

Krista,

When we first talked by telephone I had told you that I thought the fundraiser proceeds accounted for most of the difference between the original report and the amended report but after reviewing the files I found that there were other deposits left off the original report. The fundraiser was held at Verizon Arena in Little Rock. Verizon collected receipts through Ticketmaster for online credit card sales and at the box office. The Ticketmaster credit card receipts were 26,930.00 and the box office receipts were 41,215.00 for a total of 68,145.00. We received a check from Verizon on March 15, 2010 for 63,238.37 from which they withheld their fees. Total receipts for the fundraiser were 269,969.00 so most of the money was collected by the Committee by check and credit card.

There were two other deposits that were left off the original report for a total of 79,000.00 that were mostly filing fees and unrelated to the fundraiser. One credit card deposit of 15,425.00 from the fundraiser was also left off the original report. With other minor corrections that were made on the amended report the above accounts for the difference between the original and amended report of 160,214.41. A second amended return was filed for this period to report additional donor employment information.

I did have trouble reconciling the Verizon deposit with what they said their fees were and the two spreadsheets they sent showing the donor information and amounts. It took about a dozen emails and phone calls and I did not get the final numbers until after the due date of the report. However after reviewing the records I found that the first email I received with the donor spreadsheets from Verizon was dated March 26, 2010. Under normal conditions I would have had time to have all the information properly reported on the FEC report due April 20<sup>th</sup>.

The above deposits and expenses that were not disclosed on the original report were not mistakes or errors. It was due to the fact that I did not have time to get everything done in time because of personal reasons. To explain this I need to give you some background. In November 2009 my wife was in the hospital for eight days. On March 14, 2010 she was admitted again for six days. They never did find out what was wrong with her. On March 28<sup>th</sup> she was admitted again for fourteen days. She was in a coma and this time they found the problem. It was a malignant brain tumor that they said was inoperable and we should get a hospital bed and take her home as she only had about two months to live. We sent her records to MD Anderson Cancer Center in Houston, Texas. They said they could remove the tumor so we took her there as quickly as we could. She had the surgery on May 6<sup>th</sup> and was released on May 10<sup>th</sup>. In the first part of June we started radiation and chemotherapy in Houston and she stayed there in an apartment with my daughter and two sisters for over a month.

Even with all of this going on I could still have managed to get the report done properly on time except for the fact that my wife and daughter both worked for me. I had never let my wife work for me before mainly because of taking vacations together but when I sold my tax practice in 2004 and went from about forty employees to three I thought it would work out fine. She was a good accountant and it worked great until this happened. My other employee at the time was a data entry person and new to the job.

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Looking back in hindsight even if I had called Chairman Webb on March 28<sup>th</sup> and told him to get someone to take over the work I don't think it could have properly been filed on time. It was still tax season and accountants are very busy during this time. I called Alexandra Broomhead our Analyst after I filed the report and had time to review it. I told her what happened and remember telling her that it was a "mess" and that I would get it amended as soon as possible.

The Committee is currently in the process of involving another CPA firm in the reporting process so that something like this will not happen in the future.

This is my fault and not the Committee's. I sincerely apologize for this happening and the inconvenience it has caused.

Dale Stuart

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