FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Bruce Gates, Treasurer
Committee for the Preservation of Capitalism
Post Office Box 22614
Alexandria, VA 22304

APR 10 2002

Identification Number: C00328468

Reference: February Monthly (1/1/01-1/31/01) and April Monthly (3/1/01-3/31/01) Reports

Dear Mr. Gates:

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:

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B of your report to clarify the following description(s): "consulting fee". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of $200 in a calendar year must be disclosed on Schedule(s) B supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is $500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind