NRCC CATALOGS THE DAMAGE

The NRCC says that the FBI investigation has reached a point where it can reveal how much, it claims, it was bilked out of by Christopher Ward. Before I get into the details, though, what do you suppose it means that the investigation now allows them to go public about the damage? I ask because the NRCC makes clear that the FBI has never entered the premises of the NRCC. Curious.

> We refrained from making extensive public comments until now so as not to compromise the investigation being conducted by the FBI. We understand that the FBI's investigation has now progressed to a point where such public comment would no longer interfere with the investigation. Accordingly, the NRCC is providing this update on the status of its own internal investigation.
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> [snip]
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> Contrary to media reports, the FBI has not been to the NRCC office during the course of this investigation nor have they operated out of the NRCC offices.

First, it appears that the NRCC has not done a real audit of its finances since BCRA went into effect.

> It appears that after becoming treasurer in 2003, Ward submitted to the NRCC's bank and to NRCC leadership bogus audit reports for 2002, 2003, 2004 and 2005. An additional bogus audit was submitted to the NRCC's bank for 2006.

So remarkably, just as campaign finance put new restrictions on soft money contributions, the NRCC stopped auditing what happened with its money.

Also note how squeamish the NRCC is about naming their bank, Wachovia. Odd, not least because the damn thing is listed everywhere on FEC reports.

The NRCC confirms something that I've been seeing in the files–Ward was transferring money between the NRCC and joint fundraising committees. The NRCC says from there it went into his own pocket.

> Based on analysis conducted to date, it appears likely that over a period of several years Ward made several hundred thousand dollars in unauthorized transfers of NRCC funds to outside committees whose bank accounts he had access to, including joint fundraising committees in which the NRCC participated. He also appears to have made subsequent transfers of several hundred thousand dollars in funds from those outside committees to what appear to be his personal and business bank accounts. Those unauthorized transactions date back to at least 2004.

Finally, the NRCC gives a figure that is low to be real money laundering of soft to hard money, but more consistent with what we'd expect one individual to steal.

- At year end 2006, the NRCC's actual cash on hand was approximately $990,000 less than the amount reported to the FEC.
- The actual cash on hand as of the NRCC's most recent FEC report for January 31, 2008 (filed on February 20, 2008) was $740,000 less than the amount reported to the FEC.

So either $990,000 or $740,000, depending on when you're doing the audit. Which is curious in and of itself. If Ward was bilking the NRCC, then how and why did he close $200,000 of the discrepancy between January 2007 and January 2008?

Maybe I'm wrong, and all the red flags are false, and he really did just pocket the money. But if the FBI never sets foot at NRCC, we may never know.

Update: weird Freudian slip corrected per CTuttle. And another less Freudian one per MadDog.