



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Gary L. West, Treasurer
Caterpillar Employees Political Action
Committee
100 N.E. Adams Street
Peoria, IL 61629

SEP 20 2000

Identification Number: C00148031

Reference: July Quarterly Report (4/01/00-6/30/00)

Dear Mr. West:

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:

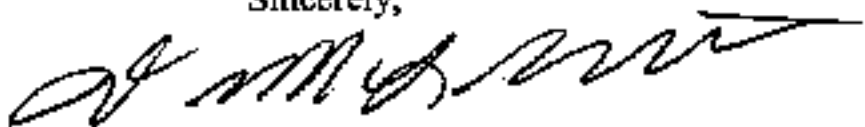
-Schedule B discloses a contribution(s) towards the general election campaign of a Presidential candidate(s). Please note that contributions to Presidential candidates are governed by specific regulations. Please refer to the following explanation of Presidential election financing, and then amend your report to clarify this contribution(s).

All Presidential primary elections held during an election year are considered one election for the purpose of the contribution limits. A multi-candidate committee, therefore may give only \$5,000 to a Presidential candidate's primary campaign, regardless of how many separate state Presidential primaries the candidate participates in. 11 CFR §§110.1(j)(1) and 110.2(i)(1)

In the general election, contributions to Presidential campaigns are not permitted if the candidate receives public funds. (An exception: Political committees may contribute to a publicly funded Presidential nominee's "compliance fund." A compliance fund is used solely for legal and accounting expenses incurred in complying with the election law. Gifts to compliance funds are considered contributions and are subject to usual per-candidate, per-election limits.) 11 CFR §9003.3(a)

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 black ink, appearing to read 'D. Averett', written in a cursive style.

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 statements. The second part covers the various methods used to record transactions, including the double-entry system and the use of journals and ledgers. It also discusses the importance of regular reconciliations to identify and correct any errors. The third part of the document deals with the classification of transactions into different accounts, such as assets, liabilities, and equity. It explains how these transactions affect the accounting equation and how they are recorded in the general ledger. The final part of the document discusses the preparation of financial statements, including the balance sheet, income statement, and statement of cash flows. It provides a step-by-step guide to the process, from gathering the data to the final presentation of the statements.