



FEDERAL ELECTION COMMISSION
Washington, DC 20463

January 30, 2009

Karen Garcia
Democratic Party of Arkansas
1300 West Capitol Ave.
Little Rock, AR 72201

Re: ADR 484 (RAD 09L-03)
Democratic Party of Arkansas and Karen Garcia, Treasurer

Dear Ms. Garcia:

The Reports Analysis Division of the Federal Election Commission (FEC or Commission) determined that matters arising from its recent review of reports filed by the Democratic Party of Arkansas warranted further examination for possible violation of the Federal Election Campaign Act of 1971, as amended. The Commission, thereafter, reviewed the file and assigned this matter to the FEC's Alternative Dispute Resolution Office (ADR Office) for processing.

The FEC established the ADR Program to provide an informal means for resolving matters that come before the Commission and to facilitate negotiations directly with the Democratic Party of Arkansas and Karen Garcia, Treasurer (Respondents or the Committee). The ADR Program provides Respondents with an opportunity to negotiate, and if necessary, mediate settlement of a matter that is mutually agreeable. The negotiations occur prior to any Commission consideration of whether there is reason to believe a violation has occurred. If negotiations and/or mediation are successful, the resulting settlement would conclude the matter.

The Commission, in referring the matter to the ADR Office, determined that the case is eligible for processing in the ADR program. If Respondents decide to participate in the Program, i.e., negotiation and/or mediation, you must: 1) indicate in writing a willingness to have your case submitted to the ADR process; 2) agree to participate in the bilateral negotiations and if necessary, mediation; and 3) waive the statute of limitations while the matter is being processed under the FEC's ADR program.

The issues referred to the ADRO, and the focus of our subsequent negotiations are summarized as follows:

Federal Election Commission, Alternative Dispute Resolution Office
999 E Street N.W., Washington, DC 20463
Telephone: 202.694.1665 Fax: 202.219.0613
Email: lfraser@fec.gov

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The Reports Analysis Division referred the Democratic Party of Arkansas and Karen Garcia, Treasurer (Respondents or the Committee) for a series of reporting errors and other FECA violations during the 2006 election cycle. A political committee may be referred if, after an internal review of reports filed by the committee, the Commission determines the reports do not meet the threshold requirements for substantial compliance with the FECA. The Committee's errors included, among other things: failures to itemize contributions, mathematical discrepancies, failures to provide supporting schedules, failures to disclose all categories of administrative expenses; FEA/Levin Funds; and failures to clarify possible candidate fundraising expenses.

If after reviewing this letter and the enclosed brochure, which describes the ADR program, Respondent(s) would like this case selected for ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR form. **Failure to respond affirmatively within fifteen (15) business days of receipt of this letter will be taken as a notice of disinterest in the program and your case will be dropped from further consideration for ADR.** In that event, your case will be sent to the FEC's Office of General Counsel for further processing, and the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as **ADR 484**. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADRO at my direct dial as indicated below

Sincerely,

Lynn Fraser, Acting Director
Alternative Dispute Resolution Office
202-694-1665

Enclosures: Brochure
Commitment to Submit Matter to ADR
Designation of Representative/Counsel
Violations Chart