

MISCELLANEOUS TEXT (FEC Form 99)

NAME OF COMMITTEE (In Full)

FEC IDENTIFICATION NUMBER

Sierra Club Independent Action

C00483693

Mailing Address 2101 Webster Street Suite 1300

City State ZIP Code Oakland CA 94612

May 1, 2023

Mr. Nicholas Tarone Reports Analysis Division Federal Election Commission 1050 First St., NE Washington, DC 20463

Identification Number: C00483693 RE: Year-End Report (11/29/2022-12/31/2022)

Dear Mr. Tarone:

This letter is in response to the Commission's request for additional information related to a one-time cash adjustment disclosed on Schedule A supporting Line 17 of the above-referenced report filed by Sierra Club Independent Action.

The committee retained an outside reporting compliance firm to conduct an independent review of its financial activity, beginning with the February 2020 Monthly Report. Through this detailed review, the committee has identified \$36,840.30 in inadvertent reporting errors that led to the need for the cash adjustment. The amount of the one-time adjustment is \$37,377.18; the committee was not able to identify the underlying reason for the remaining amount of \$536.88.

On the June Monthly 2020 Report, the committee disclosed a \$5,277.04 payment to the Sierra Club for salaries and benefits. This payment did not post to the committee's bank account, nor was it part of a payment allocation. Therefore, although reported, this amount never left the committee's bank account.

On the June Monthly 2020 Report, the committee reported two independent expenditures (Facebook ads) totaling \$14,998.81; Facebook was the vendor. These expenditures should have been disclosed as memo entries on Schedule B and E and corresponding debt to Facebook on Schedule D because the invoice had not been paid at the time the report was filed. On the August Monthly 2020 report, SCIA reported a \$14,998.81 payment to the Sierra Club for the ad costs. Through the review, it was determined that this payment was actually made to Facebook for the May ads. Because the original entries on the June Monthly were not disclosed as memo entries (and debt), these amounts, added to the actual payment to Facebook, resulted in double reporting throwing off the cash-on-hand by \$14,998.81.

The committee has also identified differences between drawdowns from Schedule B, supporting Line 21b, and the actual payments for operating expenses (Schedule B, supporting Line 21b), independent expenditures (Schedule E, supporting Line 24), and other disbursements (Schedule B, supporting Line 29). These differences span the September Monthly 2020 Report through the Post-General 2020 Report and total \$13,315.02.

Finally, the committee carried forward a \$3,249.43 discrepancy between the committee's cash-on-hand total and bank balance that had been identified prior to the February 2020 Monthly reporting period.

If you have any further questions regarding this matter, please feel free to contact the committee.

Sincerely,

Bob Bingaman Assistant Treasurer, Sierra Club Independent Action