



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Joan Johnson, Treasurer
Republican State Central Committee of South
Dakota
P.O. Box 1099/401 E. Sioux
Pierre, SD 57501

APR 03 2002

Identification Number: C00044990

Reference: 12 Day Pre-Special Report (1/1/01-5/30/01)

Dear Ms. Johnson:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Lines 21(a)(i) and 21(a)(ii) of the Detailed Summary Page of your report disclose totals of \$42,802.35 and \$149,826.98 in allocable federal and non-federal expenses. The sum of the entries itemized on Schedule H4, however, indicate the totals to be \$43,820.59 and 153,391.24, respectively. Please amend your report to clarify these discrepancies.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the total EVENT YEAR-TO-DATE amount for all payments. Please amend your report to include the missing EVENT YEAR-TO-DATE total(s).

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, your committee discloses a disbursement for "Miscellaneous Office" and lists itself (SD Republican Party) as the payee. Please clarify the nature of this transaction or amend Schedule H4 by providing the correct name and mailing address of the payee.

Please note that any activity which is financed entirely by the federal

REPUBLICAN STATE CENTRAL COMMITTEE OF SOUTH DAKOTA
PAGE 2

account (including administrative expenses), should be reported on Schedule B supporting Line 21(b). 11 CFR §106.5

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule H4 of your report to clarify the following descriptions: "Reim. For Inaugural Exp.", "Teenage Repub. Expense", "Committee Expense", "College Republican Expense", "Miscellaneous Office", "Legislative Session Expense", "SEE MEMO:", and "Miscellaneous". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule H4 discloses payments made to credit card companies for shared federal/non-federal operating expenditures. These payments must identify, as memo entries, the original vendors from which you have purchased an item or service regardless of the amount. Please amend your report by providing the name and mailing address of the original vendor(s), along with the date, amount and purpose of each expenditure. 11 CFR §104.10

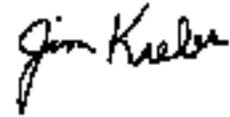
-Please clarify all expenditures made for "Other Disbursement Advertising", "Advertising", and "Media Reception Supplies" on Schedule(s) B and H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E, or F supporting Lines 23, 24, or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

- Your report includes a Schedule H1 with section B (Funds Expended) checked as well as section D (Ballot Composition) completed. Please be advised that a state party committee should only complete section D. Please amend your report to clarify this apparent discrepancy.

A response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designation and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the

prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is
(202) 694-1130.

Sincerely,

A handwritten signature in cursive script that reads "Jim Krebs".

Jim Krebs
Reports Analyst
Reports Analysis Division

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every sale, purchase, and payment must be properly documented to ensure the integrity of the financial statements. This includes recording the date, amount, and purpose of each transaction.

Next, the document outlines the process of reconciling bank statements with the company's internal records. This involves comparing the bank's record of transactions with the company's ledger to identify any discrepancies. Common reasons for discrepancies include timing differences, such as deposits in transit or outstanding checks, and errors in recording.

The document also addresses the need for regular audits. Internal audits help to detect and prevent errors and fraud, while external audits provide an independent assessment of the company's financial health. Auditors use various techniques, such as sampling and tracing, to verify the accuracy of the financial records.

Finally, the document discusses the importance of transparency and communication. Management should provide regular updates to the board of directors and other stakeholders regarding the company's financial performance. This includes presenting the financial statements and explaining any significant changes or trends.