



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

RQ-2

Kevin M. Madden, Treasurer
National Association of Insurance and
Financial Advisors Political Action
Committee
2901 Telestar Court
Falls Church, VA 22042

JAN 23 2002

Identification Number: C00005249

Reference: Amended March Monthly Report (2/1/01-2/28/01), received 9/19/01

Dear Mr. Madden:

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:

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B of your report to clarify the following description(s): "Administrative Fees". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

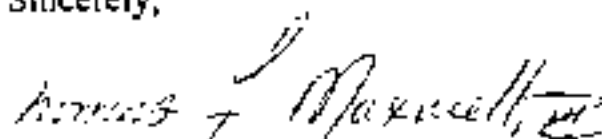
-Schedule D discloses the outstanding balance at the close of the period for the Debt owed to the National Association of Insurance and Financial Advisors to be \$59,399.44. FEC calculations disclose this amount to be \$53,999.44. Please amend your report to clarify this discrepancy.

-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 deducted per pay period. 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,

A handwritten signature in cursive script that reads "Thomas F. Maxwell, III". The signature is written in dark ink and is positioned above the typed name.

Thomas F. Maxwell, III
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

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.)

SCHEDULE A (FEC Form 3X)		Use separate schedule(s) for each category of the Detailed Summary Page		FOR LINE 11(a)(ii) (Check only one)		PAGE 1 OF 1	
ITEMIZED RECEIPTS				☒ 11a ☐ 11b ☐ 11c ☐ 11d ☐ 11e			
Any information copied from such reports and otherwise may not be used by any person for the purpose of soliciting contributions or for promotional purposes, other than using the name and address of any political committee to solicit contributions from such committee.							
NAME OF COMMITTEE (in full)							
Critical Reason Inc. PAC							
Full Name Last, First Middle Initial							
A. Kant, Immanuel							
Mailing Address							
3 Critique Ave							
City							
Konnigsburg							
State							
TX							
Zip Code							
77625							
FEC ID number of sponsoring federal official committee							
C							
Name of Employer							
Critical Reason Inc.							
Occupation							
Executive Officer							
Receipt For:							
☐ Primary ☐ General ☐ Other (specify)							
Aggregate Year-to-Date *							
285.00							
Date of Receipt							
payroll deduction							
Amount of Each Receipt and Period							
90.00							
(\$15 biweekly) ¹							

¹Adding Memo 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."

²When 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.

