



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

OCT 27 1995

James W. Barich, Treasurer
The Irvine Company Employees'
Political Action Committee
550 Newport Center Drive
Newport Beach, CA 92660

Identification Number: C00131615

Reference: Mid-Year Report (1/1/95-6/30/95)

Dear Mr. Barich:

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 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. 11 CFR §104.8(b)

-2 U.S.C. §434(b)(3) requires itemization of contributions from individuals and persons other than political committees, where the aggregate total from the contributor exceeds \$200 in a calendar year. In addition, 11 CFR §104.3(a)(2)(i)(B) requires a committee to report the total amount of unitemized contributions (see Line 11(a)(ii) of the Detailed Summary Page). If a committee wishes to disclose contributions regardless of the amount contributed, the committee must separate (on separate receipt schedules) those contributors requiring itemization from those who are not required to be itemized. 11 CFR §104.3(a)(4)(i) For future filings, please submit your reports in this order.

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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) 219-3580.

Sincerely,

T. Suzanne Shaw
T. Suzanne Shaw
Reports Analyst
Reports Analysis Division

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PAYROLL DEDUCTIONS

SCHEDULE A		ITEMIZED RECEIPTS		USE REPORTS SUBMITTED TO THE STATE COMMISSION FOR THE General Summary Page	PAGE	OF
Contributions from Individuals				FOR LINE NUMBER 11(a)(1)		
Any information copied from such Reports and Statements may not be used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.						
NAME OF COMMITTEE (in full) National Organization PAC 000000001						
1. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt Per Period		
Anne Sullivan 21 18th Street City, State ZIP		National Organization, Inc.	payroll deduction	\$90.00		
Receipt for: <input type="checkbox"/> Cash <input type="checkbox"/> Primary <input type="checkbox"/> General		Description: Branch Manager	Applicable Tax-to-Cash > 1	(\$15 biweekly)		
2. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt Per Period		
Rodney Jones 881 Hainsbury Road City, State ZIP		National Organization, Inc.	payroll deduction	\$180.00		
Receipt for: <input type="checkbox"/> Cash <input type="checkbox"/> Primary <input type="checkbox"/> General		Description: Vice President	Applicable Tax-to-Cash > 1	(\$20 biweekly)		

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

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.B(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

SCHEDULE A		ITEMIZED RECEIPTS		USE REPORTS SUBMITTED TO THE STATE COMMISSION FOR THE General Summary Page	PAGE	OF
Contributions from Individuals				FOR LINE NUMBER 11(a)(1)		
Any information copied from such Reports and Statements may not be used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.						
NAME OF COMMITTEE (in full) National Organization PAC 000000001						
1. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt Per Period		
Martin L. Kress 4 River Road City, State ZIP		National Organization, Inc.	8/19/94	\$3,899.00 (IN-KIND)		
Receipt for: <input type="checkbox"/> Cash <input type="checkbox"/> Primary <input type="checkbox"/> General		Description: Chairman	Applicable Tax-to-Cash > 1	(\$199.95)		

SCHEDULE B		ITEMIZED DISBURSEMENTS		USE REPORTS SUBMITTED TO THE STATE COMMISSION FOR THE General Summary Page	PAGE	OF
Operating Expenditures (Other Federal)				FOR LINE NUMBER 21(b)		
Any information copied from such Reports and Statements may not be used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.						
NAME OF COMMITTEE (in full) National Organization PAC 000000001						
1. Full Name, Mailing Address and ZIP Code		Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement Per Period		
Martin L. Kress 4 River Road City, State ZIP		raffle prizes	8/19/94	\$3,899.00 (IN-KIND CONTRIBUTION)		
Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		Other receipt:				

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

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 right.

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