



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

May 31, 2013

KAREN GARCIA, TREASURER  
DEMOCRATIC PARTY OF ARKANSAS  
1300 WEST CAPITOL AVENUE  
LITTLE ROCK, AR 72201

**Response Due Date**  
**07/05/2013**

IDENTIFICATION NUMBER: C00024372

REFERENCE: YEAR-END REPORT (11/27/2012 - 12/31/2012)

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. The Detailed Summary Page, on Line 18(a) Column A of your 12 Day Pre-General (10/1/12 - 10/17/12), 30 Day Post-General (10/18/12 - 11/26/12), and Year End (11/27/12 - 12/31/12) Reports combined, discloses \$218,380.25 in transfers from the non-federal account for allocated activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$149,502.94 as the non-federal share for allocated activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for allocated activity, transfers for allocated activity must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. (11 CFR §§106.6(e)(2) and 106.7(f)(2)) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

2. Schedule H5 of your report discloses a transfer(s) in from a non federal or Levin account(s) for the "Generic Campaign Activity" category(s) which appears to exceed the permissible amount(s) indicated by your allocation ratio for this activity/event. Please be advised that transfers for allocated Federal

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Election Activity must not exceed the Levin share of the allocated disbursements and that these transfers must be made within a 70 day time period: no more than 10 days before and no more than 60 days after payment to the vendor. (11 CFR §300.33(e)(2)) Please clarify the nature of this transfer(s) in from the non federal or Levin account.

The Commission recommends that you immediately transfer the total excessive amount received by your federal account back to your non federal or Levin account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

3. Your 12 Day Pre-General (10/1/12 - 10/17/12), 30 Day Post-General (10/18/12 - 11/26/12), and Year End (11/27/12 - 12/31/12) Reports combined do not disclose any payments for salary or wages on Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §100.24 defines as Federal Election Activity, services provided by an employee of a State, district or local party committee who spends more than 25 percent of their time during that month on activities in connection with a Federal election. You are advised that payments for salaries and wages for employees who spend more than 25 percent of their compensated time in a given month on Federal Election Activity or activities in connection with a Federal election must be made with Federal funds only. Please provide clarification regarding the lack of payments for salary and wages disclosed by your committee.

- Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. For your information and consideration when preparing future filings, Other Federal Operating Expenditures should be properly disclosed on a separate Schedule B, supporting Line 21(b) of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing. (2 U.S.C § 434(b) and FORM 3X Instructions)

**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.**

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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. Stetzer". The signature is written in a cursive style with a large, stylized initial "P" and "S".

Paul Stotzer  
Senior Campaign Finance Analyst  
Reports Analysis Division

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