



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Phillip R. Chisholm, Treasurer JAN 31 1996
Small Business Committee
1901 N. Fort Myer Drive, Ste. 1200
Arlington, VA 22209

Identification Number: C00035204

Reference: December Monthly Report (11/1/95-11/30/95)

Dear Mr. Chisholm:

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:

-Line 23 of the Detailed Summary Page of your report discloses a total of \$16,250 in contributions to federal candidates and committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$17,380.59. Note that any disbursements resulting in in-kind contributions to federal candidates should be reflected on Line 23, not on Line 21(b). Please amend your report to clarify the discrepancy.

-On Schedule B of your report, you disclose a \$500 contribution to ARMPAC with an address that indicates that the funds were received by a federal candidate. Please amend your report to clarify the recipient of the contribution.

In addition, please provide further clarification of the in-kind contribution benefiting Mike Forbes which appears to have been made to your connected organization, including what service the PMAA provided and the date on which the activity took place. Note that a committee must prepay its connected organization for the use of facilities, etc. resulting in in-kind contributions; or, it must place funds in escrow for the connected organization to draw on to pay for future in-kind contributions made by the committee.

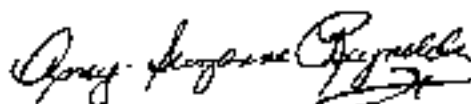
In amending your report and for future reporting purposes, please refer to the attached examples in order to properly itemize contributions to federal candidates.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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) 219-3580.

Sincerely,



Amy Suzanne Reynolds
Reports Analyst
Reports Analysis Division

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Line 16. Refunds of Contributions

Itemize refunds of contributions made by the SSF on a Schedule A regardless of their amount. See Section 5 for more information on how to report them. Enter the total on Line 16.

Line 17. Other Receipts

This category includes interest and dividends earned on investments. Itemize these receipts on a Schedule A once the committee receives more than \$200 from the same source during a calendar year. Enter the total under this category on Line 17. See Section 5 for more information on interest and dividends.

Line 18. Transfers from Nonfederal Account for Joint Activity

If the committee maintains a non-federal account for state and local election activities and pays its own administrative expenses, the federal account (the SSF) may accept a transfer of funds from the nonfederal account for the sole purpose of covering its share of a joint federal and nonfederal expense. 105.6(a)(1)(i). Report the total amount transferred from the nonfederal account during the period (i.e., the total from Schedule H3) on Line 18.

Other rules concerning these transfers are explained in Appendix A.

4. Itemized Disbursements: Schedule B

When to Itemize Disbursements

Regardless of Amount

Several types of disbursements must be itemized regardless of amount:

- Transfers to affiliated SSFs;
- Contributions to candidates and political committees;
- Loan repayments; and
- Loans made by the SSF.

Note that refunds of contributions (Line 26 on the Detailed Summary Page) must be itemized on Schedule B only if the incoming contribution had to be itemized on Schedule A, as explained earlier in this chapter.

CONTRIBUTIONS TO CANDIDATES

SCHEDULE B ITEMIZED DISBURSEMENTS		Use separate subcategory for each category of the Detailed Summary Page		Permit	CP
Contributions to Federal Candidates				FOR LINE NUMBER	25
Any information copied from each Report and Statement may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.					
NAME OF COMMITTEE (if any) National Organization PAI 000000001					
A. Full Name, Mailing Address and ZIP Code Holiday Plaza Hotel 1100 Burlington Avenue City, State ZIP	Purpose of Disbursement reception for Bill Jones House candidate, 9th (State) 7/18/94 Disbursement for ☐ Primary ☒ General ☐ Other (specify)	Date received, day, year 7/18/94	Amount of Cash Disbursement This Period \$879.70 (in-kind)		
See page 8 for information on how to determine the value of an in-kind contribution.					
B. Full Name, Mailing Address and ZIP Code Oklahoma for Stan Smythe 8470 Rushmore Street City, State ZIP	Purpose of Disbursement Stan Smythe, House candidate, 1st (State) Disbursement for ☐ Primary ☒ General ☐ Other (specify)	Date received, day, year 7/12/94	Amount of Cash Disbursement This Period \$150.00		
Itemize contributions to federal candidates regardless of amount.					
C. Full Name, Mailing Address and ZIP Code Taylor for Congress 11 Main Street City, State ZIP	Purpose of Disbursement Mavis Taylor, House candidate, 8th (State) Disbursement for ☐ Primary ☒ General ☐ Other (specify)	Date received, day, year 8/1/94	Amount of Cash Disbursement This Period \$500.00		

See page 11 for information on making post-election contributions to retire a candidate's debts.

Other Disbursements: \$200 Threshold
A disbursement that does not fall under one of the categories listed above (such as a donation to a nonfederal candidate) must be itemized if it exceeds \$200 when aggregated with other disbursements made to the same payee during the calendar year.

How to Itemize Disbursements

Categorizing Disbursements

Before beginning to itemize the committee's disbursements, separate them into the different categories listed on the Detailed Summary Page ("Operating Expenditures," "Contributions to Federal Candidates," etc.; an illustration of a completed Detailed Summary Page appears on page 37). The disbursements in each category must be itemized on a separate Schedule B designated for that category.

Indicate the type of disbursement itemized on a particular Schedule B by entering the corresponding line number from the Detailed Summary Page in the upper right corner of the schedule. The appropriate category of disbursement may also be written at the top of each page.

Some categories may require several pages. The total for each category should be entered on the bottom line of the last page for that category.

Itemized Information

Itemized disbursement information includes:

- Name of payee;
 - Address of payee;
 - Purpose of disbursement (a brief but specific description of why the disbursement was made—see Schedule B instructions and 104.3(b)(3)(i)(B));
 - Date of payment; and
 - Amount.
- 104.3(b)(3), 104.8.

Additional Information on Candidates

Further information is required when itemizing a contribution to a candidate committee on Schedule B. Include the candidate's name and the office sought (including the state and, if applicable, Congressional district). When itemizing a contribution or loan to a candidate committee, specify the election for which the payment was made by checking the appropriate category in the election designation box, 104.3(b)(9)(v). See illustrations above.

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