



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-5

Anthony J. Sevcik, Treasurer  
AO Smith Corporation Political  
Action Committee (AOSPAC)  
P.O. Box 23966  
Milwaukee, WI 53223

**JUL 17 1998**

Identification Number: C00104687

Reference: Year End Report (7/1/97-12/31/97)

Dear Mr. Sevcik:

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:

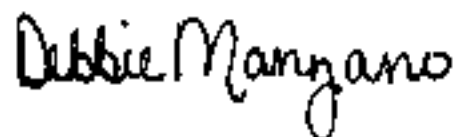
-Schedule A supporting Line 11(a)(i) discloses contributions received through a payroll deduction plan. Generally, a committee's report must identify each contribution from an individual which in the aggregate exceeds \$200 during the calendar year. (2 U.S.C. §434(b)) For your information, instead of separate itemization, a committee using a payroll deduction plan may disclose the aggregate amount of contributions received from the contributor through the payroll deduction plan during the reporting period; the identification of the individual where the contribution exceeds \$200 in the aggregate during the calendar year; and a statement of the amount deducted per pay period. 11 CFR §104.8(b)

-Your report(s) was not signed by the treasurer or designated agent listed on your Statement of Organization. Please amend your report(s) by providing the signature of an individual that is authorized to sign the report(s). 2 U.S.C. §434(a)(1) and 11 CFR §104.14(a) and (d) If a new treasurer has been appointed, please file an amended Statement of Organization (FORM 1) or a letter to reflect this change.

Any amendment or clarification should be filed with the Federal Election

Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,

A handwritten signature in black ink that reads "Debbie Manzano". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Debbie Manzano  
Senior Reports Analyst  
Reports Analysis Division

## PAYROLL DEDUCTIONS

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedules for each category of the Disbursements Page		PAGE	OF
Contributions from Individuals						FOR LINE NUMBER	21(b)(1)
Any information shown on such Receipts and Statements may not be used by any person for the purpose of detecting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such contributors.							
NAME OF COMMITTEE (in full) National Organization PAC 000000001							
A. Full Name, Mailing Address and ZIP Code		Name of Employer		Date (month day year)	Amount of each Receipt (in dollars)		
Anne Sullivan 81 18th Street City, State ZIP		National Organization, Inc. Occupation Branch Manager		payroll deduction	\$90.00 (\$18 biweekly)		
B. Full Name, Mailing Address and ZIP Code		Name of Employer		Date (month day year)	Amount of each Receipt (in dollars)		
Rodney Jones 881 Hantsbury Road City, State ZIP		National Organization, Inc. Occupation Vice President		payroll deduction	\$120.00 (\$30 biweekly)		
				285.00	360.00		

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

## 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. 104.8(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 (\$90 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

SCHEDULE A		ITEMIZED RECEIPTS		Use separate schedules for each category of the Disbursements Page		PAGE	OF
Contributions from Individuals						FOR LINE NUMBER	21(b)(2)
Any information shown on such Receipts and Statements may not be used by any person for the purpose of detecting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such contributors.							
NAME OF COMMITTEE (in full) National Organization PAC 000000001							
A. Full Name, Mailing Address and ZIP Code		Name of Employer		Date (month day year)	Amount of each Receipt (in dollars)		
Martin L. Kress 4 River Road City, State ZIP		National Organization, Inc. Occupation CHAIRMAN		8/18/84	\$3,899.00 (\$3,899.00 Raffle Prize)		
				3,899.00			

## 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 8 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 right.

SCHEDULE B		ITEMIZED DISBURSEMENTS		Use separate schedules for each category of the Disbursements Page		PAGE	OF
Operating Expenditures/Other Federal						FOR LINE NUMBER	21(b)
Any information shown on such Receipts and Statements may not be used by any person for the purpose of detecting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such contributors.							
NAME OF COMMITTEE (in full) National Organization PAC 000000001							
A. Full Name, Mailing Address and ZIP Code		Purpose of Disbursement		Date (month day year)	Amount of each Disbursement (in dollars)		
Martin L. Kress 4 River Road City, State ZIP		raffle prize Disbursement or Contribution		8/18/84	\$3,899.00 (\$3,899.00 IN-KIND CONTRIBUTION)		

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

