On September 19, 2005, RAD advised the Committee to file additional statements to further explain why the increase in disbursement activity was not included in the original report. Two days later, Respondents advised that they would not file any additional report with the Commission regarding the 2004 30-Day Post General Report.

Issue:

- Reporting of Receipts, 2 U.S.C. § 434(b)(4) and 11 C.F.R. § 104.3(b)(3).

Recommendation: Assign to ADR

26190264500