



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

July 23, 2012

MARK PATTERSON, TREASURER
SPIRIT OF 1854 COMMITTEE TO ELECT
DAVE ANDERSON
10 E. BIJOU
COLORADO SPRINGS, CO 80903

Response Due Date
08/27/2012

IDENTIFICATION NUMBER: C00492496

REFERENCE: JULY QUARTERLY REPORT (04/01/2012 - 06/30/2012)

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 2 item(s):

1. 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): "Consultant," "Consultationn," "Consulting" and "Contractor." 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. A non-exhaustive list of acceptable purposes is also available on the FEC website at <http://www.fec.gov/rad/pacs/documents/ExamplesofAdequatePurposes.pdf>.

2. Your calculations for a loan on Schedule C are incorrect (Original Amount of Loan - Cumulative Payment to Date = Balance Outstanding at Close of This Period). (11 CFR § 104.3(d)) For the loan owed to David C. Anderson in the amount of \$35.00, the payment to date amount exceeds the original loan amount, resulting in a negative outstanding balance. Please amend your report to correct the discrepancies for this loan.

- Schedule C of your report discloses outstanding loans from the candidate's

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personal funds reported with an interest rate of 1%. However, your report does not disclose any interest payments or interest carried as debt. Please note that outstanding accrued interest on loans must be reported on Schedule D, while interest payments on loans must be reported as operating expenditures on Line 17 of Schedule B. (11 CFR § 104.3(b)(2) and (d))

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) 694-1140.

Sincerely,



James McAllister
Senior Campaign Finance Analyst
Reports Analysis Division