



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Mike Wright, Treasurer  
Republican Majority Fund  
1155 21<sup>st</sup> Street, NW #300  
Washington, DC 20036

Identification Number: C00296640

MAY 2 2001

Reference: Year End Report (11/28/00-12/31/00)

Dear Mr. Wright:

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:

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) B of your report to clarify the following description(s): "consulting fee Oct.-Nov. & expenses". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

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,

*Andrea S. Wilkens*

Andrea S. Wilkens  
Senior 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 and income. The text suggests that a systematic approach to record-keeping is essential for identifying trends and making informed business decisions.

Next, the document addresses the issue of inventory management. It highlights the need for regular physical counts to reconcile with the recorded inventory levels. Discrepancies between the two can indicate theft, loss, or errors in recording. The author recommends implementing a cycle counting system to reduce the risk of errors and improve the accuracy of the inventory records.

The third section focuses on the classification of assets and liabilities. It provides guidance on how to properly categorize different types of property, equipment, and debts. This is crucial for determining the correct depreciation and amortization methods to use. The text also discusses the importance of regularly reviewing the balance sheet to ensure that all assets and liabilities are properly reflected.

Finally, the document concludes with a summary of the key points discussed. It reiterates the importance of consistency, accuracy, and regular review in the accounting process. The author encourages business owners to seek professional advice when needed to ensure that their financial records are compliant with applicable laws and regulations.