



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 23, 2019

Rachael Hunsucker, Treasurer
Oklahoma Democratic Party
3700 N Classen, Suite 100
Oklahoma City, OK 73118

**Response Due Date
September 17, 2019**

Re: ADR 923 (AD A17-19)
Oklahoma Democratic Party and Rachael Hunsucker, Treasurer

Dear Rachael Hunsucker:

The Federal Election Commission (FEC or Commission) referred a compliance issue to the FEC's Alternative Dispute Resolution Office (ADR Office) for processing. The referral by the Audit Division was based on a review of reports filed by Oklahoma Democratic Party which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended.

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 Oklahoma Democratic Party and Rachael Hunsucker, Treasurer (Respondents or the Committee). The ADR Program provides Respondents with an opportunity to negotiate 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 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 ADR Program, you must: 1) indicate in writing a willingness to have your case submitted for ADR processing; 2) agree to participate in the bilateral interest based negotiations; 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:

The Audit Division referred the Oklahoma Democratic Party and Rachael Hunsucker, Treasurer (Respondents or the Committee) for findings included in the Final Audit Report of the Commission, as approved on July 5, 2019. The Commission found that the

FEDERAL ELECTION COMMISSION, ALTERNATIVE DISPUTE RESOLUTION OFFICE
1050 FIRST STREET N.E., WASHINGTON, DC 20463
TELEPHONE: 202.694.1661
EMAIL: ADR@FEC.GOV

Committee misstated disbursements by \$36,852 for calendar year 2015. The Commission also found that the Committee understated receipts by \$1,796,094 and disbursements by \$1,759,832 on the original reports filed over the two-year period ending December 31, 2016. Lastly, the Commission found that the Committee did not maintain monthly payroll logs or equivalent records totaling \$39,410 to document the percentage of time each employee spent in connection with a federal election for calendar years 2015 and 2016.

During the audit process, the Committee stated that it did not maintain payroll logs for employees, but implemented a process to record this information in conjunction with employees' timesheets. In response to the Interim Audit Report recommendation, the Committee amended its disclosure reports correcting the misstatement. The Committee had no comments regarding the understatement of receipts and disbursements on its original reports.

If after reviewing this letter and the enclosed ADR Frequently Asked Questions, which describe the ADR program, Respondent(s) would like to participate in 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 from the date 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 923**. 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,

A handwritten signature in black ink, appearing to read 'KJ Roche', with a horizontal line extending from the end.

Krista J. Roche
Director
Alternative Dispute Resolution Office