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NAME OF COMMITTEE (In Full)
Chevron Employees Political Action Committee - Chevron Corporation

FEC IDENTIFICATION NUMBER
C00035006

Mailing Address 6101 Bollinger Canyon Road
Room 3418

City State ZIP Code
San Ramon CA 94583-5177

FEC Form 99 Explaining Cash on Hand Adjustment

Line 29 of the PACs June Monthly report includes a disbursement adjustment of \$10,262.25 to correct a cash-on-hand discrepancy discovered by the committee. In 2015, Chevron Employees Political Action Committee Chevron Corporation (CEPAC) hired a new vendor, DDC Public Affairs (DDC), to manage CEPACs account and file required reports. DDC conducted

an initial review and reconciliation for the period of January 1, 2014 through February 28, 2015, and identified the \$10,262.25 cash-on-hand discrepancy. CEPAC informed the Reports Analysis Division that it had discovered an error and would file an amendment when it could determine the source of the discrepancy.

Chevron Corporation, in conjunction with its legal counsel, conducted an internal review of CEPACs available bank records dating back to 2005. The review and comparison of bank records and filings could not identify the source of the discrepancy. The review confirmed that the variance between the bank records and filings did not at any time exceed 10% of the bank balance. The review revealed several factors that contributed to the discrepancy between the bank balance and reported amount from 2005 to 2015, including the acquisition of another company and the integration of its separate segregated fund with CEPAC; the maintenance of, and transfers between, subaccounts; and a variety of bank fees and interest transactions. The review found that the significant portion of the cash-on-hand discrepancy appears to pre-date 2005 and nearly all errors in disclosure pre-date 2012.

DDC additionally conducted a full audit of CEPAC records for the period of 2012-2013 to identify any specific transactions that could be amended in the current election cycle, consistent with FEC guidelines for Internal Controls http://www.fec.gov/rad/internal_controls/InternalControlsQA.shtml. The adjustment made to Line 29 includes all discrepancies discovered, including a \$50 deposit overage for a contribution made by payroll deduction and a \$7.99 discrepancy traced to a combination of bank fee and interest transactions not accurately reflected in the database. CEPAC and DCC have adopted best practices to address these issues, including monthly reconciliation of bank statements viewed by multiple individuals.