



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Raul Romero, Treasurer
S & B Engineers, Inc. P.A.C.
7825 Park Place Boulevard
Houston, TX 77087

SEP 19 2001

Identification Number: C00236083

Reference: Year End Report (11/28/99-12/31/99)

Dear Mr. Romero:

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 B of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) precludes a non-multicandidate political committee and its affiliates, from making a contribution to a candidate for federal office in excess of \$1,000 per election. Please refer to the Campaign Guide for information on how a committee qualifies for multicandidate status.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If you have made an excessive contribution, you should notify the recipient and request a refund of the amount in excess of \$1,000 and/or notify the recipient in writing of your redesignation of the contribution. In the best interest of your committee, all refunds and redesignations should be made within sixty days of the treasurer's receipt of the contribution(s).

If your committee has met the criteria for multicandidate status, please file FEC FORM 1M "Notification of Multicandidate Status" with the Commission. The treasurer must file FEC FORM 1M prior to making a contribution of more than \$1,000 per candidate per election. 11 CFR §102.2(a)(3)

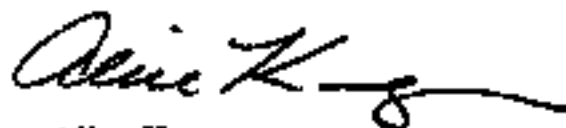
Please inform the Commission of your corrective action immediately in

writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

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 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Alice Kang
Reports Analyst
Report Analysis Division

SCHEDULE B

ITEMIZED DISBURSEMENTS

Any information copied from such Reports and Statements may not be sold or 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)
 S&B Engineers Inc. P.A.C.

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Friends for Slade Gorton 55 Waugh Dr., Ste. 610 Houston, Texas 77007	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	2/16/99	500.00
B. Full Name, Mailing Address and ZIP Code Kay Bailey Hutchison for Senate 55 Waugh Dr., Ste. 610 Houston, Texas 77007	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3/17/99	1,000.00
C. Full Name, Mailing Address and ZIP Code Southwestern Bell P.O. Box 3025 Houston, Texas 77097-0043	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/14/99	377.47
D. Full Name, Mailing Address and ZIP Code AT&T P.O. Box 78225 Phoenix, AZ 85062-8225	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/14/99	42.16
E. Full Name, Mailing Address and ZIP Code George W. Bush Presidential Exploratory Committee, Inc. P.O. Box 1902 Austin, Tx 78767	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/21/99	1,000.00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

OK

SUBTOTAL of Disbursements This Page (optional)	
TOTAL This Period (last page this line number only)	2,919.63

SCHEDULE B

ITEMIZED DISBURSEMENTS

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NAME OF COMMITTEE (in Full)

S&B Engineers Inc. P.A.C.

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Southwestern Bell P.O. Box 3025 Houston, TX 77097	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7/13/99	99.00
B. Full Name, Mailing Address and ZIP Code AT&T P.O. Box 78225 Phoenix, AZ 85062-8225	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7/13/99	25.45
C. Full Name, Mailing Address and ZIP Code AT&T P.O. Box 78225 Phoenix, AZ 85062-8225	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7/14/99	48.16
D. Full Name, Mailing Address and ZIP Code Southwestern Bell P.O. Box 3025 Houston, TX 77097	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7/27/99	99.03
E. Full Name, Mailing Address and ZIP Code Whitman for U.S. Senate 55 Waugh Dr., Ste. 610 Houston, Texas 77007	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	8/9/99	1,000.00
OK F. Full Name, Mailing Address and ZIP Code Gov. George W. Bush for President Comp- liance Committee Inc. P.O. box 1902 Austin, Tx 78767	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	11/11/99	1,000.00
G. Full Name, Mailing Address and ZIP Code Alaskans for Don Young 55 Waugh Dr., Ste 610 Houston, Tx. 77007	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	12/07/99	1,000.00
OK H. Full Name, Mailing Address and ZIP Code Ashcroft for US Senate P.O. Box 131492 Houston, Texas 77219-1492	Contribution Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	12/13/99	2,000.00
I. Full Name, Mailing Address and ZIP Code AT&T P.O. Box 78225 Phoenix, AZ 85062-8225	Phone Service Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	9/9/99	74.46

SUBTOTAL of Disbursements This Page (optional)

5,346.10

TOTAL This Period (last page this line number only)

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 and income. The document provides a detailed list of items that should be tracked, such as inventory levels, accounts receivable, and accounts payable. It also outlines the procedures for reconciling these accounts and resolving any discrepancies.

The second part of the document focuses on the preparation of financial statements. It explains the different types of statements, including the balance sheet, income statement, and cash flow statement, and how they are derived from the underlying data. It provides a step-by-step guide to the calculation of each statement, highlighting the key components and the relationships between them. The document also discusses the importance of presenting the information in a clear and concise manner, using appropriate accounting conventions and standards.

The final part of the document addresses the issue of auditing and the role of the auditor. It explains the different types of audits, such as internal and external audits, and the scope of each. It also discusses the responsibilities of the auditor and the importance of maintaining independence and objectivity. The document provides a detailed overview of the audit process, from the initial planning and risk assessment to the final reporting and communication of the results.