



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

OCT 22 1997

James Zazzali, Treasurer
Participation 2000, Inc.
236 Massachusetts Avenue NE, #206
Washington, DC 20002

Identification Number: C00221887

Reference: Mid-Year Report (1/1/97-6/30/97)

Dear Mr. Zazzali:

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:

-The outstanding balance of a debt owed to a creditor at the close of one report should be exactly the same as the outstanding balance beginning the period of the next report. This report shows a beginning outstanding balance(s) to Gilbert & Wolfand, which is not identical to the ending outstanding balance(s) for the creditor(s) on the 1996 Year End Report. Please amend your report to clarify the discrepancy.

-Your calculations for Line 8, Columns A and B appear to be incorrect. FEC calculations disclose this amount(s) to be \$14,039.27. Please provide the corrected total(s) on the Summary Page.

-Your report discloses in-kind activity which appears to be reported incorrectly. Please be advised that in-kind contributions should be disclosed as receipts on Schedule A and reflected on the appropriate line of the Detailed Summary Page. In addition, the value of the in-kind contributions must be added to the operating expenditures total on Line 21(b), in order to avoid inflating the cash-on-hand amount. 11 CFR §104.13(a)(2) Please amend your report to properly disclose the in-kind activity.

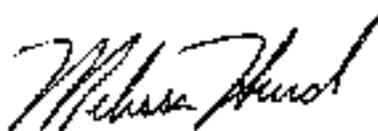
-Please amend Schedule B supporting Line 21(b) by providing the full name, office sought including state and congressional district, and election

designation for each in-kind contribution made to a federal candidate or political committee. Additionally, please clearly identify each in-kind contribution. 11 CFR §104.3(b)(3)(ii) and (v)

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. In-kind contributions to federal candidates and committees should be properly disclosed on a separate Schedule B, supporting Line 23 of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

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. My local number is (202) 219-3580.

Sincerely,



Melissa Hurd
Reports Analyst
Reports Analysis Division

