



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Michael Kreloff, Treasurer
10th Congressional District Victory
Fund - Federal
P.O. Box 416
Highland Park, IL 60035

AUG 1 2001

Identification Number: C00360305

Reference: October Quarterly Report, dated 10/13/2000

Dear Mr. Kreloff:

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:

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous EVENT YEAR-TO-DATE total for that category or event. This running EVENT YEAR-TO-DATE total should be disclosed after each disbursement is listed. Please amend your report by providing the correct EVENT YEAR-TO-DATE totals.

-Schedule H4 discloses a disbursement(s) which is categorized as direct candidate support; however, a Schedule H2 has not been filed to disclose the allocation ratio. All committees are required to allocate the payment for direct candidate support in which the committee collects both federal and non-federal funds. The costs are allocated according to the time and space method or funds received ratio and reported on Schedule H2. 11 CFR §§106.5(f) and 106.6(d). Please file a Schedule H2 to disclose the ratio for the direct candidate support activity.

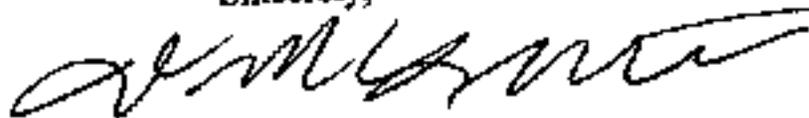
-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to check the appropriate CATEGORY box for the payment(s) made to Voter Solutions. Please amend your report to disclose the appropriate category.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have failed to include the total EVENT YEAR-TO-DATE amount for a payment(s) to Voter Solutions. Please amend your report to include the missing EVENT YEAR-TO-DATE total(s).

-Please provide the coverage dates of your report on Line 5 of the Summary Page.

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,



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. This includes not only sales and purchases but also expenses, income, and transfers between accounts.

Next, the document outlines the process of reconciling bank statements with the company's records. It stresses the need to identify and explain any discrepancies, such as outstanding checks or bank errors, to ensure that the books are in balance. Regular reconciliation is presented as a key practice for preventing errors and detecting fraud.

The following section addresses the classification of assets and liabilities. It provides guidance on how to properly categorize items on the balance sheet, distinguishing between current and long-term assets and liabilities. This classification is essential for providing a clear picture of the company's financial position and for compliance with accounting standards.

Finally, the document discusses the preparation of the income statement and the statement of equity. It explains how these statements are derived from the accounting records and how they provide valuable insights into the company's profitability and the changes in the owners' equity over a specific period. The document concludes by emphasizing the importance of transparency and accuracy in all financial reporting.