



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

JUL 22 1998

Kirk Alan Pessner, Treasurer
Technology Network Federal
Political Action Committee
101 University Avenue, Suite 240
Palo Alto, CA 94301

Identification Number: C00328369

Reference: February Monthly (1/1/98-1/31/98) March Monthly (2/1/98-2/28/98)
April Monthly (3/1/98-3/31/98) Reports

Dear Mr. Pessner:

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 for Line 23 of the reports referenced above disclose payments totaling \$4,270.74 to your connected organization for in-kind contributions to federal candidates (pertinent example attached). 2 U.S.C. §441b prohibits a corporation or labor organization from contributing or expending funds for the purpose of influencing any federal election; however, a connected organization may pay for the solicitation and administrative costs of its separate segregated fund. In addition, corporate/labor officials or employees may direct subordinates to plan, organize or carry out fundraising as part of their work, using corporate/labor resources, only if the corporation or labor organization receives advance payment for the fair market value of the services. 11 CFR §114.2(f)(2)(i)(A)

Please amend your report to clarify whether the payments to your connected organization were for expenditures which were intended to influence federal elections and provide the dates of the activity conducted by your connected organization. Although the Commission may take further legal action concerning this matter, your prompt action will be taken into consideration.

-Schedules A and B of your report disclose undeposited earmarked contributions. For disclosure purposes, memo entries on Schedule A must include the name of the candidate and memo entries on Schedule B must include the name of the contributor. Please amend your report accordingly. 11 CFR §110.6(c)(1)(v)

-Your report includes computer produced formats of Schedule D. Computer produced formats may only be used upon prior approval of the Commission. You should submit a separate sample format with a cover letter requesting approval. Until your format has been approved, FEC forms must be used. 11 CFR §104.2(d)

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. My local number is (202) 694-1130.

Sincerely,



Alicia K. Richardson
Reports Analyst
Reports Analysis Division