



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-3

January 10, 2002

Stephen E. Chaudet, Treasurer
Lockheed Martin Employees Political
Action Committee
1725 Jefferson Davis Highway
Arlington, VA 22202

Identification Number: C00303024

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

Dear Mr. Chaudet:

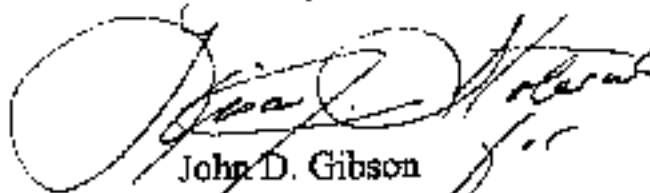
This letter is to inform you that as of January 9, 2002, the Commission has not received your response to our request for additional information, dated December 19, 2001. This notice requests information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to this request (copy enclosed).

An adequate response must be received at the Commission by January 30, 2002. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

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 should have any questions regarding this matter, please contact Scott Walker on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to

reach the Reports Analysis Division) or our local number (202) 694-1130.

Sincerely,

A handwritten signature in dark ink, appearing to read "John D. Gibson", written over a horizontal line.

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

RQ-2

Stephen E. Chaudet, Treasurer
Lockheed Martin Employees Political
Action Committee
1725 Jefferson Davis Highway
Arlington, VA 22202

DEC 19 2001

Identification Number: C00303024

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

Dear Mr. Chaudet:

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 report discloses a negative ending cash balance of \$17,218.46. This suggests that you have either overdrawn your account, made a mathematical error, or incurred a debt. If your committee has incurred a debt or obligation, please show a zero balance on Line 8 of the Summary Page and reflect the amount and the nature of the debt on Schedule D and Line 10. 2 U.S.C. §434(b)(8)

-Line 11(a)(ii) of the Detailed Summary Page discloses \$128,862.82 in unitemized receipts from individuals/persons other than political committees during the reporting period. Please clarify whether this figure includes any receipts from a single source that aggregate greater than \$200 in the calendar year. If this is the case, please amend your report(s) by itemizing the receipts on Schedule A supporting Line 11(a)(i). 2 U.S.C. §434(b)(2)(A) and (3)(A)

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the amount and frequency of the payroll deductions. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

A response or 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,



Scott Walker
Reports Analyst
Report Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A (FEC Form 300)		Use separate schedule(s) for each category of the Detailed Summary Page		FOR EACH CATEGORY: PAGE 1 OF 1	
ITEMIZED RECEIPTS		Line 13a		Line 13b	
Any information required from each Receipt and Statement may not be used for any purpose for the purpose of soliciting contributions or for any other purpose, other than using the name and address of any political committee as other contributions from such committee.		13a		13b	
NAME OF COMMITTEE (in full)		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
Critical Reason Inc. PAC		11/15		\$90.00	
FULL NAME (Last, First, Middle Initial)		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
A. Karth, Thomas		11/15		\$15.00	
BUSINESS ADDRESS		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
3 Critiques Ave		11/15		\$15.00	
CITY		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
Konnigsburg		11/15		\$15.00	
STATE		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
VA		11/15		\$15.00	
ZIP CODE		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
22333		11/15		\$15.00	
FED ID number of contributing political committee		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
C		11/15		\$15.00	
Name of Employer		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
Critical Reason Inc.		11/15		\$15.00	
Occupation		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
Executive Officer		11/15		\$15.00	
Receipt For:		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
Primary ☐ General ☐ Other (specify) ☐		11/15		\$15.00	
Aggregate Year-to-Date *		DATE OF RECEIPT		AMOUNT OF EACH RECEIPT AND PERIOD	
285.00		11/15		\$15.00	

* **Adding Extra Text/Explanation:** When using FECFile electronic filing software, this information can be entered using the "memo text" window. To make a "memo text" entry, select the "View" menu on the FECFile toolbar. Select "All Transactions." Single click (highlight) the transaction to which the "memo text" will be attached. Then select the "Edit" menu on the toolbar and select "memo text."

* When using FECFile electronic filing software, enter this information in the "description" field.

Categorizing Receipts

Before beginning to itemize the committee's receipts, separate them into the different categories listed on the Detailed Summary Page ("Contributions from individuals," "Contributions from Political Committees," etc.; an illustration of a completed Detailed Summary Page appears on pages 54-55). The receipts in each category must be itemized on a separate Schedule A designated for that category.

Indicate the type of receipt itemized on a particular Schedule A by checking the box for the corresponding line number from the Detailed Summary Page where indicated in the upper right corner of the schedule. The appropriate category of receipt 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

For each itemized contribution, provide:

- The full name and address (including zip code) of the contributor or other source;
- The name of the contributor's employer (if the contributor is an individual);

- The contributor's occupation (if the contributor is an individual);
- The date of receipt;
- The amount; and
- The aggregate year-to-date total of all receipts (within the same category) from the same source. 104.3(a)(3). The space indicating the election for which an itemized contribution was made ("Receipt For") does not apply to SSFs; leave those boxes blank.

Special "Employer" Information

If a contributor is self-employed, that should be recorded in the Employer space. If a contributor is not employed, the Employer space should be left blank, but the Occupation space should always be completed (e.g., "unemployed," "retired," "homemaker").

Best Efforts Required

Note that committees and their treasurers must use "best efforts" to obtain and report the information listed above. See page 36 for more information.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, type "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See Item A in the illustration above.)

