



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Anthony Knapp, Treasurer
Motorola Civic Action Campaign Fund
1350 I Street N.W., Suite 400
Washington, DC 20005

FEB 06 2002

Identification Number: C00075341

Reference: Mid-Year Report (1/1/01-6/30/01)

Dear Mr. Knapp:

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:

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

A 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. Electronic filers must file amendments in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. 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,

Erik W. Koeppe
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, transfers, and adjustments. The text explains that a thorough record-keeping system is essential for identifying trends, detecting errors, and providing a clear audit trail.

Next, the document addresses the process of reconciling bank statements. It highlights the need to compare the company's records with the bank's records on a regular basis. This process helps to identify any discrepancies, such as outstanding checks or bank errors, and allows for prompt correction. The text provides a step-by-step guide to performing a bank reconciliation, including how to calculate the difference between the two records and how to investigate the cause of any variance.

The third section focuses on the preparation of financial statements. It outlines the requirements for each statement, including the balance sheet, income statement, and statement of cash flows. The text provides detailed instructions on how to calculate each component of these statements, such as net income, total assets, and liabilities. It also discusses the importance of presenting the information in a clear and concise manner, following established accounting standards and conventions.

Finally, the document discusses the role of internal controls in ensuring the accuracy and reliability of financial information. It explains that internal controls are a set of policies and procedures designed to prevent and detect errors and fraud. The text provides examples of common internal controls, such as segregation of duties, authorization requirements, and regular audits. It emphasizes that a strong internal control system is crucial for maintaining the trust of investors and other stakeholders.