

**STATE BOARD OF ELECTIONS**  
6400 Mail Service Center • Raleigh, North Carolina 27699-6400

**GARY O. BARTLETT**  
Executive Director

**Mailing Address:**  
**P.O. BOX 27255**  
**RALEIGH, NC 27611-7255**

November 6, 2009

Beth Wood Campaign  
ATTN: Stan Wesner  
P. O. Box 20915  
Raleigh, NC 27619

RE: 2007 Organizational Report through 2009 Mid Year Semi-Annual Report Audit

Dear Mr. Wesner,

We have completed an audit of the 2007 Organizational Report through the 2009 Mid Year Semi-Annual (MYSA) Report. This letter will also include items found on the qualifying report. Below is a list of items that will need to be corrected.

**Qualifying Report**

NC G.S., § 163-278.14 (a), states that no individual, political committee, or other entity shall make any contribution anonymously or in the name of another. Your campaign submitted ten checks during the qualifying period that was given in the name of another. An amount of \$190 shall be forfeited. These contributors are listed below:

1. Robin Adams Anderson, \$10, given in the name of John Eric Anderson
2. Brenda W. Blount, \$10, given in the name of Julian
3. B Perry Morrison, Jr., \$20, given in the name of Johnny Albritton
4. Carol E. Morris, \$10, given in the name of Tony Woods
5. Grace Liem, \$10, given in the name of Donna Talbert
6. Helen D. Jarvis, \$10, given in the name of Joseph Jarvis
7. Peggy R. Hammond, \$10, given in the name of Jessie Hammond
8. Margaret W. McKeon, \$10, given in the name of Barb Weeks
9. Lora S. Wright, \$50, given in the name of Jamie & Katie
10. Reba J. Smith, \$50, given in the name of Maria Cetina

NC G.S., § 163-278.14 (b), no contribution in the form of a check, draft, money order, credit card charge, debits, or other noncash method may be made or accepted unless it contains a specific designation of the intended contributee chosen by the contributor. Your campaign submitted four checks during the qualifying period that the payee line was left blank. An amount of \$50 shall be forfeited. These contributors are listed below:

1. David P. Parker, \$15
2. Sally R. Parker, \$15
3. Clyde W. Thomas, \$10
4. Lisa J. Scales, \$10

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There were two checks in which the payee was for a committee other than the Beth Wood Campaign. These checks will need to be refunded to the contributor. The contributors were:

1. Anna Tilghman, \$10, Payee is for Aikens for Auditor
2. Jack D. Hancox, \$10, Payee is for NC Democrats

NC G.S., § 163-278.19 (a) (1) states it shall be unlawful for corporation, business entity, labor union, professional association or insurance company directly or indirectly to make a contribution to a candidate or political committee or to make any expenditure to support or oppose the nomination or election of a clearly identified candidate. Your campaign submitted five checks during the qualifying period that were from a business entity. An amount of \$210 shall be forfeited. These contributors are listed below:

1. Mary Elizabeth Arrowood, Attorney At Law, General Account, \$50
2. George J. Couch Properties, \$50
3. Thea Morris, Thea's Ideas, Inc, \$50
4. Bridget Ipock INC DBA Farm Bureau Insurance, \$50
5. Willie H. Reese, Pinetree Real Estate & Appraising, \$10

The following discrepancies were found in the 2007 Organizational through 2009 Mid Year Semi-Annual (MYSA) Reports:

1. The Period Begin Balance is missing on all reports from the 2008 3<sup>rd</sup> Quarter through the 2009 MYSA. This balance should be your checkbook balance at the beginning of the period. We will not require you to make amendments to correct this; however you will need to include the Period Begin Balance on all future reports. Instructions are included for this number to print on all your reports. (Attachment 1)
2. Several individual contributors were missing employer and occupational information. A list is provided for you in Attachment 2. Please amend your reports to include the missing information. Please ensure all employer and occupational information for contributors are included in all future reports.
3. One contributor, Jim Long Election Committee, exceeded the allowable contribution amount of \$4,000 by \$317. This amount shall be forfeited.
4. Two expenditures in the 2008 Third Quarter have a Purpose Type Code of "D". This code indicates the expenditure was a Contribution to Another Candidate. The Expenditure Type is Operating Expense. The recipients were not disclosed. Please check your check register for the payees for the following:
  - a. \$20 written on July 26, 2008 (will also need the Purpose for this expenditure.)
  - b. \$50 written on September 6, 2008Should these expenditures be to someone other than another candidate, the Purpose Type Code will need to be amended.
5. Several expenditures were missing required information. A list is provided for you in Attachment 3. Please amend your reports to include the missing information. This attachment has a comment column with additional instructions.
6. NC G.S., § 163-278.16B, restricts the use of contributions for eight allowable purposes. Please provide the purpose for the \$100 written to Beth Wood on December 12, 2007. The Purpose Type Code is "G" which indicates this expenditure was to a political party. The Purpose Code will need to be changed. (Purpose Codes are located on the bottom of form CRO-1310, Disbursements.)
7. There were numerous Sum-to-Date errors for the election cycle. Some of these are the result of not utilizing the "Find Contributor" or "Find Payee" button when adding a receipt or expenditure. With your permission, the State Board of Elections can change these internally. However, using the "Find Contributor" or "Find Payee" button in future reports will save you time, reduce or eliminate duplication of contributors and expenditure payees, and ensure accurate sum-to-date totals.

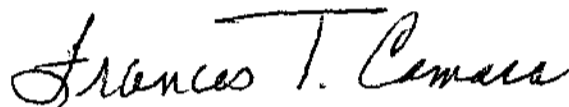
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You filed a 2008 Second Quarter Amended Report. The Cash on Hand at Start is not the same as Cash on Hand at the end of the 2008 First Quarter. When I total the "This Election" column from the First Quarter Report and the "This Period" column from the Amended Second Quarter Report, it does not equal the figures in the "This Election" column for the Second Quarter. The figures indicate that you may have amended the 2008 First Quarter Report and not yet filed it electronically? If so, please file it no later than close of business on January 9, 2010. Please ensure you send a signed (original signature) CRO 2501, Cover Sheet when you file the amended report.

In summary, there are a number of items that need attention and amendments filed. Please submit all amendments to the State Board of Elections no later than January 9, 2010. Additionally, the committee shall forfeit a sum of \$767 as indicated above. The check shall be made payable to the NC Civil Penalties and Forfeiture Fund and submitted to the State Board of Elections.

If you have any questions, please feel free to contact me at (919) 715-8407.

Sincerely,



Frances T. Camara  
Government Accounts Auditor

Attachments (3)

- Attachment 1, Instructions to include Bank Account Balance on Disclosure Report Cover
- Attachment 2, Contributors missing required info
- Attachment 3, Expenditures missing required info