

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: January 21, 2015

ANALYST: Jaime Amrhein

- I. COMMITTEE: Bill Cassidy for US Senate
C00543983
Ralph Stephens, Treasurer
P.O. Box 80505
Baton Rouge, LA 70898
- II. RELEVANT STATUTES: 11 CFR § 104.3(b)(4)
52 U.S.C. § 30104(b)(4)
(formerly 2 U.S.C. § 434(b)(4))

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

Bill Cassidy for US Senate ("the Committee") amended its 2014 12 Day Pre-Primary Report to disclose additional disbursements of \$162,160.00, which were not disclosed on the original report (Attachment 2).

On August 8, 2014, the Committee filed its original 2014 12 Day Pre-Primary Report, covering the period from July 1, 2014 through August 2, 2014. The report disclosed disbursements totaling \$880,340.56 on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 14020660894; Attachment 2).

On October 14, 2014, the Committee filed an Amended 2014 12 Day Pre-Primary Report disclosing \$1,042,500.56 in disbursements on Line 17 of the Detailed Summary Page, an increase of \$162,160.00 from the original report (Image 14020982252; Attachment 2).

On October 29, 2014, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2014 12 Day Pre-Primary Report, received October 14, 2014. The RFAI requested clarification regarding the significant increase in disbursements not disclosed on the original filing (Image 14330063333).

On November 24, 2014, Joe Mosby, the Committee's Deputy Treasurer, called the Reports Analysis Division (RAD) Analyst for assistance in responding to the RFAI regarding the increase in activity disclosed on the Amended 2014 12 Day Pre-Primary Report. Mr. Mosby explained that due to a staff miscommunication, one wire transfer was mistakenly omitted. The Analyst advised Mr. Mosby to file a Miscellaneous Paper Document ("Form 99") to explain the reason for the increase in activity on the public record and any corrective action the Committee took as a result. The Analyst explained that the Committee may be referred to another office for further action (Attachment 3).

On November 25, 2014, the Committee filed a Form 99 in response to the RFAI, which stated in part:

"We filed an amendment to our 12 day pre-primary report because we discovered that a wire transfer had been inadvertently omitted from this report. We discovered the omission while preparing the 3rd Quarter report due on October 15, 2014. Upon discovery, we immediately amended the original report to include the omitted expense.

The expense that was omitted was paid by wire, not by a paper check. The process for recording wire transfers in the Committee's accounting software is different than that of expenses paid by check. The accounting software contains a check writing function that records expenses written by check immediately when a Committee check is created. Wire transfers must be manually recorded using a separate procedure that is unable to ensure that expenditures are recorded concurrently with actual payments.

In this instance, the authorization to execute the omitted wire transfer was communicated solely to the Deputy Treasurer. After executing the wire, there was a miscommunication in my office with regard to how and when this transaction would be recorded in the Committee accounting system.

Normally, prior to filing any reports with the FEC the Deputy Treasurer reconciles the bank balances with the amounts being reported on the reports. On this occasion, Deputy Treasurer was out of town for a personal emergency. In the communication with him and other members of my staff, there was a misunderstanding and the amounts from this particular wire were not entered into the expense tracking software. Prior to leaving town, the Deputy Treasurer was under the impression that the wire transaction was going to be recorded but was unable to verify due to the circumstances of his absence and failed to confirm that the transaction was appropriately included on the report prior to filing.

When we began to prepare the next report, we realized that this expense had not been reported. We immediately amended the report to include the expenditure.

Since filing the amended report, we've implemented two procedures designed to prevent future omissions of campaign expenditures of this nature. First, requests and approvals for wire transactions are now communicated globally throughout the Committee accounting team so that more than one person is aware of the transaction. A team member then records the transaction in the Committee accounting system prior to the execution of the wire. Secondly, we've trained other team members on how to perform our bank reconciliation process so that any potential unavailability of the Deputy Treasurer will not prevent the campaign from completing a final bank reconciliation immediately prior to filing required reports" (Image 14021231128).

To date, no further communications have been received from the Committee regarding this matter.

O-Index

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O-Index (2015-2016)															
Cmte. ID: C00543983				Cmte. Name: BILL CASSIDY FOR US SENATE											
Treasurer Name: RALPH STEPHENS				Address: PO BOX 80505, BATON ROUGE, LA 70898											
Cmte. Type: S (SENATE)				Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE)						Filing Frequency: QUARTERLY FILER					
Form Tp	Rpt Tp	All	Recpt Dt	Pgs	Begin Img#	Begin Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
No records were found for this cycle.															

O-Index (2013-2014)															
Cmte. ID: C00543983					Cmte. Name: BILL CASSIDY FOR US SENATE										
Treasurer Name: RALPH STEPHENS					Address: PO BOX 80505, BATON ROUGE, LA 70898										
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MS-T			12/30/2013	5	13020580537										
MS-T			1/25/2014	5	14021231128	7/1/2014	8/2/2014								
MS-T			12/1/2014	4	14021231124										
RO1		N	1/18/2013	2	13330040687			1/18/2013							
RO7	12G	N	11/25/2014	2	14330067086			11/25/2014							
RO2	Q3	N	1/26/2013	6	13330040800	7/1/2013	8/30/2013								
RO2	Q1	N	8/17/2014	7	14330053917	1/1/2014	3/31/2014	8/17/2014							
RO2	12P	A	10/29/2014	2	14330063303	4/1/2014	8/2/2014	10/29/2014							
RO2	Q3	N	1/6/2015	3	15330071449	8/3/2014	9/30/2014	1/6/2015							
RO2	12G	N	3/6/2015	2	15330071453	10/1/2014	10/15/2014	3/6/2015							
F3	Q2	N	7/15/2013	392	13020333698	4/1/2013	6/30/2013		\$0	\$3,397,998	\$168,766	\$3,229,229			\$0
F3	Q2	A	10/15/2013	392	13020521976	4/1/2013	6/30/2013		\$0	\$3,397,998	\$168,766	\$3,229,229			\$0
F3	Q2	A	1/31/2014	393	14020140813	4/1/2013	6/30/2013		\$0	\$3,397,998	\$168,766	\$3,229,229			\$0
F3	Q2	A	3/16/2014	393	14020330001	4/1/2013	6/30/2013		\$0	\$3,397,998	\$168,766	\$3,229,229			\$0
F3	Q3	N	10/16/2013	271	13020521845	7/1/2013	9/30/2013		\$3,229,229	\$684,968	\$427,238	\$3,486,959			\$0
F3	Q3	A	7/31/2014	271	14020141206	7/1/2013	9/30/2013		\$3,229,229	\$684,968	\$427,238	\$3,486,959			\$0
F3	Q3	A	4/15/2014	262	14020324729	7/1/2013	9/30/2013		\$3,229,229	\$684,968	\$427,238	\$3,486,959			\$0
F3	YE	N	12/31/2013	400	13020151427	3/31/2013	12/31/2013		\$3,486,959	\$1,040,198	\$332,932	\$4,194,224			\$0
F3	YE	A	4/15/2014	401	14020324328	10/1/2013	12/31/2013		\$3,486,959	\$1,040,198	\$332,932	\$4,194,224			\$0
F3	Q1	N	3/16/2014	540	13020323788	3/1/2014	3/31/2014		\$4,194,224	\$1,273,530	\$461,508	\$5,008,248			\$0
F3	Q1	A	7/21/2014	543	14020840001	1/1/2014	3/31/2014		\$4,194,224	\$1,273,530	\$461,508	\$5,008,248			\$0
F3	Q2	N	7/15/2014	515	14020581904	4/1/2014	6/30/2014		\$5,008,248	\$1,604,840	\$729,889	\$5,861,187	\$22,248		\$22,248
F3	12P	N	8/8/2014	287	14020660891	7/1/2014	8/2/2014		\$5,861,187	\$629,132	\$883,440	\$5,806,889	\$77,071		\$77,071
F3	12P	A	10/18/2014	289	14020982249	9/1/2014	8/2/2014		\$5,861,187	\$629,132	\$883,440	\$5,806,889	\$77,071		\$77,071
F3	Q3	N	10/16/2014	758	14020960835	8/3/2014	9/30/2014		\$5,444,754	\$1,857,360	\$2,873,924	\$4,428,181	\$69,328		\$69,328
F3	12G	N	10/20/2014	218	14021162183	10/1/2014	10/15/2014		\$2,428,181	\$908,988	\$1,827,948	\$3,109,726	\$151,630		\$151,630
F3	12R	N	11/21/2014	787	14021230108	10/18/2014	11/18/2014		\$3,109,726	\$2,170,450	\$3,963,394	\$1,296,262			\$29,859
F3	30R	N	1/8/2015	888	15020031466	12/17/2014	1/2/2015		\$1,296,262	\$2,362,632	\$2,786,953	\$891,962			\$108
F2		N	4/16/2013	4	13020223184										
F1		N	4/22/2013	3	13020224875										
F1		N	7/7/2014	12	14020442057										
F6		N	8/8/2014	5	14020853268										
F6		N	8/20/2014	3	14020863812										
F6		N	8/20/2014	12	14020863081										
F6		N	8/19/2014	3	14020683784										
F6		N	11/3/2014	10	14021213818										
F6		N	11/3/2014	3	14021220024										

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FB	N	11/22/2013	10	14021220153
F6	N	10/30/2014	10	14021212782
F4	N	10/31/2014	12	14021213229
F1	A	11/25/2013	7	13020550776
F9	N	1/12/2013	13	14021225461
F8	N	1/1/19/2014	9	14021223334
F3	N	10/24/2014	12	14021228508
F8	N	12/5/2014	18	14021402285
F2	A	8/1/2013	4	13020573487
F6	N	8/13/2014	4	14020661545
F6	N	8/8/2014	5	14020680350
F8	N	8/15/2014	11	14020683561
F2	A	8/8/2013	4	13020402055
F8	N	10/22/2014	18	14021112356
F3	N	10/21/2014	15	14021210079
F6	N	12/3/2014	28	14021240741
F8	N	12/1/2013	22	14021230945
F8	N	12/1/2014	24	14021230945
F1	A	12/7/2013	8	13020563110
F2	A	12/8/2013	5	13020561873
Totals				\$15,549,914
				\$14,657,952

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No records were found for this cycle.

Bill Cassidy for US Senate (C00543983)

Overview of Additional Disbursements

2014 12 Day Pre-Primary Report/Amended 2014 12 Day Pre-Primary Report

Report Line	2014 12 Day Pre-Primary Report (Image 14020660894)	Amended 2014 12 Day Pre-Primary Report, received 10/14/2014 (Image 14020982252)	Disbursement Variance Amount
Line 17: Operating Expenditures	\$880,340.56	\$1,042,500.56	\$162,160.00
Total Variance:			\$162,160.00