



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

Daralyn E. Reed, Treasurer
Hughes Electronics Corporation Fund
Bldg. EES/001/A121, P.O. Box 956
El Segundo, CA 90245-0956

Identification Number: C00331991

Reference: April Quarterly Report (1/1/98-3/31/98)

Dear Ms. Reed:

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:

-Your report includes computer produced formats of Schedules A and B. Computer produced formats may only be used upon prior approval of the Commission. You should submit a separate sample format with a cover letter requesting approval. Until your format has been approved, FEC forms must be used. 11 CFR §104.2(d)

-Schedule A supporting Line 11(a)(i) 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)) For your information, instead 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. (see attached example) 11 CFR §104.8(b)

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) 694-1130.

Sincerely,

A handwritten signature in cursive script, appearing to read "Alicia K. Richardson".

Alicia K. Richardson
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedules for each category in the General Summary Page	PAGE	OF
Contributions from Individuals				FOR LINE NUMBER 17(a)(3)		
Any information copied from such Receipts and Statements may not be sold or used by any person for the purpose of obtaining contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such contributors.						
NAME OF COMMITTEE OR FUND		National Organization PAC 00000001				
A. Full name, mailing address and ZIP Code		Name of Employer		Date received (m, year)	Amount of Each Receipt (in Pence)	
Anne Sullivan 21 1842 Street City, State ZIP		National Organization, Inc.		payroll deduction	\$78.00	
Reason for: <input type="checkbox"/> Other receipt: <input type="checkbox"/>		Occupation: Branch Manager		Aggregate Year-to-Date > \$	(\$12 biweekly)	
B. Full name, mailing address and ZIP Code		Name of Employer		Date received (m, year)	Amount of Each Receipt (in Pence)	
Rodney Jones 881 Hammsbury Road City, State ZIP		National Organization, Inc.		payroll deduction	\$120.00	
Reason for: <input type="checkbox"/> Other receipt: <input type="checkbox"/>		Occupation: Vice President		Aggregate Year-to-Date > \$	(\$20 biweekly)	

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 General Summary Page	PAGE	OF
Contributions from Individuals				FOR LINE NUMBER 17(a)(3)		
Any information copied from such Receipts and Statements may not be sold or used by any person for the purpose of obtaining contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such contributors.						
NAME OF COMMITTEE OR FUND		National Organization PAC 00000001				
A. Full name, mailing address and ZIP Code		Name of Employer		Date received (m, year)	Amount of Each Receipt (in Pence)	
Martin L. Kress 4 River Road City, State ZIP		National Organization, Inc.		5/18/82	\$3,999.00 (IN-KIND)	
Reason for: <input type="checkbox"/> Other receipt: <input type="checkbox"/>		Occupation: Chairman		Aggregate Year-to-Date > \$	(\$999.00 RAFFLE PRIZES)	

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. 104.6(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 \$195 — 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), prorrating 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 B		ITEMIZED OPERATING EXPENDITURES		Use separate schedules for each category in the General Summary Page	PAGE	OF
Operating Expenditures/Other Federal				FOR LINE NUMBER 21(b)		
Any information copied from such Receipts and Statements may not be sold or used by any person for the purpose of obtaining contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such contributors.						
NAME OF COMMITTEE OR FUND		National Organization PAC 00000001				
A. Full name, mailing address and ZIP Code		Purpose of Expenditure		Date received (m, year)	Amount of Each Expenditure (in Pence)	
Martin L. Kress 4 River Road City, State ZIP		raffle prizes		5/18/82	\$3,999.00 (IN-KIND CONTRIBUTION)	
Reason for: <input type="checkbox"/> Other receipt: <input type="checkbox"/>		Expenditure for: <input type="checkbox"/> Printing <input type="checkbox"/> Other receipt: <input type="checkbox"/>				

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

