

**PIONEER**  
POLITICAL ACTION COMMITTEE

RECEIVED  
FEDERAL ELECTION  
COMMISSION MAIL ROOM

2000 MAY 11 P 1:58

Cong. Dave Hobson, Chairman

May 8, 2000

Ms Antoinette Kitchen  
Reports Analyst  
Federal Election Commission  
Washington, DC 20463

RE: ID# C00325357  
Mid-Year Report (1/1/99-6/30/99)

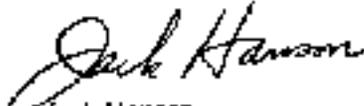
Dear Ms Kitchen:

In response to your letter of April 26, 2000, you ask for clarification concerning the charges/services provided from federal candidate committees. Those transactions were determined before the start of my tenure as Treasurer. The only information available to me at this time is related to the payment from Kasich 2000 concerning the reimbursement of the network server rental for \$ 484.83. Please refer to the attached letter documenting the computation of the amount of the payment. I believe that this complies with FEC rules.

The records concerning the other transactions have been sent to storage in another state and I am presently tracking down those documents and will provide additional information as soon as it is available.

If you have any questions concerning this matter, please contact me.

Very truly yours,

  
Jack Hanson  
Treasurer

499 South Capitol ST, S.W. • Suite 2000A • Washington, DC 20003 • (202) 484-5717 ext. 17 • fax: (202) 484-5759  
Treasurer, Jack Hanson • (301) 871-6130 • fax: (301) 871-6131  
www.pioneerpac.org • E-mail: dhobson@pioneerpac.org

Paid for by this year PAC. Not at government expense



# Kasich 2000



499 South Capitol Street SW • Suite 2000 • Washington, DC 20003 • phone 202-484-5717 • fax 202-484-5759

June 29, 1999

Mr. Jack Hanson, Treasurer  
Pioneer Political Action Committee  
611 Pennsylvania Ave., SE  
PMB 272  
Washington, DC 20003-4303

Dear Jack:

One open issue between Pioneer PAC and Kasich 2000 concerns the network server computer. We have arrived at what we believe to be an equitable solution to this matter. We have established a current fair market purchase price for comparable new equipment based on the attached advertisement. The total is \$4,309.72. Since this equipment is now approximately 16 mo. old and applying the FEC 40% depreciation, we come to a present value of \$2,585.83. Rental quotations we have obtained indicate that renting for 12 mos. equals the purchase price. Therefore, a fair market rental amount would be \$215.48/mo.

Apportioning the \$215.48/mo. on a 50/50% basis between PPAC & K2K we would owe PPAC:

February/99 (1/2 month)	\$ 53.87
March/99	107.74
April/99	107.74
May/99	107.74
June/99	107.74
Total	<u>\$ 484.83</u>

We understand that your vendor cannot remove the PPAC data until July. When the PPAC data is removed from this system, we propose an outright purchase of the system for the residual amount of \$3,824.89.

Sincerely,

Karen Julison  
Manager

Cc Mary Beth Carozza

Enclosure - Check

★ ★ ★ k2k.org ★ ★ ★

*Paid for by Kasich 2000*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Jack Hanson, Treasurer  
Pioneer Political Action Committee  
499 South Capitol St., SW, Suite 2000A  
Washington, DC 20003

APR 26 2000

Identification Number: C00325357

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Mr. Hanson:

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:

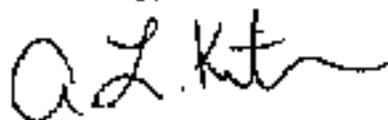
-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.7(a)(3)(A) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel and membership lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecemeal charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.7(a)(iii)(B)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is

considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.7(a)(iii)(A))

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,

A handwritten signature in cursive script that reads "A.L. Kitchen".

Antoinette Kitchen  
Reports Analyst  
Reports Analysis Division

Federal Election Commission

**ENVELOPE REPLACEMENT PAGE  
FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

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*del*  
PREPARER

5-11-00  
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