



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Joe J. Lozano, Treasurer
ZACOPAC (H.B. Zachry Company)
527 Logwood
San Antonio, TX 78221

Identification Number: C00048165

JUN 14 2000

Reference: Year End Report (7/1/99-12/31/99)

Dear Mr. Lozano:

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:

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up,

stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2))
The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

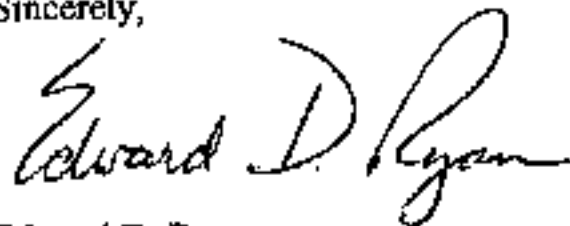
-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the frequency of the deduction. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

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

-For future reporting, please be advised that only contributions to federal candidates and political committees should be itemized on a separate Schedule B supporting Line 23 of the Detailed Summary Page. Contributions to non-federal candidates and committees should be itemized on Schedule B supporting Line 29.

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 that reads "Edward D. Ryan". The signature is written in a cursive style with a large, prominent initial "E".

Edward D. Ryan
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedule for each category of the General Summary Page	PAGE	OF
Contributions from Individuals					FOR LINE NUMBER	11(a)(ii)
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) National Organization PAC C00000001						
1. Full Name, Mailing Address and ZIP Code Anne Sullivan 81 18th Street City, State ZIP		Name of Employer National Organization, Inc. Branch Manager Aggregate Year-to-Date > 7		Date received (by year) payroll deduction	Amount of Each Receipt for Period \$80.00 (\$15 biweekly)	
2. Full Name, Mailing Address and ZIP Code Rodney Jones 881 Hainsbury Road City, State ZIP		Name of Employer National Organization, Inc. Vice President Aggregate Year-to-Date > 5		Date received (by year) payroll deduction	Amount of Each Receipt for Period \$120.00 (\$20 biweekly)	
Receipt for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)						

Itemize payroll deductions only after they have exceeded \$200 per calendar year from an individual.

IN-KIND CONTRIBUTIONS

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedule for each category of the General Summary Page	PAGE	OF
Contributions from Individuals					FOR LINE NUMBER	11(a)(ii)
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) National Organization PAC C00000001						
1. Full Name, Mailing Address and ZIP Code Martin L. Kress 4 River Road City, State ZIP		Name of Employer National Organization, Inc. Chairman Aggregate Year-to-Date > 1		Date received (by year) 8/18/84	Amount of Each Receipt for Period \$5,980.00 (IN-KIND) (RAFFLE PRIZE)	
Receipt for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)						

SCHEDULE B		ITEMIZED DISBURSEMENTS		Use separate schedule for each category of the General Summary Page	PAGE	OF
Operating Expenditures/Other Federal					FOR LINE NUMBER	21(a)
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) National Organization PAC C00000001						
1. Full Name, Mailing Address and ZIP Code Martin L. Kress 4 River Road City, State ZIP		Type of Disbursement raffle prize Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Date received (by year) 8/18/84	Amount of Each Disbursement for Period \$5,980.00 (IN-KIND CONTRIBUTION)	

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash-on-hand amount.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, write "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.B(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$80 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See item A in the illustration above.)

In-Kind Contributions

When determining whether to itemize an in-kind contribution, follow the same guidelines listed above under "When to Itemize Receipts." See page B for information on how to determine the dollar value of an in-kind contribution.

In addition, add the value of the in-kind contribution to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration at left.

