



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

Alan J. Hill, Treasurer
Cooper Industries Political Action
Committee (CIPAC)
P.O. Box 4446
Houston, TX 77210

OCT 15 1993

Identification Number: C00099937

Reference: Mid-Year Report (1/1/93-6/30/93)

Dear Mr. Hill:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A supporting Line 11(a) discloses contributions received through a payroll deduction plan. Generally, a committee's report must identify each contribution from an individual which in the aggregate exceeds \$200 during the calendar year. (2 U.S.C. §434(b)) In lieu of separate itemization, a committee using a payroll deduction plan may disclose the aggregate amount of contributions received from the contributor through the payroll deduction plan during the reporting period; the identification of the individual where the contribution exceeds \$200 in the aggregate during the calendar year; and a statement of the amount deducted per pay period. (11 CFR §104.8(b)) For future filings, please refer to the enclosed sample of correctly reported payroll deductions (see attached).

Any amendment or clarification should be filed with the Federal Election Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Amy Suzanne Reynolds
Reports Analyst
Reports Analysis Division

23038635077

PAYROLL DEDUCTIONS

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, write "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$12 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's contributions as "unitemized contributions" in its April and July quarterly reports. By June 30, the closing date for the July report, the manager's aggregate contributions are \$186 — still below the \$200 itemization threshold. By September 30 — the closing date for the October quarterly report — the manager's contributions reach \$228. Therefore, the committee itemizes the total contributions received from the manager during the third quarter (\$120), providing the year-to-date total in the appropriate space. (See item A in the illustration above.)

In-Kind Contributions

When determining whether to itemize an *in-kind contribution*, follow the same guidelines listed above under "When to Itemize Receipts." See Chapter 2 for information on how to determine the dollar value of an *in-kind contribution*.

In addition, add the value of the *in-kind contribution* to the *operating expenditures* total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the *in-kind contribution* must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration at right.

Appreciated Goods

When a committee receives an *in-kind contribution* whose value may

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedules for each category in the Detailed Summary Page	PAGE	OF
Contributions from Individuals					FOR LINE NUMBER	11(a)(1)
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.						
NAME OF COMMITTEE (in Full)		National Organization PAC 00000001				
A. Full Name, mailing address and ZIP Code		Name of Employer		Date (month, day, year)	Amount of Each Receipt (in Dollars)	
Anne Sullivan 21 18th Street City, State ZIP		National Organization, Inc.		payroll deduction	\$72.00	
Receipt for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation		Aggregate Year-to-Date >	(\$18 biweekly)	
		Branch Manager		228.00		
B. Full Name, mailing address and ZIP Code		Name of Employer		Date (month, day, year)	Amount of Each Receipt (in Dollars)	
Rodney Jones 551 Hainstbury Road City, State ZIP		National Organization, Inc.		payroll deduction	\$120.00	
Receipt for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation		Aggregate Year-to-Date >	(\$60 biweekly)	
		Vice President		360.00		

Itemize payroll deductions only after they have exceeded \$200 per calendar year from an individual.

IN-KIND CONTRIBUTIONS

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedules for each category in the Detailed Summary Page	PAGE	OF
Contributions from Individuals					FOR LINE NUMBER	11(a)(1)
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.						
NAME OF COMMITTEE (in Full)		National Organization PAC 00000001				
A. Full Name, mailing address and ZIP Code		Name of Employer		Date (month, day, year)	Amount of Each Receipt (in Dollars)	
Martin L. Kruss 4 River Road City, State ZIP		National Organization, Inc.		8/18/82	\$3,999.00	
Receipt for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation		Aggregate Year-to-Date >	(IN-KIND) (RAFFLE PRIZE)	
		Chairman		3,999.00		

SCHEDULE B		ITEMIZED DISBURSEMENTS		Use separate schedules for each category in the Detailed Summary Page	PAGE	OF
Operating Expenditures (Other Federal)					FOR LINE NUMBER	21(b)
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.						
NAME OF COMMITTEE (in Full)		National Organization PAC 00000001				
A. Full Name, mailing address and ZIP Code		Purpose of Disbursement		Date (month, day, year)	Amount of Each Disbursement (in Dollars)	
Martin L. Kruss 4 River Road City, State ZIP		raffle prize		8/18/82	\$3,999.00	
		Disbursement to: <input type="checkbox"/> Person <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		(IN-KIND CONTRIBUTION)		

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash-on-hand amount.

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