

Daniel T. Buckley

Senior Campaign Finance Analyst

Reports Analyst Division

On April 23, 2010 we responded to a letter we received from the Federal Elections Commission regarding an error in our March monthly report. Subsequent to that event, I had our senior staff review our records and procedures for filing reports with the FEC going back to the year 2000.

At this time we are self-disclosing to you that we discovered discrepancies in previous FEC reports. All but one of these have been traced back to data entry errors but one was of a more serious nature.

A November 7, 2005 contribution of \$5.00 was incorrectly entered as \$5300. We have records to document this error including copies of the check and our membership submittal form.

At my request our staff CPA conducted an internal audit of our records since 2000 and discovered approximately 30 data entry errors totaling \$1,558.07. These errors were carried forward from month to month and were compounded with each subsequent error.

The PAC failed to report a \$1,500 contribution to then-Congressman Richard Pombo s campaign in August, 2005. Pombo lost his election in 2006. We are unable to explain this oversight.

Our federal PAC has made no contributions to candidates in 2009 and 2010.

We request your guidance as to what actions we need to take in response to discovering and reporting these errors. In the meantime we have taken these actions:

We have voluntarily suspended operations of our federal PAC until these matters are resolved to our satisfaction and to the satisfaction of the FEC.

As we previously reported to you the senior staff member I had assigned to maintain these records and file the appropriate reports is no longer on our staff.

Since discovering these shortcomings in reporting I have restructured our record-keeping and reporting to a team from our government relations department and accounting department to establish a new system with greater internal controls and check and balances.

We will continue our policy of record retention. Paper copies and electronic copies of all receipts, expenditures and reports are to be maintained. Fortunately our practice of retaining records of contributions and reports allowed us to discover the causes of the discrepancies between the balances shown on the FEC reports and our bank statements.

There is one other factor that I want to call to your attention. We had a trusted employee handling the data entry for our PAC. This individual suffered a medical incident and lost much of her vision. With assurances from her doctor and the purchase of a larger computer monitor and an additional magnifying screen we thought we had accommodated her needs. Apparently this was not adequate to meet her needs and thus the data entry errors. Regrettably we did not anticipate the need for additional review of her work. She is no longer employed here and her immediate supervisor has accepted another job.

We are taking this matter very seriously and request your guidance as to what additional actions we need to take in response to discovering and reporting these errors.

Our staff will continue to work on this and report back to me. If you have need for additional information, please contact our Director of Local Affairs, Dan Wood via email at dwood@wsfb.com or by calling (360)357-9975.

Sincerely,

Patrick Batts

Chief Executive Officer

WFB PAC Treasurer