



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Woody York, Treasurer
Mississippi Republican Party
P.O. Box 60
Jackson, MS 39205

APR 4 2001

Identification Number: C00084368

Reference: 12 Day Pre-General Report (10/1/00-10/18/00)

Dear Mr. York:

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:

-Please clarify all expenditures made for *Media and Advertising* on Schedule(s) H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedule(s) B, E or F supporting Line(s) 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule H4 supporting Line 21(a) discloses disbursements for *yard signs* which may qualify as exempt party activity. A state or local party committee may pay for campaign materials (such as yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election. Payments for this type of activity are exempt from the definition of a contribution or expenditure if the following conditions are met:

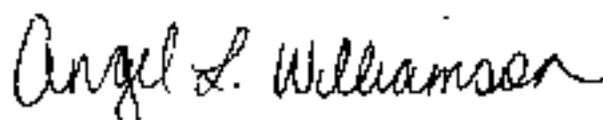
- no use of public advertising, including distribution by direct mail (mailings by a commercial vendor or from commercial lists);
- all funds used for the activity are permissible under the Act;
- none of the funds used were designated for a particular candidate; and
- payments for the activity was not made from transfers-in from the national committee to specifically fund the activity. 11 CFR §§100.7(b)(15), 100.8(b)(16) and (18)

If this activity indeed qualifies as exempt, please file a Schedule H2 to provide a unique identifier and allocation ratio, according to the time and space method. 11 CFR §§104.10(a)(1) and 106.5(e). Furthermore, please amend Schedule H4 to categorize the disbursements as *Exempt*. For further guidance, please refer to the Campaign Guide for Party Committees.

In the case that the activity does not identify specific federal and non-federal candidates, please file a Schedule H1 to provide the generic voter drive ratio for the 2000 calendar year and allocate the disbursements accordingly. 11 CFR §106.5(d)(2). Please amend your report to clarify the nature of the aforementioned disbursements.

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,



Angel L. Williamson
Reports Analyst
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 transfers between accounts.

Next, the document outlines the process of reconciling bank statements with the company's records. It stresses the need to identify and explain any discrepancies, such as outstanding checks or bank errors, to ensure that the books are in balance. Regular reconciliation is presented as a key practice for preventing errors and detecting fraud.

The document then moves on to discuss the preparation of financial statements, including the balance sheet, income statement, and cash flow statement. It provides a step-by-step guide to calculating each component, ensuring that all necessary data is gathered and correctly classified. The goal is to present a clear and accurate picture of the company's financial health to management and external stakeholders.

Finally, the document concludes with a summary of the key principles of sound financial management. It reiterates the importance of transparency, accuracy, and regular review. By following these guidelines, the company can ensure that its financial records are reliable and that its financial performance is well-documented and understood.