



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

September 23, 2014

LLOYD HETZER, TREASURER  
FLINN FOR SENATE  
776 MOUNT MORIAH ROAD  
MEMPHIS, TN 38117

**Response Due Date**  
**10/28/2014**

IDENTIFICATION NUMBER: C00561688

REFERENCE: JULY QUARTERLY REPORT (04/01/2014 - 06/30/2014)

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. **An adequate response must be received at the Senate Public Records Office by the response date noted above. 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 6 item(s):

1. Please provide a Schedule A to support the amount reported on Line 13(a) of the Detailed Summary Page. Each person who makes a loan to your committee, or to the candidate acting as an agent of the committee, must be itemized on Schedule A and Schedule C. The itemization on Schedule A must include the person's full name, mailing address and zip code, along with the name of his/her employer, his/her occupation, the date of the contribution/loan and the election cycle-to-date amount of contributions made by the person. Schedule C must include any endorser or guarantor of the loan, the date the loan was made and all other terms of the loan. If the loan is from the candidate, you must indicate whether it is from his/her personal funds, or was obtained by the candidate from a bank loan, brokerage account, credit card, home equity line of credit or other line of credit. (52 U.S.C. § 30104(b)(3)(E) (formerly 2 U.S.C. § 434(b)(3)(E)) and 11 CFR § 104.3(a)(4)(iv))
2. On Schedule B supporting Line 17 of your report, you have itemized disbursements for which you have failed to include the address. Please amend your report to include the missing information. (11 CFR § 104.3(b)(4))
3. Schedule B supporting Line 17 discloses a disbursement to "Petty Cash" for "Petty Cash / ATM Withdraw" that appears to be made from petty cash. Please be advised that cash disbursements to any person or vendor for any single

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purchase or transaction may not exceed \$100. If payments to the original vendor exceed \$200 in an election cycle, a memo entry including the name of the original vendor as well as address, date, amount, and purpose of the original purchase must be provided. Please amend your report to include the missing information or provide clarifying information if memo items are not required. (52 U.S.C. §30102(h)(2) (formerly 2 U.S.C. §432(h)(2)) and 11 CFR § 102.11)

**4.** Itemized disbursements must include a brief statement or description of why each disbursement was made. Please amend Schedule B supporting Line 17 of your report to clarify the following description(s): "Campaign Services." For further guidance regarding acceptable purposes of disbursement, please refer to 11 CFR 104.3(b)(4)(i)(A).

Additional clarification regarding inadequate purposes of disbursement published in the Federal Register is available on the FEC website at [www.fec.gov/law/policy/purposeofdisbursement/inadequate\\_purpose\\_list\\_3507.pdf](http://www.fec.gov/law/policy/purposeofdisbursement/inadequate_purpose_list_3507.pdf). A non-exhaustive list of acceptable purposes is also available on the FEC website at <http://www.fec.gov/rad/pacs/documents/ExamplesofAdequatePurposes.pdf>.

**5.** Schedule B of your report discloses reimbursements to individuals for the following disbursement(s): "Reimbursement - Postage Fedex." Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in excess of \$200 in an election cycle, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information on Schedule B and clearly identify each memo entry supporting a reimbursement. If itemization is not necessary, you must indicate so in an amendment to this report. (11 CFR §§ 104.3(b)(4)(i) and 104.9, and Advisory Opinions 1992-1 and 1996-20, footnote 3)

**6.** When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used personal funds or borrowed the money from a lending institution or some other source. Please amend your report to indicate whether the loan is from the candidate's personal funds or if he/she obtained the loan from a bank loan, brokerage account, credit card, home equity line of credit, or other line of credit.

If the candidate loan was obtained from a lending institution, you must also file a Schedule C-1 with the Commission, providing the name of the lending

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institution and the complete terms of the loan between the candidate and the lending institution. Schedule C-1 can be downloaded from the FEC website at <http://www.fec.gov>, or requested through the FEC Faxline at (202) 501-3413. Electronic filers must submit the Schedule C-1 electronically.

If the loan(s) was from personal funds, please acknowledge that fact in an amendment to this report. It is important to note that "personal funds" is strictly defined by Commission Regulations. (11 CFR §100.33)

**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.**

A written response or an amendment to your original report(s) correcting the above problems should be filed with the Senate Public Records Office. Please contact the Senate Public Records Office at (202) 224-0322 for instructions on how and where to file an amendment. 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) 694-1138.

Sincerely,

A handwritten signature in black ink that reads "Carolina Mongeon". The signature is written in a cursive style with a large, stylized 'C' and 'M'.

Carolina Mongeon  
Senior Campaign Finance Analyst  
Reports Analysis Division