FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

July 6, 2000

Joe J. Lozano, Treasurer
ZACOPAC (H. B. Zachry Company)
527 Logwood
San Antonio, TX 78221

Identification Number: C00048165

Reference: Mid-Year (1/1/99-6/30/99), Year End (7/1/99-12/31/99) and April Quarterly (1/1/00-3/31/00) Reports

Dear Mr. Lozano:

This letter is to inform you that as of July 5, 2000 the Commission has not received your response to our requests for additional information dated June 14, 2000. These notices request information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to these requests (copies enclosed).

An adequate response must be received at the Commission by July 26, 2000. 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 regarding this matter, please contact Edward Ryan 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

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Joe J. Lozano, Treasurer
ZACOPAC (H.B. Zachry Company)
527 Logwood
San Antonio, TX 78221

Identification Number: C00048165

JUN 14 2000

Reference: April Quarterly Report (1/1/00-3/31/00)

Dear Mr. Lozano:

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:

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of $200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2)) The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the frequency of the deduction. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

-The beginning cash balance of this report should equal the ending balance of your Year End Report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Your calculations for Lines 6(a) through 8 appear to be incorrect. FEC calculations disclose this amount to be $57,412.33. Please provide the corrected totals on the Summary Page.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Edward D. Ryan

Edward D. Ryan
Reports Analyst
Reports Analysis Division

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PAYROLL DEDUCTIONS

SCHEDULE A ITEMIZED RECEIPTS

Contributions from Individuals

PAGE OF

FOR LINE NUMBER 11(a)(i)

NAME OF COMMITTEE (in Full)

National Organization PAC C00000001

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Anne Sullivan 21 18th Street City, State ZIP	National Organization, Inc. Branch Manager	payroll deduction	\$90.00 (\$15 biweekly)
Aggregate Year-to-Date		285.00	
B. Rodney Jones 881 Hansbury Road City, State ZIP	National Organization, Inc Vice President	payroll deduction	\$120.00 (\$20 biweekly)
Aggregate Year-to-Date		380.00	

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

IN-KIND CONTRIBUTIONS

SCHEDULE A ITEMIZED RECEIPTS

Contributions from Individuals

PAGE OF

FOR LINE NUMBER 11(a)(i)

NAME OF COMMITTEE (in Full)

National Organization PAC C00000001

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Martin L. Kress 4 River Road City, State ZIP	National Organization, Inc Chairman	8/19/84	\$3,999.00 (IN-KIND) (RAFFLE PRIZE)
Aggregate Year-to-Date		2,699.00	

SCHEDULE B ITEMIZED DISBURSEMENTS

Operating Expenditures/Other Federal

PAGE OF

FOR LINE NUMBER

NAME OF COMMITTEE (in Full)

National Organization PAC C00000001

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin L. Kress 4 River Road City, State ZIP	raffle prize	8/19/84	\$3,999.00 (IN-KIND CONTRIBUTION)

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

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 \$15 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 first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), 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 page 8 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 left.