

Response on April Quarterly Report 2009:

The Commission will see that the party has amended its report that address questions from the Commission. We will address each item as per request. Before starting, we wish to inform the commission that the Maine Republican Party transition to a new reporting software during the first four months of the year. In the transition our vendor needed to help us file our reports causing problems not detected until after the reports were filed. This doesn't minimize our responsibility but we have been assured we are in full compliance on reporting.

Answers in order

1. In the transition we found that the new software did not carry over the correct balances as required, these have been adjusted to report correctly.
2. In the transition as per above caused the same problem to exist, this has been corrected.
3. In the reporting of our reports, our vendor had toggled on our Corporate account, with this toggled on, it would appear to the FEC as a federal account with political PAC's donating to the party to our federal account. This never happen and all listed organizations are registered to the State Ethics Commission and are not Federal PAC's. You will see on the amended report this has been corrected.
4. The list of Corporations did in fact donate to the State Party but the money never hit a Federal Account. These donations were all received and deposited into our Corporate account. Again our toggled Corporate account caused these to be reported on the Federal report, these have been corrected.
5. As the FEC has been made aware, the Party uncovered that an employee at the bookkeeping firm who did the parties books and did the reporting to the FEC for the Party, embezzled over \$48,000 dollars from the party. Mrs. Wilkins have pleaded guilty of said embezzlement and is now serving time in jail for her crime. Prior to being convicted, Mrs. Wilkins paid restitution to the party in the amount of \$39,531.00. A full audit has been done of the parties books and financial internal controls, as per recommendation from the auditor the Party has instituted internal controls to prevent such a recurrence. The party has hired a different accounting firm to process it's checks and have installed fail safes to prevent an act to happen again. In preparing the report the party was in full contact with the FEC and its analyst in this matter.
- 6,7,8,9. Outstanding balances of debt owed were a transition error and have all been tracked and proven to be paid in prior years and were reported as such in those reports, they have been removed and correctly been allocated to the correct period.
10. we have corrected the fixed percentage and have reviewed and found to be in compliance with 11 CFR 106 (d) (2) and (3).

On a side note: we wish to thank the FEC and its Campaign Finance Analyst, Kaitlin Eger. Ms. Eger has been a tremendous asset to the Maine Republican Party. Her willingness to help and deal with issues is bar non and we personally wish to thank Ms. Eger for all her help during our transition.

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