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**TENNESSEE REGISTRY OF ELECTION FINANCE**

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**Contribution Audit of  
Judge Damita Dandridge's  
2022 Second Quarter Campaign Finance Disclosure**

**Audit members:**

Jay Moeck, CPA, CFE  
Director of Audit

# STATE OF TENNESSEE



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January 23, 2025

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Registry Members,

The agreed-upon procedures for the un-itemized contribution audit of Judge Damita Dandridge's 2022 Second Quarter Campaign Financial Disclosure Statement for Circuit Court District 30-8 are transmitted herewith. This audit was conducted under the requirements of T.C.A. §2-10-212.

The audit procedures developed are to aid the Registry of Election Finance in its responsibilities to monitor and enforce Tennessee's Campaign Financial Disclosure Laws and Campaign Contribution Limit Laws. The candidate is responsible for complying with campaign finance laws and the accuracy of campaign financial disclosures. The sufficiency of these procedures is solely the responsibility of the Bureau of Ethics and Campaign Finance's internal audit group. Consequently, we make no representation regarding the sufficiency of the agreed-upon procedures described in the report for any other purpose than aiding the Registry.

This report is for the information and use of the Members of the Tennessee Registry of Election Finance, as outlined; it is not intended for and should not be used by anyone other than the Registry without understanding the objectives, purposes, and underlying assumptions. This report, however, is a public record.

Sincerely,

  
Jay Moeck, CPA, CFE  
Director of Audit

**STATE OF TENNESSEE**  
REGISTRY OF ELECTION FINANCE  
**Audit Highlights**  
Judge Damita Dandridge  
2022 Second Quarter Contribution Audit

**AUDIT OBJECTIVES**

The objectives of the audit were to determine Judge Damita Dandridge's compliance with certain provisions of campaign finance disclosure laws and regulations; compliance with certain provisions of campaign contribution limit laws and regulations; accuracy and completeness of the un-itemized contribution disclosures on the 2022 Second Quarter Campaign Financial Disclosure Statement; and to recommend appropriate actions to correct any deficiencies.

**FINDING(S)**

- 1. Judge Damita Dandridge was non-compliant with the intent of portions of T.C.A. §§2-10-105 and 2-10-107 by overstating campaign contributions received during the 2022 Second Quarter by \$2,863.09 and non-compliant with T.C.A. §2-10-107(e) by stating more funds available at the end of the period than were available.**
- 2. Judge Damita Dandridge was non-compliant with T.C.A. §2-10-105(f) by failing to maintain contributor data for \$6,520 in un-itemized contributions reported. Due to the lack of records, Judge Damita Dandridge cannot support compliance with the campaign finance disclosure statutes or campaign limits laws for these contributions.**
- 3. Judge Damita Dandridge was non-compliant with T.C.A. § 2-10-311(a) by receiving \$1,165 in cash contributions over the cash limit from fifteen contributors (including \$240 related to itemized contributions disclosed).**
- 4. Judge Damita Dandridge was non-compliant with T.C.A. §2-10-107(a)(2)(A)(i) by failing to itemize \$4,132 in campaign contributions from seventeen contributors who contributed more than \$100 during the 2022 Second Quarter reporting period. In addition, the audit test work showed \$6,190 in candidate loans made in June 2022 that were not properly itemized.**
- 5. Judge Damita Dandridge was non-compliant with T.C.A. §§2-10-105 and 2-10-107 by reporting a \$1,333 expenditure refund as an un-itemized contribution.**

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## **INTRODUCTION**

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### **AUDIT AUTHORITY**

*Tennessee Code Annotated* (T.C.A.) §§2-10-206 and 2-10-212 authorizes the Registry of Election Finance (Registry) to conduct audits of campaign financial disclosure statements filed with the Registry. The audit was initiated based on T.C.A. §2-10-212(i), which requires the Registry to audit a candidate's campaign financial disclosure statement if the un-itemized contributions exceed \$5,000 and account for more than 30% of total contributions during a reporting period.

### **AUDIT PURPOSE**

The Registry's contribution audits assist and encourage candidate compliance with campaign disclosure laws. The audit process assists the Registry in providing timely and accurate campaign information to government officials and the public. The Registry's audits provide a tool for the Registry to evaluate the effectiveness of the campaign financial disclosure process. In addition, the audits assist the Registry with enforcing campaign finance limit laws and campaign finance disclosure laws. Finally, the audit reports are prepared to assist the candidate and the State of Tennessee with promoting governmental accountability and integrity.

### **AUDIT SCOPE**

Tennessee's campaign financial disclosure law requires candidates to make biannual financial disclosures as of the date of the first contribution or first expenditure, whichever occurs earlier. The biannual report periods are from January 16 to June 30 and July 1 to January 15 of each year. During an election year, the disclosures expand to quarterly, pre-primary, and pre-general reports. This audit relates to only disclosure that meets the requirements listed in T.C.A. §2-10-212(i). Therefore, the audit only relates to the disclosure of Judge Damita Dandridge's 2022 Second Quarter Campaign Finance Disclosure Statement. However, due to the nature of the audit being performed and the records provided by this candidate, as noted in the audit report, other areas of possible non-compliance are reported related to the candidate's other disclosure.

## CAMPAIGN OVERVIEW

### CAMPAIGN ORGANIZATION

Judge Damita Dandridge was a candidate in the August 4, 2022, general election for the Circuit Court District 30-8. Judge Damita Dandridge filed an Appointment of Political Treasurer Statement with the Registry on November 23, 2021, appointing Regina D. Neal as political treasurer.

The candidate's first financial disclosure for the 2022 campaign was the 2022 Year-End Supplemental disclosure filed on February 4, 2022. The candidate's last financial disclosure for the 2022 election was the 2022 Third Quarter, filed on October 11, 2022, and amended on October 12, 2022. After the amendment, the 2022 Third Quarter Disclosure Statement indicated no cash on hand, outstanding obligations, or outstanding loans. Thus, the candidate completed the 2022 election campaign reporting requirements.

### OVERVIEW OF FINANCIAL ACTIVITIES

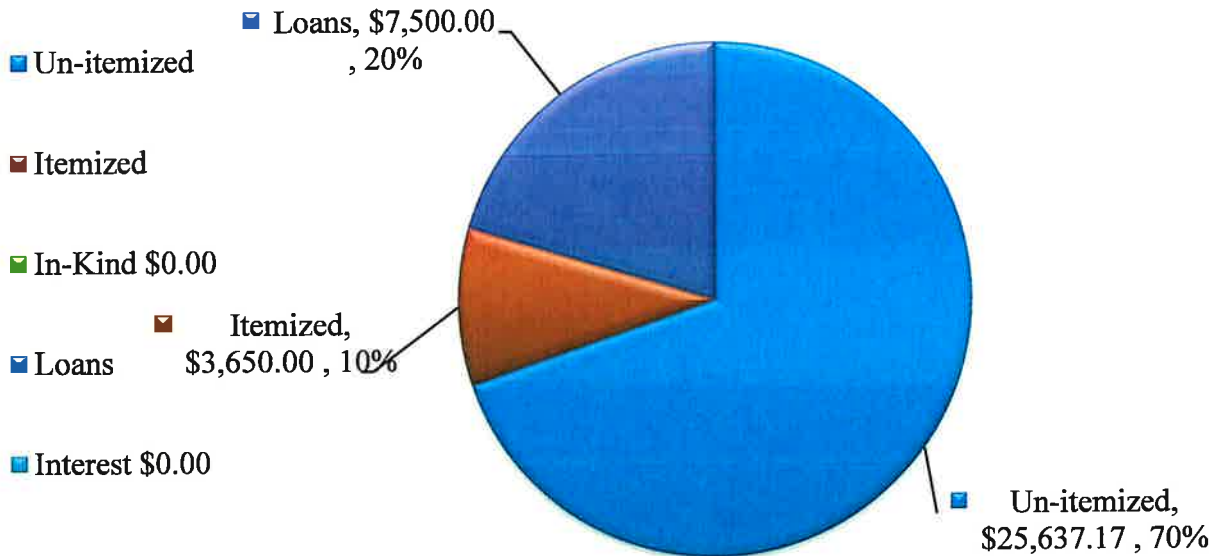
The following financial amounts are a summary of the candidate's financial disclosures. The summarized amounts are from the following disclosure statements: 2022 Year-End Supplemental, 2022 First Quarter, 2022 Second Quarter, and 2022 Pre-General and 2022 Third Quarter. As noted in the audit scope, we only audited un-itemized contributions from disclosures for the 2022 Second Quarter. The amounts displayed are for informational purposes only.

<u>Summary of Financial Activity</u>		
<u>(Un-audited Amounts)</u>		
Cash on hand at November 23, 2022		\$0.00
Receipts		
Un-itemized	\$33,718.81	
Itemized	9,350.00	
Interest	0.00	
Loans received	32,394.00	
Total receipts		<u>\$75,462.81</u>
Disbursements		
Un-itemized	2,968.65	
Itemized	71,708.32	
Loans payments	785.84	
Total disbursements		<u>\$75,462.81</u>
Cash on hand on September 30, 2022		<u>\$0.00</u>
Loans outstanding on September 30, 2022		\$0.00
Obligations on September 30, 2022		\$0.00
Total in-kind contributions received		\$700.00

## CHARTS

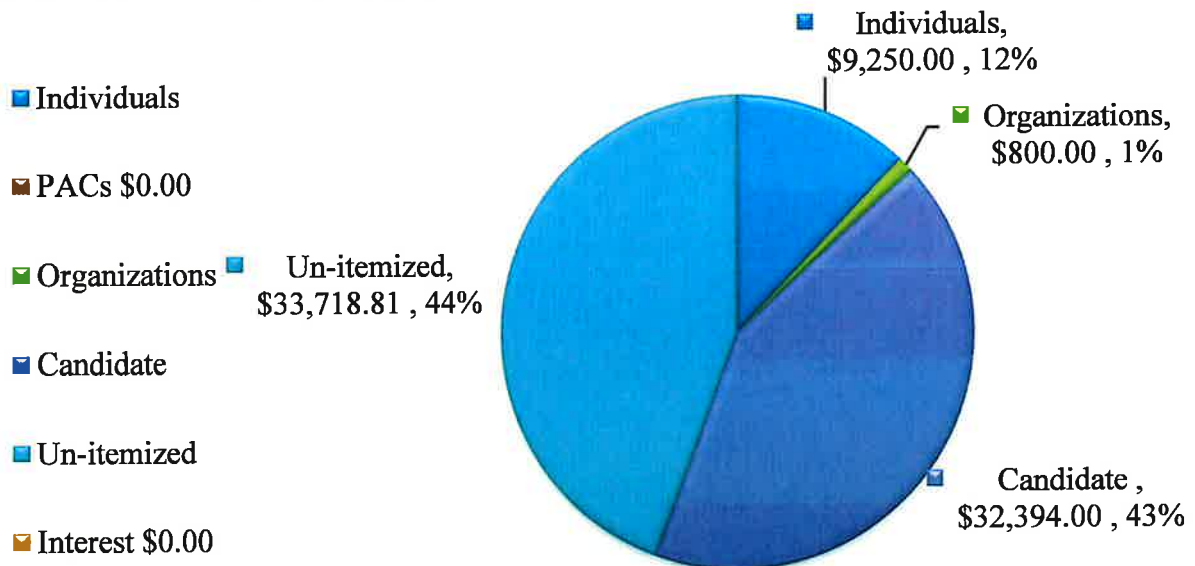
### 2022 SECOND QUARTER CAMPAIGN CONTRIBUTIONS

The following chart shows the contributions reported by the candidate in the 2022 Second Quarter.



### 2022 ELECTION CONTRIBUTIONS BY SOURCE

The following chart shows the contributions reported by the candidate for the 2022 election campaign. Organizations in this chart represent non-profit organizations, non-PAC campaign organizations, or businesses.



## OBJECTIVES, METHODOLOGIES, CONCLUSIONS

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### CONTRIBUTIONS AND RECEIPTS

#### ***Audit Objectives:***

The objectives of the audit of un-itemized contributions were to determine whether:

- campaign contributions from individuals and Political Action Committees (PAC) were within limits,
- all contributions were from non-prohibited sources,
- all contributions received were reported, reported in the proper period, reported in compliance with T.C.A. §§2-10-105 and 2-10-107, and
- all contributions were supported by bank statements and deposit slips.

#### ***Audit Methodology:***

The Registry obtained Judge Damita Dandridge's 2022 Second Quarter Campaign Financial Disclosure Statement to verify that the reported un-itemized contributions totaled to more than \$5,000.00 and 30% of the total contributions reported. We requested Judge Damita Dandridge provide all supporting documentation for the un-itemized contributions of \$25,637.17 disclosed on the 2022 Second Quarter statement. The candidate's campaign records included bank statements, deposit slips, copies of contributor checks, contributor lists prepared by the candidate, contribution transactions, and contributor data prepared by online services (contribution collection agents of the campaign). The following steps were performed on the candidate's campaign disclosures and supporting documentation:

- The campaign records were reviewed to determine if the candidate's un-itemized contributions from April 1, 2022, through June 30, 2022, totaled \$25,637.17.
- An audit prepared a listing of suspected un-itemized contributions and compared these items to the candidate's bank statements to determine whether the candidate deposited all funds into a campaign bank account and adequately recorded the funds.
- The audit prepared a listing of un-itemized contributions by contributors, which was compared to the candidate's itemized contributions reported during the campaign to determine whether campaign contributions from individuals and PACs complied with campaign contribution limits, T.C.A. §2-10-301, et seq.
- The audit created a listing of un-itemized contributions that was reviewed to determine if all contributions were reported, all receipts received were reported, all

contributions were reported in the proper period, and all contributions complied with T.C.A. §§2-10-105 and 2-10-107.

***Audit Conclusion:***

Judge Damita Dandridge's 2022 Second Quarter Campaign Financial Disclosure Statement reported \$36,787.17 in contributions, of which \$25,637.17 were un-itemized. Thus, un-itemized contributions were greater than \$5,000.00 and 30% of the total contributions reported and an audit of those contributions is required by Tenn. Code Ann. § 2-10-212(i).

The candidate's initial and subsequent submissions of campaign records did not specifically identify the contributor and contributions that made up the \$25,637.17 reported by the candidate as un-itemized contributions. There was no candidate-prepared listing of the un-itemized contributions reported by the candidate during the second quarter, nor were there any notations to indicate what portions of which campaign account deposits related to the \$25,637.17 reported. The original submission consisted of records related to deposits from April 2022 to the end of June 2022 and a notation related to a few checks likely deposited in July for the campaign. (The July bank statement was provided, and the July deposited funds were confirmed). Based on the audit records requested and the records submitted, it appeared the candidate was inferring that the deposits and related records provided supported contribution activity during the second quarter period and thus reported on the 2024 second quarter disclosure statements. This implies that the candidate is inferring that once items in the documents are reported as loans and itemized contributions, the remaining would relate to the reported un-itemized contributions of \$25,637.17.

As the candidate failed to specifically identify the un-itemized contributions reported (whether by listing or any other method), an audit-prepared listing was required to be developed to determine proper reporting. The list was prepared based on the inference that the records provided supported all contribution activity in the 2022 Second Quarter.

All deposits during the period were compared to the total contribution reported to verify the completeness of the un-itemized listing prepared by the audit. As noted, the candidate reported \$36,787.17 in total contributions. The deposits for the period totaled \$33,237.17 from 4/1/2022 to 6/30/2022. The campaign records supported an additional \$2,312 in contributions received before 6/30/2022 and deposited in July 2022. The campaign records also indicate that \$160.11 was withdrawn from the contributions before the deposit for online fees. Additionally, \$90 in cash contributions collected during the period was spent without ever being deposited in the campaign account. The total supported funds (deposits and additional non-deposited items) were \$35,799.28. The difference was \$987.89 more reported than supported funds identified.

The audit test work performed was able to trace each itemized contribution and loan reported to a specific deposit or candidate records. Thus, the audit indicates that the \$987.89 difference relates to the un-itemized contributions. The candidate's campaign records indicate that the candidate reported \$987.89 more in contributions than were supported as received. *Details are noted in Finding 1.*

In addition to the \$987.89 overstatement, the audit test work identified \$1,235.20 of contributions related to a deposit in May of 2022 from an online service that could be reported twice both on the 2022 First Quarter and 2022 Second Quarter based on the candidate's records provided and candidate treasurer statements made. The \$1,235.20 were all contributions received during the 2022 First Quarter and should not have been re-reported in the 2022 Second Quarter; this also overstates the contributions received by \$1,255.20. *Details are also noted in Finding 1.*

The Director of Auditor notes: The campaign account has been closed, and the total contribution reported equals the total expenses reported, indicating the campaign is balanced. The above infers that the reported \$987.89 in contributions did not exist during the 2022 Second Quarter, if at all. The above also shows that \$1,235.20 also may be reported twice. If the campaign balanced to zero, the removal of \$987.89 and \$1,235.20 in contributions in the 2022 Second Quarter would also be an indicator that additional contributions or expenses were improperly reported in other periods (including possible double-reported expenses or reporting expense activity that did not occur related to the campaign account).

The audit test work indicated additional areas of non-compliance by the candidate related to campaign finance statutes, reporting requirements, and the campaign finance limits laws, and un-itemized contributions received and reported. These included the following.

1. Judge Damita Dandridge was non-compliant with T.C.A. §2-10-105(f) by failing to maintain contributor data for \$9,660 in un-itemized contributions reported. *Details can be found in Finding 2.*
2. Judge Damita Dandridge was non-compliant with T.C.A. § 2-10-311(a) by receiving \$1,165 in cash contributions over the cash limit from fourteen contributors. *Details can be found in Finding 3.*
3. Judge Damita Dandridge was non-compliant with T.C.A. §2-10-107(a)(2)(A)(i) by failing to itemize \$4,132 in campaign contributions from seventeen contributors who contributed more than \$100 during the 2022 Second Quarter reporting period. In addition, the audit test work showed \$6,190 in candidate loans made in June 2022 that were not correctly itemized. *Details can be found in Finding 4.*
4. Judge Damita Dandridge was non-compliant with T.C.A. §§2-10-105 and 2-10-107 by reporting a \$1,333 expenditure refund as an un-itemized contribution. *Details can be found in Finding 5.*

While completing the audit test work to create a listing of un-itemized contributions, and as a direct result of the candidate not being able to identify the specific un-itemized activity reported in the 2022 Second Quarter, the Director of Audit became aware of other non-compliance by the candidate in itemized contributions supported by the records provided. These included.

5. In addition to the cash contribution noted as being over the limits in un-itemized contributions above, the audit identified \$240 in itemized contributions over the cash limit. This is also detailed in Finding 3.

6. The candidate reported \$1,500 contributions from the same contributor using two names and addresses. Although the total amount is not over the campaign finance limit, the improper reporting has the following effects.

The system's aggregate amount calculated and displayed for both itemized contributions is improper. The aggregate amount reported is a statutorily required entry. If reported on the Registry's paper-designed disclosures, the aggregate amount reported by the candidate should be the total amount a contributor gave when the report was prepared for the entire election, and it should include itemized and un-itemized amounts. To reduce the keying entries made by the candidate, the campaign finance electronic system was designed to calculate the amount for the candidate, with one minor variation: the online system only calculates the aggregate amount of all itemized disclosed contributions. When the candidate made two different entries in the electronic system for the same person, the system could not calculate the amount correctly, making the entry non-compliant. Additionally, the disclosures can mislead the report's readers into thinking two individuals made contributions to the campaign instead of one. In this instance, it appears the candidate used each name of a hyphenated or dual last name in separate donation instances. Additionally, the candidate used both a work address and a home address. However, the supporting checks show the contribution was from the same person and from the same account. No finding was noted as the entries did not cause additional non-compliance beyond the aggregate amount reporting; however, the candidate was requested to make changes to the disclosure to make the contributor data the same for both entries.

As noted in the audit conclusion above and in the findings that follow, the Director of Audit noted that it is likely that errors in loan reports, un-itemized contribution reports, and expense reporting also occurred in other periods. This is known because the candidate balanced the campaign account for the election cycle per the reporting showing that contributions received equaled expenses. For this to continue, based on the results of this audit, additional periods or items not being audited (like expenses) must be improperly reported.

#### **FINDING(S)**

1. **Judge Damita Dandridge was non-compliant with the intent of portions of T.C.A. §§2-10-105 and 2-10-107 by overstating campaign contributions received during the 2022 Second Quarter by \$2,863.09 and non-compliant with T.C.A. §2-10-107(e) by stating more funds available at the end of the period than were available.**

Judge Damita Dandridge appears non-compliant with the campaign finance statutes by overstating the un-itemized contributions received during the 2022 Second Quarter by \$2,863.09. T.C.A. §§2-10-105 and 2-10-107 regulate when and how contributions received by a campaign must be reported. Although the statutes do not expressly prohibit reporting of non-existent or repeating disclosures of contributions, such activity appears inconsistent with the statute's intent for campaign activity disclosures. This is emphasized in T.C.A. §2-10-107(e) requirements, which require a candidate to report the funds available at the end of

each period. The Registry reporting mechanism assists candidates in compliance with the statute by having candidates report the Balance on Hand each period. The electronic filing system assists the candidate by calculating this amount based on disclosure made (or, in the case of a short form reporting, requires the candidate's input of the balance on hand). Inaccurate, incomplete, or additional data (contributions not received or expenses not incurred) will make the system improperly calculate and disclose the required "balance on hand" field. Thus, the candidate will be non-compliant with reporting available funds at the end of each period. Such activity will generally overstate or understate the available funds in all subsequent disclosures until corrections, adjustments, or the campaign account closeouts to zero balance entries are made.

The audit testing showed that the candidate reported more contributions than were received in three instances. The first is the campaign records, which showed that the candidate reported \$36,787.17, but the audit only found supporting records showing \$35,799.28. A difference of \$987.89. The audit was able to determine this amount related to un-itemized contributions. However, the reason an additional \$987.89 was reported could not be determined. The details of the \$987.89 reporting could not be determined as a direct result of the candidate's failure to maintain sufficient records, such as a listing of the contributors and the amount that made up the \$25,637.17 reported in un-itemized contributions. Including being unable to identify when those related funds were deposited and received.

The second instance related to funds received through an online service. The original submission of campaign records shows a deposit on May 31, 2022, from PayPal for \$2,040.39 and incomplete PayPal records was part of the contribution received in the 2022 Second Quarter. A subsequent request for data resulted in a complete PayPal history that showed the deposit was related to \$2,110.20 (\$68.81 in fees retained by PayPal before the deposit) in contributions received through PayPal for the campaign. The PayPal records also show that \$1,235.20 of those contributions was received from 1/26/2022 to 3/31/2022, during the 2022 First Quarter reporting period. The bank records provided, which included the 2022 First Quarter and 2022 Second Quarter and the related candidate disclosures, appear to indicate that the \$1,235.20 was reported in both periods. The campaign treasurer statements during the audit, the original submission of records, and supporting records provided, and the disclosures from both periods show, at a minimum, the \$1,235.20 was reported in the 2022 Second Quarter (and likely in part of the 2022 First Quarter). As the funds were not received during the 2022 Second Quarter but received during the 2022 First Quarter, they overstate the contribution received during the Second Quarter by \$1,235.20 (if double disclosed in the 2022 First and 2022 Second, they overstate the total contribution for the election by \$1,235.20).

The third instance is related to funds received through another online service. The original submission of campaign records shows a deposit on April 14, 2022, from Cash App for \$950 with no additional records to support the activity. A subsequent request for data resulted in a complete Cash App activity log that showed that ten transactions from that deposit occurred before April 1, 2022, and during the 2022 First Quarter reporting period. Unlike the contribution from PayPal noted in the paragraph above, there are no indicators this was also reported in the 2022 First Quarter. However, as the funds were not received

during the 2022 Second Quarter but received during the 2022 First Quarter, they overstate the contributions received during the Second Quarter by \$640. Cash App funds from the \$950 deposit cannot be associated with any contributor; the non-compliance related to that is noted in Finding 2.

The \$2,863.09 in overstated un-itemized contributions received represents approximately 11.2% of the \$25,637.17 in un-itemized contributions reported by the candidate for the 2022 Second Quarter disclosure statement.

**2. Judge Damita Dandridge was non-compliant with T.C.A. §2-10-105(f) by failing to maintain contributor data for \$6,520 in un-itemized contributions reported. Due to the lack of records, Judge Damita Dandridge cannot support compliance with the campaign finance disclosure statutes or campaign limits laws for these contributions.**

Judge Damita Dandridge's campaign records indicated that she received and deposited \$6,520 in funds that could not be associated with any contributor. Based on the audit test work, the \$6,520 was reported as un-itemized contributions on the 2022 Second-Quarter disclosure statement.

Of the total \$6,520 in unsupported contributions, \$3,800 was received through online contributions through the Cash App. The campaign received the other \$2,720 through direct cash contributions.

- The candidate received \$3,800 from an online service called Cash App. The original submission of campaign records showed two transfers from the Cash App service in the bank statement of \$950 and \$2,052.08. The \$950 has no other records provided. Also included in the support was an Excel spreadsheet of dates, amounts, names of sender\receiver, and notes that indicated it was related to Cash App, partially related to the \$2,052.08 deposit and activity after the deposit in the 2022 Second Quarter. The records indicated that the candidate had not provided full details of the Cash App activity. A second request for records related to Cash App yielded a transaction report from Cash App showing various transactions and subsequent transfers by amounts and dates from the beginning of the campaign till well after the audit period. The records showed all the related transactions for the \$950 deposit and \$2,052.08 deposit. Additionally, it showed the \$2,052.08 deposit till the end of the 2022 Second Quarter and showed Cash App transferred those funds out of the Cash App account on July 1, 2022, and into the campaign account on July 7, 2022. Based on these records, the audit could determine the following
  - The candidate received \$950 from Cash App but could not identify any contributors to that service for that deposit (it was also noted that \$640 of those funds were received during the 2022 First Quarter and improperly included in the 2022 Second Quarter, as detailed in Finding 1).

- The candidate received \$1,500 related to the \$2,052.08 deposit for which the candidate records could not identify the contributor.
- The candidate received \$1,100 of the funds related to funds deposited in the campaign account on July 7, 2022, received during the 2022 Second Quarter, for which the candidate records could not identify the contributor.
- The audit identified an additional \$250 in contribution listed on the Excel spreadsheet where the data is incomplete or inconclusive in identifying a specific contributor. These are generally related to being provided incomplete names or what may be application usernames like BritneyR or Erma.
- The candidate received \$2,720 in cash contributions where the candidate maintained no records to support the source of the contributions. Most of the cash relates to one cash deposit on May 24, 2022, for \$2,460 and has no supporting records. Although the remainder usually has a notation in the campaign records to indicate who collected the cash for the campaign (such as the candidate, treasurer, or other campaign workers), it is not the required contributor name to support disclosures made.

The audit results indicate that Judge Damita Dandridge did not maintain or obtain sufficient campaign records for contributors related to the above-mentioned amounts. The audit cannot verify compliance with all campaign finance statutes for these contributions (or note if they relate to the reported contributors and contributions supported). The funds cannot be associated with a specific contributor, so they are generally considered anonymous funds. Without the specific contributor names and amounts contributed, we could not determine Judge Damita Dandridge's compliance with the following campaign finance statutes for the cash contributions:

- T.C.A. §2-10-107(a)(2)(A)(i) requires contributions of more than \$100 from one source received during a reporting period to be itemized. The itemized information for each contributor must include name, address, occupation, employer, date of receipt, and contribution amount.
- T.C.A. §2-10-311(a) limits cash contributions to \$50 per election for each contributor.

There is one exception: the Director of Audit can evaluate the contributions in the case of online transactions where the candidate has given the transaction listing for likely itemized disclosure. When an online transaction indicates an activity greater than \$100 in one entry, the Director of Audit can determine with a very high degree of certainty that the transaction would have required itemized disclosure due to the requirement of more than \$100. The audit test shows about seven transactions of \$200 or more paid through online services where the contributor was not identified but appears would have been a required to be reported as an itemized disclosure.

The \$6,520 in unsupported un-itemized contributions (or anonymous contributions) received represents approximately 25.4% of the \$25,637.17 in un-itemized contributions reported on the 2022 Second Quarter disclosure statement. At the end of the report, the Director of Audit has included additional information related to online services that do not collect contributor data in the candidate recommendations.

**3. Judge Damita Dandridge was non-compliant with T.C.A. § 2-10-311(a) by receiving \$1,265 in cash contributions over the cash limit from fifteen contributors (including \$240 related to itemized contributions disclosed).**

Judge Damita Dandridge received cash contributions from fifteen individuals over the \$50 per election cash contribution limit. T.C.A. §2-10-311(a) states, “No person shall make cash contributions to any candidate concerning any election that, in the aggregate, exceed fifty dollars (\$50.00).” Judge Damita Dandridge was a candidate in the general election only (there was no primary election for District 30-8); therefore, each contributor's maximum cash contribution limit was \$50. Based on the audit test work performed on the candidate’s campaign records, the records indicate fourteen individuals that had contributions reported as un-itemized during the 2022 Second Quarter provided cash over \$50 to the campaign. The total amount of the overage was \$1,025. Additional detailed information on the contributions is as follows.

- Nine contributors made \$100 in total cash contributions in a one-time transaction.
- Two contributors made \$250 in total cash contributions in a one-time transaction. (These items are also noted as not itemized in Finding 4).
- One contributor made \$150 in total cash contributions in a one-time transaction. (This item is also noted as not itemized in Finding 4).
- One contributor made \$100 in cash contributions in two \$50 transactions.
- One contributor made \$75 in total cash contributions in two transactions (\$50 & \$25).

As noted previously, the candidate’s lack of records to identify un-itemized contributions required the creation of an audit listing of un-itemized contributions. To create the listing and verify its completeness, itemized contributions were reviewed. The review identified one itemized contribution in which a contributor exceeded the cash contribution limits by \$240. The candidate’s supporting records show a contributor who made \$500 in contributions of which \$290 was in cash. This is \$240 over the cash limits.

The \$1,265 in contributions received over the cash contribution limits represents approximately 4.9% of the \$25,637.17 un-itemized contributions reported on the 2022 Second Quarter disclosures (or approximately 3.4% of \$36,787.17 in total contributions reported).

**4. Judge Damita Dandridge was non-compliant with T.C.A. §2-10-107(a)(2)(A)(i) by failing to itemize \$4,132 in campaign contributions from seventeen contributors who contributed more than \$100 during the 2022 Second Quarter reporting period. In**

**addition, the audit test work showed \$6,190 in candidate loans made in June 2022 that were not properly itemized.**

Judge Damita Dandridge included \$4,132 in un-itemized contributions that she received from seventeen individuals that should have been itemized during the 2022 Second Quarter reporting period. T.C.A. §2-10-107(a)(2)(A)(i) requires contributions of more than \$100 from one source received during a reporting period to be itemized. Additional detailed information on the contributions is as follows.

- Eleven contributors contributed over \$100 in a one-time transaction, and the contribution was improperly un-itemized. (Be aware that one of the contributor's contributions is also in Finding 3 and relates to one of the \$250 cash transactions).
- Three contributors made multiple contributions of \$100 or less. The contributions sum to over \$100, and all were improperly un-itemized.
- One contributor made two contributions, one for \$250 and one for \$35. All the contributions were improperly un-itemized. (The \$250 is also in Finding 3 and relates to one of the \$250 transactions).
- One contributor made two contributions, one for \$150 and one for \$25. All the contributions were improperly un-itemized. (This is also in Finding 3 and relates to the \$150 transaction).
- One contributor made three contributions in multiple transactions. The candidate properly itemized contributions totaling \$500, but the candidate improperly un-itemized the other two of \$100 or less. (The \$500 contribution is also in Finding 3 and relates to the itemized contribution reported where \$190 was made in cash).

Judge Damita Dandridge's records also indicate an additional \$6,190 in contributions from the candidate that were included in the un-itemized contributions. These were also required to be itemized per T.C.A. §2-10-107(a)(2)(A)(i) as they all came from one source, the candidate. The records showed two cashier checks, both deposited in June of 2024 (one for \$3,000, the other for \$3,190). Although these could be reported as monetary contributions or loans from the candidate, based on the notations and other loan contributions made during the campaign, both appear to be additional loan contributions that were improperly included in the un-itemized contributions.

The \$10,322 (including the \$6,190 in loans) of improperly reported un-itemized contributions represents approximately 40.3% of the \$25,637.17 in un-itemized contributions reported on the 2022 Second Quarter disclosures.

**5. Judge Damita Dandridge was non-compliant with T.C.A. §§2-10-105 and 2-10-107 by reporting a \$1,333 expenditure refund as an un-itemized contribution.**

Judge Damita Dandridge included a \$1,333 expense refund in the un-itemized contribution disclosures during the 2022 Second Quarter in non-compliance with campaign finance statutes. T.C.A. §§2-10-105 and 2-10-107 require reporting contributions and expenses and the balance available at the end of each period. The statutes also detail how expenses and contributions received each period should be disclosed. Although the statute does not

explicitly reference a return of an expense amount, such activity is a reduction of expenses that occurred and will affect the calculation of the “balance on hand” (which discloses the available funds at the end of a reporting period). The activity also does not meet the definition of a contribution outlined in the statute. The Registry has set up an electronic system for reporting and a section for expenditure adjustments (with the notation that this section is for expense refunds) following the statute, delegating the authority to the Registry to establish the method of reporting. The candidate’s improper reporting of the \$1,333 in un-itemized contributions obscures the actual activity by indicating the activity is a contribution instead of a reduction of expenses. The campaign records show the refund was written on 6/17/2022 and related to a vendor, who was reported as receiving multiple payments before the refund (1/26/2022 \$400, 3/12/2022 \$100, 4/7/2022 \$190, 6/15/2022 \$5,673). Based on the amount of the refund and date, it appears the \$1,333 had to relate to the \$5,673 payment made two days before. This further shows that the candidate’s improper reporting makes the 2022 second quarter overstate the expense incurred by \$1,333.

Although the purpose of the audit is only to assess the activity related to un-itemized disclosures and the audit test work only evaluated the \$1,333 because the funds were included in the un-itemized contributions, the audit did not specifically test or review the related expense. The Director of Audit was made aware of oddities related to the expense, refund, and disclosure that may indicate additional improper reporting of the expense and refund that has not been audited. The details of which are in the following paragraph.

While the request for records only requested contribution data, specifically the original request for un-itemized contribution records to support un-itemized contribution activity that occurred and was disclosed in the 2022 Second Quarter, the candidate in the original submission included some (if not all maintained) expense data for the period. This included the payment check for the \$5,673; however, there was no receipt or invoice, but as noted, that was not part of the request data; other receipts and invoices for other expenses were provided (the check and refund check are included in Appendix A). The candidate reported the check as an expense to JJ Graphics for advertising on 6/15/2022. The check was written to a person (appears to be Jeremy Jefferson) instead of a company (a review of other campaign checks provided and reported as JJ Graphics are all written to the company). The check memo line reads, “Loan to the campaign.” The details of the check appear to indicate the funds being provided to the individual were not payments to JJ Graphics for advertising, but a possible return of the funds donated to the campaign as a loan. On the other hand, the refund of \$1,333 was from JJ Graphics, which indicated it was for signs in the memo line. As noted, only the \$5,673 JJ Graphics expense is large enough to have a \$1,333 return. The data provided is insufficient to determine the activity related to the expenses and refund. As stated, the \$5,673 is an expense-reported activity, not a contribution-reported activity, and thus was not fully subject to audit. In addition, loans are not specifically part of the audit. The audit test work identified no records to support \$5,673 loan activity in the 2022 Second Quarter (however, the audit does not have large sums of unidentifiable funds). Based on the above, no additional audit was performed on this activity. The information is only being provided for the Members of the Registry in its decision-making related to the campaign and the audit report, indicating other areas of the campaign in other periods and areas that may be improperly reported based on the audit test work.

The \$1,333 of improperly reported un-itemized contributions represents approximately 5.2% of the \$25,637.17 in un-itemized contributions reported on the 2022 Second Quarter disclosures.

### **RECOMMENDATION TO CANDIDATE**

Judge Damita Dandridge should amend the 2022 Second Quarter Campaign Financial Disclosure Statement to ensure that she reported all contributions received properly. This should include the removal of improper items reported as un-itemized contributions or unsupported included the following,

- The removal should include contributions received in other periods improperly reported; if such contributions were not previously reported adequately in those other reporting periods, they should be corrected in the proper reporting periods
- Itemizing all contributions from individuals who contributed over \$100 during the 2022 Second Quarter reporting period as appears in the audit report.
- Proper reporting of loans received from the candidate (and others if applicable) both in the reported loans and including itemizing the \$6,190 in loans received in June 2024 noted by the audit.
- Properly report the expense refund received of \$1,333.
- The Director of Audit also recommends that all contributions not associated with any specific contributor be removed from un-itemized contributions and any other part of the 2022 Second Quarter Disclosure. The total contributions should be calculated and reported as anonymous contributions outlined in the audit correction letter. This appears consistent with Tennessee's Attorney General's opinion that all contributions received must be reported whether determined allowable or unallowable. The recommended disclosure will also assist in the other recommendations that follow or actions that the Members of the Registry may take.

As noted in the audit report, the Director of Audit knows the campaign account was closed. Thus, the campaign is showing a zero balance. The corrections above, if only done for items noted in the audit on the 2022 Second Quarter Report, will likely unbalance the disclosures; this is why the audit report indicates, in several instances, other improper disclosures likely occurred in other periods and related to expenses. Upon completing all changes, the candidate will need to ensure that the campaign account is still balanced and will likely have to make changes the audit report did not find based on the limit of the audit's scope and purpose.

#### **Unallowable campaign contributions**

The audit has identified unallowable campaign contributions, such as cash contributions over the limit noted in the audit report and anonymous contributions noted above and in the audit report, which should not be used in the campaign and, when possible, should be returned to the contributor. There is also a statutory allowance for the return of improper contributions within 60 days. The Members and Registry Staff usually allow 60 days from the date the candidate was made aware of the unallowable contributions (which could be on receipt of the funds or by a

non-compliant notice like the audit correction notice letter or audit report). The Director of Audit recommends (and recommended in that letter) the following items.

1. The candidate considers returning all cash contributions noted in the audit over the cash limits to the contributors noted in the audit and audit correction letter.
2. Generally, anonymous contributions cannot be returned to a contributor as that contributor cannot be identified to make the return. However, online services have created a unique situation in which some anonymous contributions could be returned to the account that contributed them. The Cash App service used by the candidate may be one of those situations because online services may be able to reverse the transactions. Therefore, even though the audit determines the candidate failed to keep sufficient records to identify activity through the online application and the online service is unwilling or unable to give the candidate confirmable payment records showing the contributor and thus the contributions were determined to be anonymous and thus unallowable, they could be returnable. The Director of Audit recommends that the candidate contact Cash App and determine if the transaction can be reversed in such a manner for all the Cash App activity noted in the audit report and audit correction letter as anonymous. If they can reverse the transactions, the transaction should be reversed.
3. The remaining anonymous contributions are also unallowable and should not be used for campaign activity. The Director of Audit recommends that the candidate follow the guidance given to other candidates based on recommendations and the board's prior actions. The guidance is that since such contributions cannot be used by the campaign and cannot be returned, such funds should be donated to charity. In this instance, the candidate could either contribute to charity amounts equally to the anonymous contributions identified in the audit or identify any charitable activity during the campaign already reported to charitable organizations (if any) and make any additional charitable contributions needed.

All the above requires disbursement of funds by return or donations. The Director of Audit is aware that the campaign account was closed out. Thus, such refunds would have to be made from the candidate's personal funds (and confirmed to the Director of Audit before showing a corrective action occurred). Therefore, the candidate may prefer to wait for the Members actions and recommendations from the audit report release before making the actual returns as recommended by the Director of Audit. If the candidate used personal funds for the recommendation, the identical amounts must also be reported as candidate contributions, and the related returns and donations must be appropriately reported.

#### Future elections (if applicable)

Judge Damita Dandridge should familiarize herself with Tennessee laws relating to campaign finance and contribution limits and ensure that all necessary information is provided to all those who collect on the campaign's behalf. In addition, the candidate and those doing the

reporting need to understand the difference in supporting contributions received, reporting requirements, and campaign limits. Those differences are as follows:

- All contributions, regardless of amount, have to be supported by records to show who made the contribution and that the funds provided by the contributor were theirs to give. In short, the candidate's campaign records are required by statute to support all contributions by contributors and source down to the penny (generally, this will be by transaction).
- Campaign reporting is in two segments. The first reporting requirement is by disclosure statement periods. Then, based on the contribution amounts, contributors who give more than \$100 in aggregate during a period are detailed disclosed (itemized), and those who give \$100 or less in aggregate during the period can be (un-itemized) up to the cap.

**Statutory Change:** Members and candidates need to be aware that in 2023, the un-itemized contribution reporting was capped. In all reporting periods starting with the 2023 Mid-Year, the maximum amount a candidate can report in the un-itemized contribution is \$2,000. If the candidate has more than that amount in contributions from those who give \$100 or less in aggregate during the period, a selection of what contributions will be reported as un-itemized and itemized is required. Due to this change and changes in the contribution audits, The Director of Audit is recommending most candidates itemize all contributions and reserve the un-itemized contribution reporting to individuals who give less than \$100 during the period and prefer not to have their information disclosed on public disclosure (see Director of Audit un-itemized listing recommendation that follows).

- Campaign limits are based on elections and then by contributors (persons or entities). During the election cycle of this report, individuals were limited to \$50 in cash per election and \$1,600 in aggregate contribution per election. Based on this audit, the candidate had only one election, the General, which meant an individual could only give \$1,600 in aggregate for the general election by all contribution types. Thus, an individual who provided \$1,600 in aggregate contributions could only provide \$50 of the \$1,600 in cash. The rest could be by check, online, e-transfer, or other trackable methods, loans (usually by check or e-transfer), or in-kind (based on the market value of the in-kind item).

Judge Damita Dandridge should maintain contributor data for all campaign contributions received and reconcile the campaign bank and other campaign records to her campaign disclosures to ensure all disclosures are complete, accurate, and properly supported by the campaign records. In situations where the candidate will use individual or online services to collect funds on the campaign's behalf, that makes them agents of the campaign. In that case, the candidate needs to make sure those individuals or online services can provide sufficient data to identify the contributor and that they are contributing funds they hold the right to contribute. Additionally, they need to identify the exact date they received the funds, as that is the statutory

required date used to determine how much was reported during the reporting period (and will be disclosed in an itemized disclosure as the date received).

### DIRECTOR OF AUDIT RECOMMENDATIONS TO ALL CANDIDATES

The following are continued recommendations to the candidate, but they can benefit all candidates in future or current elections. The section was separated for separate reporting or possible other dissemination.

#### Un-itemized contribution campaign records

Over the last several years, the Director of Audit has noted an alarming trend in un-itemized documentation by candidates, which appears likely in part the cause of the statutory changes noted that occurred in 2023, which include a cap on un-itemized contributions and the removal of un-itemized expense reporting. Although the statutory changes could improve those issues, another similar issue may occur due to the procedural process set up by the Registry to simplify online reporting. The issue is that candidates are not maintaining lists of consolidated entries to show how those entries were prepared for the disclosures. Examples of consolidated entries in the past were the un-itemized contribution amount reported and un-itemized expenses. Still, the auditor expects the issue will now be in consolidated itemized expenses in the future, and the now capped un-itemized contributions reported. A consolidated itemized expense is the allowance by the Registry to let a candidate report all payments to one vendor for the same purpose in one entry for the period. One example is noted in this audit report: the fees for online collections, instead of having the candidate report each fee removed for each contribution reported. They can add all the fees related to the online service for the contributions reported that period and make one disclosure entry. As noted in this audit, the candidate did not keep a listing of what was in the un-itemized contribution; the candidate also could not have kept a listing of the fees reported related to those contributions.

The statutes do not direct how a candidate maintains campaign records; they only state that they should be sufficient to support the disclosures made. The Director of Audit, when giving advice, has constantly recommended to candidates that they keep a list of un-itemized contributions they are reporting each period by name and amount (and, more preferably, when those amounts were deposited into the campaign account for audit purposes). Thus, the Director of Audit again recommends this, and every candidate should keep a list of what is reported in un-itemized contributions and any other consolidated entries related to expenses or contributions.

### RECOMMENDATION TO REGISTRY

We recommend that the Members of the Registry consider the findings and other information noted related to other non-audited campaign disclosures for further action. We recommend the Registry approve the audit performed as being sufficient and complete. Finally, we recommend the Registry post the audit report to the Registry's website, regardless of whether a significant penalty is assessed, as outlined in T.C.A. §2-10-212(f). The report and related findings will assist current and future candidates to understand the audit process, the purposes of

Registry rules, and the types of procedures needed to comply with campaign finance laws. The following is also provided for the Member's consideration.

### **Online services – cash contributions**

The Director of Audit wants the Members to be aware of the following related to how online services were evaluated. The campaign statute has very few direct references to collections of contributions through online services or the collection of cryptocurrencies (online currency like Bitcoin). The primary reference is T.C.A. §2-10-113, which allows for cryptocurrency contributions and how the candidate must report and deal with such cryptocurrency contributions. However, the Tennessee Campaign Finance Statutes and the Campaign Limits Laws do appear to indicate candidates have a responsibility to know who contributed the funds and that the funds came from the individual being reported and not someone else's accounts.

To that end, it appears the cash limits in the Tennessee Campaign Limits Laws were set up to limit untraceable transactions, such as when cash or cash equivalents are transferred. As noted, the statute did not explicitly consider or outline online contributions. As such, an assessment had to be made on which standards should be applied to online transactions.

By reviewing the online transaction records provided by online services to candidates to support contributors and realizing that electronic transactions, by nature (at the time, and still in most cases), are not untraceable if needed. The assessment was made that they should not be treated as cash or cash equivalents for audit purposes. The Director of Audit assessed in consultation with prior Registry management and legal advisors.

However, The Director of Audit has noted a trend with online contributions and cryptocurrency that may need to be addressed by the Members of the Registry of Election Finance or the Legislature of the State of Tennessee.

Online contributions are starting to be in various types of groups. Online services like ActBlue Winred, Anedot, and similar services appear to have been established to collect campaign contributions on the candidate's behalf. Other groups like Cash App, GoFundMe, Square Inc., or Venmo were established to facilitate funds transfer between individuals and groups. Then, groups like PayPal and Eventbrite started as payment services but added additional services to facilitate payment identification over time (if adequately requested). The amount of trackable data retained by the services made available to a candidate or obtainable by the Registry varies. However, all the services above appear to have issues identifying precisely who contributed and that the funds were theirs to contribute. Services set up to identify contributors by payment (credit card) and then keyed contributor data do an excellent job for candidates collecting contributor data and showing the funds came from the person who holds the card. Similar to e-transfers from contributor bank accounts that are verified by the service. Those set up solely to transfer funds generally will not provide payment data to the candidate or Registry to confirm the payment made was with an account in the payee's name. They will either give no data beyond the amount and date, or they will give screen or application names, which can be anything and not relate to the contributor's actual legal name. Due to the ease and popularity of

the payment services, the more extensive services like ActBlue Winred, Anedot have started to accept payment from other services like Venmo or Cash App. In doing so, they lose the ability to support the payment data for those transactions.

It should be noted that the Director of Audit is not indicating that with unlimited resources and unlimited subpoena authority to compel services to give system data, the transaction could not be tracked down to the system and likely the person who processed the transaction initially, but that is not what the Registry has available. As previously noted in the report and at the start of all audit reports, it is noted that it is the candidate's responsibility to provide support, not the Registry to find. Also, the Director of Audit has seen little direct evidence indicating that individuals explicitly use these services to circumvent limits law by using funds related to others (only that it is possible). The issues appear to be either unidentified contributors by the service (Like Venmo and CASH APP) or the use of fake names by a contributor who does not want to appear on a campaign disclosure. This audit report shows some of those issues related to Cash App contributions. The Director of Audit has also experienced an upward trend of having improper contribution names, addresses, occupations, and employers transferred from online services to the campaign finance system. These improper disclosures have to be addressed by correction notices by the Registry.

Regardless of the original determination to consider online transactions similar to checks because of traceable records, changes in the availability of some online transaction records, like Cash App, are moving such transactions to be more similar to cash transactions in that the contributor is being unidentifiable by the candidate, due to the service's providable records. As such, the Members of the Registry and the Tennessee State Legislature may want to consider guidance or legislation that can define what online service data is required to support campaign contributions made online. This could also include limits to the type of transactions that can be processed by online services related to campaigns or which campaign limit may apply based on the type of transaction made through the online services and how it is supported.

The Members of the Registry, candidates, and the State of Tennessee Legislature (if they use this report) must be aware that neither the Director of Audit nor the Registry staff advises any candidate currently to use any specific services in this report or not to use online services. The information provided to those who ask is that the candidates have the responsibility to have records to support all contributions received, even those from online services. Some services give more data and support to the candidate than others. Thus, due to those requirements, a candidate needs to determine how much they can solely rely on those services for compliance until or if the legislature or Members of the Registry give guidance in those activities and may want to work with the services to get all available data possible. The Director of Audit has advised candidates who call with questions about online contributions that they may want to avoid several of the services that will give no data, like Cash App, noted in this audit report, that have not shown they can provide contributor data at all, except in instances where they (or a campaign worker) personally knows the person is making the contribution and the time made and can thus identify the contributor, the amount contributed, the contribution date, and at least a minimal contact information. In addition, they need a record to show a reasonable level of assurance the person is using their funds, either by a personal knowledge statement by the candidate or staff or a written statement (letter or email from the contributor).

## **RESOLUTIONS**

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### **CANDIDATE'S CORRECTIVE ACTIONS**

None were completed when the audit report was finalized on December 16, 2024. Any actions after that date will be reported to the members in a separate notice.

### **REGISTRY OF ELECTION FINANCE ACTIONS**

The Registry of Election Finance Members will review Judge Damita Dandridge's 2022 Contribution Audit during its bi-monthly meeting on January 23, 2025. The meeting minutes will document the members' approval, additional items reviewed, and any subsequent actions.

# Appendix A

Vendor payment and refund check from June 2022

1066

FRIENDS OF DAMITA DANDRIDGE FOR  
JUDGE  
947 RICHLAND DR.  
MEMPHIS, TN 38116

Date

6-15-22

Pay To  
The Order Of

Jerome O Jefferson

\$ 5,673.<sup>00</sup>

Five thousand six hundred seventy three <sup>00</sup>/<sub>100</sub> Dollars

REGIONS BANK  
TENNESSEE

For

Loan to Campaign

*[Signature]*

*[Signature]*  
NOT


**JJ GRAPHICS**  
3874 DISCOUNT SUITE 8  
MEMPHIS, TN 38118  
PH. 901-502-8829




2873  
26-2840  
7232  
CHECK AMOUNT

DATE 6-17-22

PAY TO THE ORDER OF Darmita Dandridge \$ 1,333  
one thousand three hundred & thirty three dollars DOLLARS



**FIRST HORIZON**  
www.firsthorizon.com

FOR refund on signs 

Regions Bank >062000019<

7/1/22

Posting Date	Jun 21 2022
DB/CR	D
Amount	\$1,333.00
Item Bank	0
Account	
Check No	2873
Posting Seq No	
Business Unit Seq No	