

ETEXT ATTACHMENT

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The "Debts and Obligations" on Schedule D show a debt to Adam Baadsgaard of \$800.00 at the beginning of the period (Aug. 1, 2004), a payment of \$80.00 (on Aug. 2) and a closing balance of \$0 (as of Aug. 31).

Originally, Mr. Baadsgaard performed contract labor which amounted to \$800.00; \$80.00 of which was an operating expense to Team America PAC, and \$720.00 was performed as an in-kind contribution to Vern Robinson's (H4NC05138) campaign. The PAC incurred this as a debt in July and entered it into Aristotle's software program (PAC Manager) at that time coded as "Debts and Obligations" for \$800.00.

When Team America PAC made payment of \$800.00 to Mr. Baadsgaard in August, the software would not allow the \$720.00 entry to be coded both as a "Debts and Obligations" payment AND an "In-Kind contribution," although it was clearly both.

After much consultation with Aristotle, they recommended an entry for "3rd party payment" to clear the debt on the form, even though Team America wrote a check to Mr. Baadsgaard for \$800.00, which cleared the debt; the software simply would not allow a "split" entry.

In the future, original transactions requiring two or more codes, will be entered in such a manner as to avoid this situation.

Sharon Korchnak
Treasurer
Team America PAC