



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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Haley Smith, Treasurer
Health Net, Incorporated Political Action
Committee
21650 Oxnard Street 25th Floor
Woodland Hills, CA 91367

FEB 15 2002

Identification Number: C00230789

Reference: Change To Monthly Filer

Dear Treasurer:

The Commission has received notification of your change to a Monthly filer of receipts and disbursements. Please be advised that under Section 104.5(c) of the Commission regulations, a committee may change its filing frequency no more than once per calendar year. A reporting schedule is provided below for the 2002 calendar year.

Report Type	Coverage Dates	Reports Due For Filing
February Monthly Report	1/1/02-1/31/02	February 20, 2002
March Monthly Report	2/1/02-2/28/02	March 20, 2002
April Monthly Report	3/1/02-3/31/02	April 20, 2002
May Monthly Report	4/1/02-4/30/02	May 20, 2002
June Monthly Report	5/1/02-5/31/02	June 20, 2002
July Monthly Report	6/1/02-6/30/02	July 20, 2002
August Monthly Report	7/1/02-7/31/02	August 20, 2002
September Monthly Report	8/1/02-8/31/02	September 20, 2002
October Monthly Report	9/1/02-9/30/02	October 20, 2002
12 Day Pre-General Report	10/1/02-10/16/02	October 24, 2002
30 Day Post-General Report	10/17/02-11/25/02	December 5, 2002
Year End Report	11/26/02-12/31/02	January 31, 2003

If the Commission can be of further assistance to you in this matter, please do not hesitate to write or call (202) 694-1130. Our toll-free number is (800) 424-9530.

Sincerely,

Debbie Chacona

Debbie Chacona
Chief, Party/Non-Party Branch
Reports Analysis Division

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be recorded to ensure the integrity of the financial statements. This includes not only sales and purchases but also expenses, income, and any other financial activity. The text suggests that a consistent and thorough record-keeping system is essential for identifying trends, managing cash flow, and providing a clear picture of the company's financial health to stakeholders.

Next, the document addresses the challenges of reconciling accounts. It notes that discrepancies often arise due to timing differences, errors in data entry, or overlooked transactions. To resolve these issues, the author recommends a systematic approach: first, identify the discrepancy, then trace the transaction back to its source, and finally, correct any errors. Regular reconciliation is presented as a key practice to prevent these problems from accumulating and to maintain the accuracy of the accounting records.

The third section focuses on the role of internal controls in preventing fraud and errors. It describes how well-designed controls, such as segregation of duties, authorization requirements, and regular audits, can significantly reduce the risk of misstatements. The text highlights that internal controls are not just a defensive measure but also a tool for improving operational efficiency and ensuring compliance with external regulations. Implementing and maintaining these controls is a continuous process that requires the attention and commitment of all employees.

Finally, the document discusses the importance of transparency and communication in financial reporting. It argues that clear, concise, and honest reporting is crucial for building trust with investors, creditors, and other interested parties. The author encourages the use of standardized accounting practices and the provision of detailed explanations for any unusual or significant items. Regular communication and the availability of financial information are seen as key factors in fostering a positive relationship with the market and supporting the company's long-term success.