FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

January 4, 2001

Thomas R. Donnelly, Jr., Treasurer
Trust PAC; Team Republicans for
Utilizing Sensible Tactics
P.O. Box 221543
Chantilly, VA 20151

Identification Number: C00330720

Reference: July Quarterly Report (4/01/00-6/30/00)

Dear Mr. Donnelly:

On December 13, 2000, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your December 20, 2000 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Your response states that administrative expenses are "taken care of through voluntary efforts and through a vendor, Morgan, Meredith and Assoc. whose payment is listed in the July Quarterly report schedule B, page 1 of 1 and the October Quarterly report schedule B, page 1 of 1." However, Commission records indicate that the aforementioned disbursements were itemized for "fundraising expenses". You should clarify which, if any, administrative services are being provided by Morgan, Meredith and Association.

Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of $200 in a calendar year must be disclosed on Schedule B, supporting Line(s) 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect

this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is $500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If these services have been provided by volunteers, please confirm this in writing.

An adequate response must be received at the Commission by January 24, 2001. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered**. Failure to provide an adequate response by this date may result in an audit of the committee. 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.

If you should have any questions related to this matter, please contact Alice Kang on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division) or our local number (202) 694-1130.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division