Treasurer Report

# Revenues and Disbursements

The unrestricted cash has dropped to just below the requirement of having one month’s expenses in reserve.

Revenues from membership dues are $69,807 below budget. The budget stipulates $61,300 in board solicitations and major gifts this year. The amount raised year to date is $1000. General fundraising was up in June, thanks to $76,539 raised for ballot access.

The convention brought in revenues of $185,226, and had $161,912 in expenses.

# Membership and Donors

The number of active donors has declined each of the past four months. At the end of June, the number of active donors was at 13,754. This is a decline of 573 for this year. The number of Lifetime member has increased by 21 this year, to 2163 Lifetime members.

# Internal Controls Review

The Federal Elections Commission has created a safe harbor for political committees that have certain internal controls in place to prevent misappropriations and associated misreporting. The FEC does not intend to seek civil penalties against a political committee for filing incorrect reports due to the misappropriation of committee funds if the committee has safeguards in place. Internal controls include bank accounts being opened in the name of the committee and never an individual, bank statements are reconciled to the accounting records and to the FEC disclosure reports, and maintaining a separation of functions so no single individual has complete control over financial transactions.

I reviewed the LNC’s internal controls with Robert Klaus. My conclusion it the LNC has adequate policies in place to minimize the risk of misappropriations of funds. In particular, the LNC has the following controls in place.

* Bank statements are reconciled with the accounting records each month.
* Bank records are reconciled with the FEC disclosure reports before filing each month.
* Each of these items are each done by separate individuals, none of whom are signatories on the checking accounts:
  + receiving incoming checks,
  + caging (recording contributions),
  + accounting,
  + preparing the FEC reports.
* Accounting data is backed up several times weekly.

# Treasurer Report Format

I gave two versions of the financial reports the last two months. For this month, the Staff recommended reports are in the binders for the meetings, and attached to my e-mail. I find this version to be clear and more concise than the 21-page reports that follow the Policy Manual. At the meeting, I will be moving to change the Policy Manual to allow the Staff recommended reports.