



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 23, 2015

TYLER CLARK, TREASURER
DEMOCRATIC PARTY OF ARKANSAS
1300 WEST CAPITOL AVENUE
LITTLE ROCK, AR 72201

Response Due Date

10/28/2015

IDENTIFICATION NUMBER: C00024372

REFERENCE: APRIL MONTHLY REPORT (03/01/2015 - 03/31/2015)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report 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 item(s):

1. Your report discloses a loan on Schedule A from "Simmons First National Bank," which has not been recorded on Schedule C. Loans and loan repayments received must be reflected on Schedule C as well as on Schedule A. Please amend your report to clarify this discrepancy. (52 U.S.C. §30104(b)(3)(E) and (5)(D) (formerly 2 U.S.C. §434(b)(3)(E) and (5)(D)))
2. Your report discloses a loan from a lending institution; however, you have not submitted an electronic Schedule C-1, a Schedule C-1 that has been certified by an official from the lending institution, or a copy of the loan agreement. Any political committee that receives a loan or line of credit from a lending institution must file Schedule C-1 along with a copy of the loan agreement with the first report in which the loan is incurred as well as each time a loan or line of credit is restructured to change the terms of repayment or each time a draw is made on the line of credit.

If the committee is an electronic filer, you must submit the Schedule C-1 electronically without the original signature from the lending institution. In addition, you must mail a copy of the loan agreement and a separate copy of the Schedule C-1 that contains the original signature from the lending institution.

Please amend your report to include the missing Schedule C-1 and loan agreement. (11 CFR §104.3(d)(1) and (2))

DEMOCRATIC PARTY OF ARKANSAS

Page 2 of 3

3. Your February Monthly (1/1/15 - 1/31/15), March Monthly (2/1/15 - 2/28/15), and April Monthly (3/1/15 - 3/31/15) reports combined, disclose limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Each state, district or local party committee utilizing separate federal and non federal accounts is required to allocate any administrative expenses (excluding salary) between the accounts according to a fixed percentage selected on Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each calendar year. Payments for salary and wages for employees who spend more than 25% of their compensated time on Federal election activities or on activities in connection with a Federal election must be made from a federal account and disclosed on a Schedule B supporting Line 30(b) of the Detailed Summary Page. (11 CFR §106.7)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in kind contribution from that person, and would be subject to the disclosure requirements of 52 U.S.C. §30104 (formerly 2 U.S.C. §434(b)(3)) and 11 CFR §104.13, and the limitations and prohibitions of 52 U.S.C. §§30116 and 30118 (formerly 2 U.S.C. §§441a and 441b). Payments to a consulting, law or accounting firm will be considered acceptable for salary.

Clarification regarding administrative expenses should be provided during each two year election cycle beginning with the first report filed in the non election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

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.**

DEMOCRATIC PARTY OF ARKANSAS

Page 3 of 3

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) 694-1393.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R. Stuetz". The signature is written in a cursive style with some stylized flourishes.

Paul Stuetz
Senior Campaign Finance Analyst
Reports Analysis Division

320