



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Gilead Kapen, Treasurer
Hoosier Political Action Committee
(Hoosier PAC)
P.O. Box 77089
Washington, DC 20013

MAY 31 2000

Identification Number: C00338848

Reference: April Quarterly Report (1/01/00-3/31/00)

Dear Treasurer:

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:

-Line 23 of the Detailed Summary Page of your report discloses a total of \$16,500 in contributions to Federal candidates/committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$14,500. Please amend your report to clarify the discrepancy.

-Please amend Schedule B supporting Line 23 by providing the address and office sought including state and congressional district, if applicable, for each contribution made. 11 CFR §104.3(b)(3)(ii) and (v)

-Schedule B supporting Line 23 discloses contributions to federal candidates for which no election designation has been provided. Please note that if no designation is included in your report, the contributions will be attributed to the next upcoming election for the recipient candidate. Thus, for future reporting purposes, it is in your committee's interest to designate the appropriate election in order to avoid the appearance of excessive contributions made to federal candidates by your committee.

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,

A handwritten signature in cursive script, appearing to read "D. L. Averett", written in dark ink.

Donald L. Averett
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 data. This includes not only sales and purchases but also expenses and income. The text explains that proper record-keeping is essential for identifying trends, managing cash flow, and preparing for tax obligations. It also notes that clear records can help in resolving any disputes or discrepancies that may arise.

The second section focuses on the classification of expenses. It provides a detailed breakdown of various cost categories, such as direct materials, labor, and overheads. The document explains how these costs are allocated to different products or services, which is crucial for determining their true cost and profitability. It also discusses the importance of distinguishing between fixed and variable costs, as this helps in understanding how costs change with the level of production.

The third part of the document addresses the issue of inventory management. It describes how inventory levels are tracked and how they affect the cost of goods sold. The text highlights the need for a systematic approach to inventory control, including regular physical counts and the use of perpetual inventory systems. It also discusses the impact of inventory on working capital and the risk of obsolescence or spoilage.

The final section discusses the overall financial performance of the business. It explains how the data from the previous sections is used to calculate key financial ratios and metrics, such as gross profit margin and net income. The document emphasizes that a thorough understanding of these metrics is necessary for making informed decisions about the business's future. It also notes that consistent financial reporting is a key indicator of a well-managed and successful enterprise.