



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

June 19, 2009

Karen Garcia, Treasurer
Democratic Party of Arkansas
1300 West Capitol Avenue
Little Rock, AR 72201

Response Due Date:
July 27, 2009

Identification Number: C00024372

Reference: February Monthly Report (1/1/09-1/31/09)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 3 items:

1. The beginning cash balance of this report should equal the ending balance of your 2008 Year End Report (11/25/08-12/31/08). Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.
2. Your previous filing, the 2008 Year End Report (11/25/08-12/31/08), disclosed two loans from "First National Bank of Jonesboro" with closing balances of \$24,523.30 and \$19,442.31, respectively. However, on Schedule C, supporting Line 10 of this report, the beginning balance of both loans is \$0 and there are there no loan repayments on Schedule B. Please be advised that all loans must be continuously reported until they are repaid.

Furthermore, Schedule C supporting Line 9 of your report discloses these loan(s) as having a negative closing balance(s). You are advised that any loan(s) with a negative closing balance requires further clarification. A negative closing balance suggests that you have either made a mathematical error or overpaid the debt which would result in the vendor incurring a debt owed to your committee and should be reported on Schedule D supporting Line 9 of your report. Please amend your report and any subsequent reports that may be affected by these corrections. 11 CFR §104.3(d)

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3. On Schedule H1 of your report, you have checked an incorrect fixed percentage for your allocated federal and non-federal administrative, generic voter drive and exempt activity costs. The fixed percentage for these costs is based on whether a Presidential and/or a Senate candidate appear on the State's ballot. Please amend your report to include a corrected Schedule H1 and note that a change in this ratio may make it necessary to repay your non-federal account for any overpayments that may have been made. While the Commission may take further legal action concerning any impermissible overpayments by the non-federal account, your prompt action will be taken into consideration. 11 CFR §106.7(d)(2) and (3)

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1135.

Sincerely,



Erinn D. Larkin
Campaign Finance Analyst
Reports Analysis Division

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