



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 17 2002

Identification Number: C00328468

Reference: Amended July Monthly Report (6/1/01-6/30/01), received 8/17/01

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:

-Schedule A of your report (pertinent portion(s) attached) discloses one or more contributions from an organization(s) which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

To the extent that your committee has received prohibited funds, you may have to make a refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and

COMMITTEE FOR THE PRESERVATION OF CAPITALISM
PAGE 2

(2) provided written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. See 11 CFR 103.3(b)(1).

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

-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

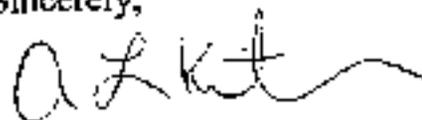
Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

COMMITTEE FOR THE PRESERVATION OF CAPITALISM
PAGE 3

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If these services have been provided by volunteers, please confirm this in writing.

A response or 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. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. 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,



Antoinette Kitchen
Senior Reports Analyst
Reports Analysis Division

**SCHEDULE A (FEC Form 3X)
ITEMIZED RECEIPTS**

Use separate schedule(s)
or each category of the
Detailed Summary Page

FOR LINE NUMBER:
(check only one)

PAGE 9 / 98

11a 11b 11c 12
 13 14 15 16 17

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)
The Committee for the Preservation of Capitalism

A. Full Name (Last, First, Middle Initial) _____
USTeam PAC _____

Mailing Address _____
1331 F Street, NW _____ Suite 450 _____
City _____ State _____ Zip Code _____
Washington _____ DC _____ 20004- _____

FEC ID number of contributing federal political committee. _____

Name of Employer _____ Occupation _____

Receipt For: _____ Aggregate Year-to-Date ▼ _____
Primary General _____
Other (specify) ▼ _____ 2500.00

Date of Receipt _____
M M / D D / Y Y Y Y
0 6 / 1 1 / 2 0 0 1

Amount of Each Receipt this Period _____
2500.00

Receipt _____

Transaction ID: 0718200137C60014

B. Full Name (Last, First, Middle Initial) _____
NOVARTIS Employee Good Govt Fund _____

Mailing Address _____
701 Pennsylvania Avenue, NW _____ Suite 725 _____
City _____ State _____ Zip Code _____
Washington _____ DC _____ 20004- _____

FEC ID number of contributing federal political committee. _____

Name of Employer _____ Occupation _____

Receipt For: _____ Aggregate Year-to-Date ▼ _____
Primary General _____
Other (specify) ▼ _____ 2500.00

Date of Receipt _____
M M / D D / Y Y Y Y
0 6 / 0 1 / 2 0 0 1

Amount of Each Receipt this Period _____
2500.00

Receipt _____

Transaction ID: 0718200137C58316

AK

C. Full Name (Last, First, Middle Initial) _____
Jones, Walker PAC _____

Mailing Address _____
499 South Capital Street, SW _____ Suite 800 _____
City _____ State _____ Zip Code _____
Washington _____ DC _____ 20003- _____

FEC ID number of contributing federal political committee. _____

Name of Employer _____ Occupation _____

Receipt For: _____ Aggregate Year-to-Date ▼ _____
Primary General _____
Other (specify) ▼ _____ 2500.00

Date of Receipt _____
M M / D D / Y Y Y Y
0 6 / 1 8 / 2 0 0 1

Amount of Each Receipt this Period _____
2500.00

Receipt _____

Transaction ID: 0718200137C81217

SUBTOTAL of Receipts This Page (optional) ▶ **7500.00**

TOTAL This Period (last page this line number only) ▶

**SCHEDULE A (FEC Form 3X)
ITEMIZED RECEIPTS**

Use separate schedule(s)
or each category of the
Detailed Summary Page

FOR LINE NUMBER: (check only one)		PAGE 6 / 36	
<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input checked="" type="checkbox"/> 11c	<input type="checkbox"/> 12
<input type="checkbox"/> 13	<input type="checkbox"/> 14	<input type="checkbox"/> 15	<input type="checkbox"/> 16 <input type="checkbox"/> 17

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)
The Committee for the Preservation of Capitalism

Full Name (Last, First, Middle Initial) A. American Gas Assn. PAC		Date of Receipt M M / D D / Y Y Y Y 06 / 08 / 2001
Mailing Address 400 N. Capitol Street, NW		Amount of Each Receipt this Period 1000.00
City Washington	State Zip Code DC 20001-	
FEC ID number of contributing federal political committee.		Receipt
Name of Employer	Occupation	
Receipt For: Primary General Other (specify) ▼	Aggregate Year-to-Date ▼ 1000.00	Transaction ID: 071509135975 AK

Full Name (Last, First, Middle Initial) B. Adams & Reese PAC		Date of Receipt M M / D D / Y Y Y Y 06 / 01 / 2001
Mailing Address 401 9th Street, NW Suite B10 South		Amount of Each Receipt this Period 1500.00
City Washington	State Zip Code DC 20004-	
FEC ID number of contributing federal political committee.		Receipt
Name of Employer	Occupation	
Receipt For: Primary General Other (specify) ▼	Aggregate Year-to-Date ▼ 1500.00	Transaction ID: 0718200137C6136

Full Name (Last, First, Middle Initial) C. Florida Power & Light PAC		Date of Receipt M M / D D / Y Y Y Y 06 / 01 / 2001
Mailing Address 700 Universe Blvd. P.O. Box 14000		Amount of Each Receipt this Period 4000.00
City North Palm Beach	State Zip Code FL 33408-	
FEC ID number of contributing federal political committee.		Receipt
Name of Employer	Occupation	
Receipt For: Primary General Other (specify) ▼	Aggregate Year-to-Date ▼ 5000.00	Transaction ID: 0718200137C5887

SUBTOTAL of Receipts This Page (optional)	6500.00
TOTAL This Period (last page this line number only)	

