



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

NOV 13 1995

RQ-5

Paul Arneson, Treasurer
Grassroots Victory Fund
P.O. Box 1779
Washington, DC 20013

Identification Number: C00298695

Reference: Mid-Year Report (1/1/95-6/30/95)

Dear Mr. Arneson:

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:

-All reports filed by unauthorized political committees must be on FEC FORM 3X. FEC FORM 3, state or non-FEC forms, or reports filed by letter are not acceptable. Your filing will not be considered complete until a report is submitted on FEC FORM 3X. 11 CFR §104.2

-Your report includes computer produced formats of the Detailed Summary Page and Schedules A and B. 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)

-Please provide the total for Line 6(a), Column B of the Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule B supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect

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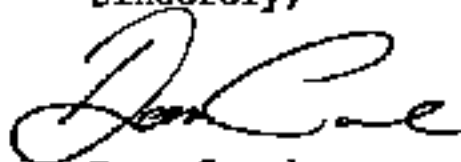
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this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

Any amendment or clarification should be filed with the Federal Election Commission. 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,



Donn Casale
Reports Analyst
Reports Analysis Division

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