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July 31, 2015

Mr. Arman Tarzi
FEC Reports Analysis Division
Federal Election Commission
999 E Street NW
Washington DC 20463

RE: Financial Service Centers of America, Inc. PAC, FEC ID No. C00232843 ("Committee")

I represent the above-referenced Committee and its Treasurer. This explanation follows our discussion on July 28, 2015 regarding the Treasurer's proactive efforts to improve the Committee's internal accounting procedures and the accuracy of its submissions to the Commission. Concurrent with the submission of this Form 99 Miscellaneous Report, the Committee is amending its previously-filed July 31, 2013 Mid-Year Form 3X report to disclose \$91.70 in bank fees (Line 29) that accrued during the reporting period but were not previously reported, as well as an adjusted cash balance.

Specifically, the Committee is adjusting this report's opening cash balance to correct a \$23,105.22 variance between its previously reported January 1, 2013 balance of \$24,830.88 and the actual January 1, 2013 checkbook balance of \$1,725.66. The previously undisclosed bank fees referenced above contributed to this variance. In recent years, the Committee has paid between \$15 and \$34 per month in bank fees to BB&T. By inadvertently neglecting to disclose these administrative expenses on Line 29 in previous reports, due to confusion regarding the proper disclosure of such Committee-paid administrative expenses, the Committee's bank balance has decreased without corresponding adjustment to its FEC-reported closing balances. As discussed below, other inadvertent mistakes likely contributed to the variance the Committee is correcting today.

Earlier this year, the Treasurer undertook proactive measures to improve the Committee's procedures, financial management, record keeping, and overall compliance with the Commission's regulations and applicable law. Mr. D'Alessio has consulted with the connected organization's accountant, participated in continuing legal education provided by the District of Columbia Bar, studied Commission guidance, and retained outside counsel.

Together with outside counsel, the Treasurer has reviewed the Committee's financial records pertaining to its 2013 - present receipts and disbursements. Counsel has consolidated the Committee's financial activity from the Committee's bank statements and tracking spreadsheets for the period of January 2013 through June 2015. These recent activity records appear complete and reconcile successfully to the Committee's filings submitted on July 31, 2015 for the same period. We have concluded that the variance corrected in the Committee's amended 2013 Mid-Year Report occurred, with the exception of unreported bank fees that accrued in 2013, prior to January 1, 2013.

The Treasurer and counsel have also reviewed financial records of the Committee that pre-date the Treasurer's tenure with the Committee and its connected organization. Those records comprise a series of hand-written ledger books dating to 1990. We found no indicia of misallocated funds, cash disbursements, checks written to parties other than federal committees (except for a small number of nonfederal committees or other apparently legitimate recipients), or the use of credit cards, ATM cards, or petty cash accounts.

We have concluded that previous Committee treasurers and their assistants had an imperfect understanding of proper campaign finance accounting, disclosure, and FECFile data entry. The handwritten ledgers lack some detail. Because they are on paper and predate the widespread use of spreadsheets and accounting software, they likely contain math errors that would be more easily prevented with the use of electronic record keeping. Additionally, the Committee has moved offices and experienced significant turnover in the connected organization's staff who have operated the PAC since 1990. The Committee's connected organization, Financial Service Centers

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of America, Inc. ("FiSCA"), currently has only two staff members.

The Treasurer, following his engagement by FiSCA and 2012 appointment to the Committee, introduced more sophisticated financial management procedures. He has subsequently improved these procedures to prevent recurrence of the inadvertent errors discussed above.

Please do not hesitate to contact us if you have any further questions.

Respectfully submitted,

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