FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Sidney Jacob, Treasurer
Political Action Committee of the
American Hospital Association
840 North Lake Drive
Chicago, IL 60611

JUN 15 1994

Identification Number: C00106146

Reference: April Monthly Report (3/1/94-3/31/94)

Dear Mr. Jacob:

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 provide a Schedule A to support the entry reported on Line 16 of the Detailed Summary Page. All refunds received from federal candidates and committees must be itemized on Schedule A regardless of the amount of the refund. 2 U.S.C. §434(b)

-Your report discloses what appears to be a contribution refund from a federal candidate, a contribution to a federal candidate returned uncashed (listed as a negative entry on Line 22 of the Detailed Summary Page), and two entries on Schedule B as refunds from federal candidates. While it appears these transactions are the same the reporting of them is incorrect and confusing. Please be advised, that contribution checks written to federal candidates/committees that were never cashed should be itemized on Schedule B for Line 23 as negative entries. Line 16 should only be used if the recipient committee cashed your check and wrote a refund on its account. Please amend your report to correct this discrepancy or provide clarification regarding these transactions.

-Line 23 of the Detailed Summary Page of your report discloses a total of $57,491.35 in contributions to federal candidates/committees and other political committees. The sum of the entries itemized on Schedule B, however, indicates the total to be $87,491.35. Please amend your report to clarify the discrepancy. In addition, please amend any subsequent report(s) which may be affected by this correction.

7 4 0 3 9 0 2 4 4 7 2