FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 3568

DATE FILMED 10/28/93 CAMERA NO. 2

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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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MUR 3568

General Council
Federal Elections Commission
Washington, D.C. 20463

Dear Sir/Madam;

My name is William E. Harper, and I reside at 2022 Columbia Road NW #703, Washington, D.C.

From (approximately) late April until mid July of this year I worked as a volunteer for the local People for Perot D.C. Committee at 737 15th. Street NW, Washington, D.C.

I am writing to you because there are serious concerns that I have about the practices that have occurred at this office in the past and may possibly have some effect on my reputation and credibility in the future.

My responsibility as a part of this group was initially to work with the volunteer data base from a Management Information System (MIS) standpoint. In this capacity, I became involved with the financial accounting operations. Initially I set up an accounting spreadsheet in the Lotus 1-2-3 program and later became involved in the June/May filing of the FEC report in Aristotle Software.

It was because of this level of involvement that I became intimately familiar with the collection and disbursement of funds at the local office of People for Perot.

One of the sources of generating revenue was to buy Perot Campaign merchandise at a "wholesale price" and mark it up to sell to the general public at a "retail price" and use the profits for running day-to-day operations. This was done at a counter in the storefront at 737 15th. St. NW.

Once I became involved I realized that the money generated from the sell of these items was, in a lot of instances, being disbursed directly from the cash drawer to cover expenses ranging from food for the volunteers to paying vendors for the merchandise. Not only did I conclude that this was not in accordance with FEC regulations but also it was an extremely poor method of doing business since we were never able to measure direct costs against profits.

William E. Harper

William E. Harper
2022 Columbia Rd NW #703
Washington, D.C.

Page 1 of 2 Date July 28, 1992

Signed and Sworn Before Me:

Shirley A Taylor

Notary Public - My Commission Expires Shirley A. Taylor Notary Public, District of Columbia My Commission Expires July 14, 1995

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For weeks I tried to force the issue with arguing for the need in establishing a petty cash fund whereby all funds collected would be recorded and deposited into the general account - then we could write a check for cash and use a small ledger to control the disbursement of these funds. And, I advocated, under no circumstances should we pay our vendors with cash from the cash drawer.

Eventually I realized that my observations and comments were going nowhere towards establishing a practice of accountability on these funds, so I decided to concentrate my efforts on areas where my energies could better be utilized. This occurred in mid to late June and it was at this point that I began concentrating on the petitioner verification process of the campaign and leave the accounting side of the campaign to others.

I have some real concerns at this point due to the receipt of a letter, last week, from the leadership of the People for Perot committee thanking me for my contributions and accepting my resignation. The thank you part of the letter was good to receive but since I never resigned I am confused and bewildered as to why it would serve the interest of this committee to accept an untendered resignation.

My concern is that because of my initial involvement with the accounting side of the campaign - that in some point in the future an investigation might turn up my name as having any involvement with these practices, this coupled with the acceptance by the committee of an untendered resignation makes me feel like some "groundwork" may be being laid for future accountability. I don't know this for sure - but if it is what's happening then I want to be a part of the process.

It should be obvious to anyone who reads this letter that dialogue between myself and the committee is no longer productive and it is with that in mind that I petition the Federal Elections Commission to address my concerns in the events described herein.

William E. Harper
William E. Harper
2022 Columbia Road NW #703
Washington, D.C. 20009

Page 2 of 2 Date July 28, 1992

Signed and Sworn Before Me:

Shirley A. Taylor

Notary Public - My Commission Expires; Shirley A. Taylor
Notary Public, District of Columbia
My Commission Expires July 14, 1995

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 4, 1992

William E. Harper
2022 Columbia Road, NW #703
Washington, DC 20009

RE: MUR 3568

Dear Mr. Harper:

This letter acknowledges receipt on July 29, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the Perot Petition Committee. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3568. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Jonathan A. Bernstein by MA

Jonathan A. Bernstein
Assistant General Counsel

Enclosure
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 4, 1992

Perot Petition Committee
Mike Poss, Treasurer
6606 LBJ Freeway #150
12377 Merit Drive
Dallas, TX 75240

RE: MUR 3568

Dear Mr. Poss:

The Federal Election Commission received a complaint which indicates that the Perot Petition Committee ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3568. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Perot Petition Committee
Mike Poss, Treasurer
Page 2

If you have any questions, please contact Richard M. Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Jonathan A. Bernstein by MA

Jonathan A. Bernstein
Assistant General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE DIVISION

AUG 18 [illegible] 48 PM '92

LAW OFFICES

VERNER, LIIPFERT, BERNHARD, McPHERSON AND HAND

CHARTERED

SUITE 700
901-15TH STREET, N.W.
WASHINGTON, D.C. 20005-2301
(202) 371-6000
TELEX: 1561792 VERLIP UT
TELECOPIER: (202) 371-6279

HOUSTON OFFICE

6901 TEXAS COMMERCE TOWER
600 TRAVIS
HOUSTON, TEXAS 77002
(713) 237-9034
TELECOPIER (713) 237-1216

VIRGINIA OFFICES

8280 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102
(703) 749-6000
TELECOPIER (703) 749-6027

10484 A ARMSTRONG STREET
FAIRFAX, VIRGINIA 22030
(703) 591-2883
TELECOPIER (703) 385-7998

WRITER'S DIRECT DIAL NUMBER
(202) 371-6079

9304098468

HAND DELIVERY

August 18, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

92 AUG 19 AM 10:42

Federal Election Commission
Office of the General Counsel
999 E Street, N.W.
Washington, D.C. 20463
Attn: Richard Zanfardino, Esq.

Re: MUR 3568

Dear Mr. Zanfardino:

This firm has been retained to represent the Perot Petition Committee and Mike Poss, its Treasurer, in connection with the above-referenced matter. Enclosed are executed Designation of Counsel forms verifying our retention.

We hereby request a fourteen day extension of time, through September 8, 1992, to file our response to the complaint. As you may know, the Perot Petition Committee, both in the District of Columbia and across the country, is, almost exclusively, a group of volunteers. We need the extension of time because volunteers who we must meet with to prepare our response are either, in one instance, away on vacation or, in other instances, currently unavailable due to business commitments.

Mr. Poss apparently received the FEC's letter forwarding the complaint on Monday, August 10, 1992; thus, absent an extension, the response would be due on August 25, 1992. We submit that, under the circumstances, a fourteen day extension is reasonable and appropriate.

Respectfully submitted,

Berl Bernhard
Gary J. Klein
Dean R. Brenner

Attorneys for Perot Petition
Committee and Mike Poss,
Treasurer

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3568

Berl Bernhard
Gary Klein
Dean Brenner

NAME OF COUNSEL: Verner, Liipfert, Bernhard, McPherson & Hand

ADDRESS: Suite 700

901-15th Street, N.W.

Washington, D.C. 20005-2301

TELEPHONE: (202) 371-6000

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

August 18, 1992
Date

Mike Poss
Signature

RESPONDENT'S NAME: Perot Petition Committee

ADDRESS: 6606 LBJ Freeway, Suite 150

12377 Merit Drive

Dallas, TX 75240

HOME PHONE: 214-826-0779

BUSINESS PHONE: 214-788-3030

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 3568

NAME OF COUNSEL: Berl Bernhard
Gary Klein
Dean Brenner
Verner, Liipfert, Bernhard, McPherson & Hand

ADDRESS: Suite 700
901-15th Street, N.W.
Washington, DC 20005-2301

TELEPHONE: (202) 371-6000

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

August 18, 1992
Date

Signature

RESPONDENT'S NAME: Mike Poss, Treasurer

ADDRESS: Perot Petition Committee
6606 LBJ Freeway, Suite 150
12377 Merit Drive
Dallas, TX 75240

HOME PHONE: 214-826-0779

BUSINESS PHONE: 214-788-3030

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

August 20, 1992

Dean Brenner, Esq.
Verner, Liipfert, et al.
Suite 700
901-15th St. NW
Washington, DC 20005-2301

RE: MUR 3568
Perot Petition Committee
and Mike Poss, as
treasurer

Dear Mr. Brenner:

This is in response to your letter dated August 18, 1992, which we received on August 18, 1992, requesting an extension of 14 days to respond to the complaint filed against your clients. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on September 8, 1992.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Zanfardino
Staff Member

OGC 6361

LAW OFFICES

VERNER, LIIPFERT, BERNHARD, McPHERSON AND HAND

CHARTERED

SUITE 700
901-15TH STREET, N.W.
WASHINGTON, D.C. 20005-2301
(202) 371-6000
TELEX 1561792 VERLIP UT
TELECOPIER (202) 371-6279

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6901 TEXAS COMMERCE TOWER
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(703) 749-6000
TELECOPIER (703) 749-6027

10484 A ARMSTRONG STREET
FAIRFAX, VIRGINIA 22030
(703) 591-2883
TELECOPIER (703) 385-7998

September 8, 1992

WRITER'S DIRECT DIAL NUMBER

(202) 371-6147

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

HAND-DELIVERY

Federal Election Commission
Office of the General Counsel
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3568

Dear Sir:

Enclosed please find an original and seven copies of the Response of the Perot Petition Committee and Mike Poss, its Treasurer, in connection with the above-referenced matter. An additional copy is provided for date-stamp and return.

Pursuant to 2 U.S.C. § 437g(a)(12) and 11 C.F.R. § 111.21, the undersigned hereby requests confidential treatment of this response, the letter to which this response is directed and all submissions and findings related thereto.

Thank you very much.

Respectfully submitted,

Gary J. Klein

Berl Bernhard
Gary J. Klein
Dean R. Brenner

Attorneys for Perot Petition
Committee and Mike Poss, its
Treasurer

Enclosure

cc: Richard Zanfardino, Esq.

FEDERAL ELECTION COMMISSION
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OFFICE OF GENERAL COUNSEL

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Before the
FEDERAL ELECTION COMMISSION

In the Matter of	)	
Perot Petition Committee	)	MUR 3568

To: Office of the General Counsel

RESPONSE OF THE PEROT PETITION COMMITTEE AND MIKE POSS, TREASURER

The Perot Petition Committee ("PPC") and Mike Poss, its Treasurer, hereby respond to the letter submitted by William E. Harper on July 29, 1992.[1/]

I. INTRODUCTION

Mr. Harper's submission is extremely vague and, therefore, difficult to respond to with specificity. There is not a single allegation of a particular violation. Mr. Harper does not allege any wrongdoer or any specific wrongdoing. His general allegation is that volunteers in the District of Columbia office of the PPC were using cash generated from merchandise sales to cover expenses and pay vendors. But he does not identify the volunteers, the amount of cash, or the vendors allegedly involved. Further, he does not claim that the PPC, or its Treasurer, were aware of any alleged violations.

If any of these practices took place, they were not authorized, sanctioned, or condoned in any way by the PPC or its

1/ On August 18, 1992, the PPC and Mr. Poss requested an extension of time through September 8, 1992 to submit this response. In a letter dated August 20, 1992, the Office of the General Counsel granted that extension request.

Treasurer. As shown herein, the PPC used its best efforts to prevent any possible violations of FEC regulations by thousands of volunteers. It repeatedly issued clear written instructions to the volunteer coordinators in D.C. and across the country demanding strict compliance with the FEC's regulations concerning petty cash, contributions, disbursements, and recordkeeping. See Affidavit of Mike Poss at ¶¶ 4-8. All contributions were to be deposited within 10 days of receipt; all disbursements over $100 were to be made by check; petty cash was to be used only for expenses of $100 or less; and a record of all such petty cash disbursements less than $100 was to be kept. Id. At all times after the People for Perot D.C. Committee became part of the PPC, the PPC and its Treasurer informed the volunteer coordinators in D.C. of the FEC's regulations on these subjects and repeatedly emphasized the need for strict compliance. See id.

In addition, concise written instructions on these subjects were posted in the D.C. office and provided to the volunteers serving at the D.C. headquarters by a fellow D.C. volunteer who acted as the local "treasurer" during this period. See Affidavit of Claude L. Matthews. These instructions unequivocally required that petty cash be used only for disbursements of $100 or less, and that a record of all disbursements, by check or cash, be kept. Id.

In short, the PPC, its Treasurer and even the D.C. volunteer treasurer consistently and repeatedly sought to ensure that all volunteers for the PPC in D.C. were aware of FEC requirements and

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complied with all FEC regulations. Further, at no time prior to the submission of Mr. Harper's letter to the FEC was the possibility of any violations of FEC requirements regarding disbursements by the D.C. office brought to the attention of the PPC, its Treasurer, or its local treasurer.

Moreover, Mr. Harper's comments must be viewed in the context of the unique, grassroots nature of the Perot campaign. The Perot campaign is unparalleled in modern American political history. Thousands of volunteers who never had been involved in a presidential campaign, and who were self-selected, worked in the many state and local offices, including the D.C. office. These volunteers began their efforts entirely independent of the PPC, and, in most states, those efforts predated the PPC's formation. Virtually none of the volunteers had familiarity with the FEC's regulations. However, the PPC, once it authorized a local group of volunteers or committee, took every reasonable step to inform these political newcomers about the requirements of FEC's regulations to ensure strict compliance and accurate reporting.

Consequently, we are confident that there were no violations of FEC regulations sanctioned, authorized or condoned by the PPC or its Treasurer. See Affidavit of Mike Poss at ¶ 9. At most, assuming the essential truth of his contentions, Mr. Harper alleges unauthorized, fleeting, minor and unintentional violations that would have contravened specific directives from the PPC and its Treasurer. Such conduct, even if it took place, does not merit a finding of a reason to believe that a violation occurred.

II. AT MOST, DE MINIMIS VIOLATIONS MAY HAVE OCCURRED

In light of the attached documents, there is no reason for the FEC to devote resources to this de minimis matter. However, in an effort to determine what, if any, unauthorized actions may have occurred, the PPC and its Treasurer, by their attorneys, have examined, as best they can, the conduct of volunteers in the D.C. office from its inception in early May 1992 through the present.

As a result of this investigation, the PPC believes that volunteers in the D.C. office made seven disbursements in cash of over $100. They were for the following amounts and vendors on the dates listed: (1) Giant Food - $101.65 ((5/28/92); (2) Copier, Inc. - $107; (3) Postage - $116 (6/9/92); (4) P.R. Inc. - $216 (6/13/92); (5) Graffiti, Inc. - $104.94 (6/20/92); (6) Kwik Kopy - $159 (6/22/92); and (7) Buttons & Badges, Inc. - $400 (5/29/92). Moreover, during May and June 1992, the PPC believes that volunteers utilized cash from the drawer containing the proceeds of retail merchandise sales (*e.g.*, sales of buttons, bumper stickers, and t-shirts) to pay certain out-of-pocket expenses of under $100, rather than using a separate petty cash fund for these disbursements. Receipts are available for the period May 26, 1992, through June 26, 1992, documenting these disbursements in the amount of approximately $1,407.

On July 1, 1992, a separate petty cash fund was established. There is no evidence of any cash disbursements after July 1 other than from this separate fund, and no cash disbursements were made from the fund in excess of $100.

III. THERE IS NO REASON TO BELIEVE THAT THERE WAS ANY AUTHORIZED, SANCTIONED, OR CONDONED VIOLATION OF THE FEC'S REGULATIONS, AND, IN LIGHT OF THE REPEATED WRITTEN INSTRUCTIONS OF THE PPC, THERE IS NO REASON TO PENALIZE THE PPC OR ITS TREASURER

As documented in the attached Affidavit of Mike Poss, the PPC's Treasurer, the PPC sought repeatedly to inform volunteer coordinators and other volunteers of the requirements of FEC regulations. The PPC made clear that strict compliance was mandatory, and that any failure to comply would result in separation from the PPC. Based on this unequivocal and substantial effort, there is no reason to believe that any authorized, sanctioned, or condoned violation of FEC regulations occurred.

In at least four separate memoranda, dated April 7, 1992; April 28, 1992; June 10, 1992; and June 29, 1992, the PPC informed the volunteer coordinators in D.C. and elsewhere of the FEC's regulations concerning, <u>inter</u> <u>alia</u>, contributions, expenditures and use of petty cash. <u>See</u> Attachments 1-4 to Affidavit of Mike Poss. Each memorandum emphasized that petty cash disbursements could only be made from a petty cash fund and in no event could exceed $100 to any person or company in connection with a single transaction. <u>Id</u>. <u>See</u> <u>also</u> Affidavit of Mike Poss at ¶¶ 4, 5, 6, 7. The April 28 memorandum also

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contained a series of questions and answers in layman's terms, including the following:

> Q: What if I pay [a disbursement] by cash rather than by check?
>
> A: Don't. Unless it is under $100 and you get the money from a petty cash fund. Otherwise, all disbursements by the Committee MUST by paid by a check drawn on our bank account.

Attachment 2 to Affidavit of Mike Poss.

Furthermore, in early May 1992, the local volunteer acting as the D.C. "treasurer" issued a memorandum to the D.C. volunteers reminding them that petty cash was to be used only from a petty cash fund for disbursements of $100 or less, and a record of all disbursements was to be kept. See Attachment 1 to Affidavit of Claude L. Matthews. This memorandum was posted in the D.C. headquarters and distributed to volunteers. See Affidavit of Claude L. Matthews.

Thus, the PPC exercised great care to ensure that the very types of violations alleged by Mr. Harper did not occur. There is no reason to believe that any violation was authorized, sanctioned or condoned in any way by the PPC. Under these circumstances, there would be no reason to penalize the PPC or its Treasurer even if violations such as those alleged in Mr. Harper's letter occurred. Any such violations would have been totally unauthorized and, indeed, directly contrary to the PPC's repeated written instructions. The PPC should not be held liable for isolated conduct by volunteers in the formative stages of a local office in direct contravention of its written instructions.

IV. NO ACTION ON MR. HARPER'S SUBMISSION WOULD BE A SOUND EXERCISE OF THE FEC'S DISCRETION, AND CONSISTENT WITH PAST CASES

The FEC has broad discretion in compliance matters, including wide latitude not to investigate unsupported, vague allegations of misconduct. See, e.g., Federal Election Comm'n v. Democratic Senatorial Campaign Committee, 454 U.S. 27, 37 (1981)(The FEC has "extensive rulemaking and adjudicative powers" and "the sole discretionary power to determine in the first instance whether or not a civil violation of the Act has occurred.")(quoting Buckley v. Valeo, 424 U.S. 1, 109 (1976)).

In at least three prior Presidential campaigns (Morris Udall and Lloyd Bentsen in 1976; John Connolly in 1980), the FEC uncovered improper cash disbursements in its audit or analysis of reports of Committees availing themselves of federal funds. In each case, the FEC treated the matter as de minimis and unworthy of any sanction, although greater amounts of cash were involved than in the instant matter. See MUR 370 (Bentsen in '76 Committee)(audit disclosed 13 cash expenditures of over $100 in one state and additional cash disbursements in excess of $100 in another state; file was closed with no action taken); MUR 993 (Udall '76 Committee) (audit disclosed 14 checks written to cash in excess of $100 in one state and 22 in another state; committee and FEC entered into a conciliation agreement with no fine imposed); MUR 1304 (Connolly for President Committee) (FEC discovered multiple instances of cash disbursements of over $100; no further action taken regarding the disbursements).

Given the Commission's consistent refusal to penalize committees in the past where small violations of the petty cash regulations were found to exist, comparable to those only vaguely alleged here, no further inquiry or sanction is appropriate here.

Moreover, where offered, the FEC accepted showings that committees, like the PPC, had not authorized any unlawful cash expenditures. See MUR 370, Response of Bentsen in '76 Committee (Cash disbursements of over $100 "were made by mistake"); MUR 1304, Response of Connolly for President Committee (Cash disbursements made "without authorization" and in violation of procedures "clearly communicated to all state operatives."). Even where the committee either did not respond to the FEC's request for an explanation, or did not provide receipts, the FEC did not impose any sanction, even though a total of 36 checks were written to cash for over $16,000, each in excess of $100. MUR 993 (Udall '76 Committee).

Moreover, the conduct alleged here by novice self-selected volunteers is akin to the unauthorized mistakes made by the paid staffs of the Bentsen in '76 and the Connolly for President Committees. Those committees had far greater control over their staffs than the PPC had over early activities at wholly volunteer-staffed offices. The PPC and its Treasurer used their best efforts to prevent any violations by a host of self-selected volunteers. Under these circumstances, consistent treatment dictates that no sanction be imposed on the PPC or its Treasurer. Accordingly, any further investigation is unnecessary and would waste the Commission's resources.

V. CONCLUSION

For the foregoing reasons, the Perot Petition Committee and Mike Poss, its Treasurer, respectfully request that this matter be closed.

Respectfully submitted,

By: ______________________________

Berl Bernhard
Gary J. Klein
Dean R. Brenner
VERNER, LIIPFERT, BERNHARD,
McPHERSON AND HAND, Chartered
901 15th Street, N.W.
Suite 700
Washington, D.C. 20005
(202) 371-6000

Attorneys for Perot Petition Committee and Mike Poss, Treasurer

Dated: September 8, 1992

9 3 0 4 0 9 8 4 6 8 3

AFFIDAVIT OF MIKE POSS

State of Texas)
) ss.
County of Dallas)

1. My name is Mike Poss. I am Treasurer of the Perot Petition Committee ("PPC") headquartered at 6606 LBJ Freeway, Dallas, Texas 75240. I have been Treasurer of the PPC since March 25, 1992, the date of its creation.

2. As Treasurer of the PPC, I have overseen compliance with Federal Election Commission ("FEC") requirements and reporting to the FEC. Because the PPC encompassed many independently organized local volunteer grassroots efforts, the activities of some state organizations, including the District of Columbia, were begun without any notification to the PPC and thus began operating independently of the PPC. The Coordinators, or the persons leading the state and local efforts, were largely self-selected.

3. The District of Columbia headquarters of the PPC was established by Mr. Perot on April 29, 1992, although it was operating without his authorization for some time before that. I authorized an expenditure of $10,000 from the PPC account to be available for expenses incurred by the District of Columbia office. A check for $10,000 was sent to the District of Columbia headquarters on April 29, 1992, and deposited in an authorized account at the Industrial Bank of Washington.

4. Coincident with or immediately after the authorization to commence activities on behalf of the PPC in the District of Columbia, I forwarded to the Coordinator for the District of Columbia, then Ms. Jessica Hamdon, a memorandum, dated April 7, 1992, concerning campaign finance procedures. A copy of that memorandum is Attachment 1 hereto. The memorandum provides rules and guidelines for all PPC State Coordinators regarding contributions and expenditures. Under the heading "Recordkeeping," it specifically provides:

"1. Records of **contributions** - including in-kind contributions - must be maintained identifying each contribution by **amount, date of receipt,** donor's full **name and address, occupation and employer.**

2. Contributions must be **deposited** into an authorized bank account (or returned) within 10 days of receipt. Maintain all bank records.

3. Records of small contributions (less than $50 each) **collected at a fund raiser** (such as gate receipts and cash contributions) must include only the name of the event, the date or receipt and the total amount of contributions received on each day of the event.

4. An **anonymous cash** contribution may not exceed $50 in the aggregate per individual.

5. Records for all **expenditures**, including **purpose, date, amount, and payee name and address** must be maintained.

6. A written record of **petty cash** disbursements must be kept if a petty cash fund is maintained. Payments from petty cash to one person for any one purchase or transaction may not exceed $100."

5. On April 28, 1992, I sent a memorandum to all State Coordinators and State Treasurers, including those for the District of Columbia, concerning "Contribution Limitations and Guidelines for FEC Reporting." This memorandum is Attachment 2. It contains detailed information on the rules governing contributions, disbursements, recordkeeping, loans, and debts and obligations. The memorandum makes clear that accurate recordkeeping and strict adherence to FEC rules and regulations is very important to the efforts of the PPC. It requires each State Treasurer to keep an account of both contributions received and disbursements made. It provides each Treasurer with copies of Schedule B for recording all disbursements. The memorandum explains the requirements concerning disbursements as follows:

> "Include name and address of the person or company to whom the disbursement was made, the amount, date, and the purpose of disbursement. (Refer to "In-kind" above for a description of how the recording of In-kind disbursements differs from the recording of regular disbursements.)
>
> In describing the "Purpose" of the disbursement, please use the Standard Disbursement Descriptions to the extent possible. A copy of those standard descriptions are enclosed.
>
> A petty cash fund may be maintained out of which disbursements may not be in excess of $100 to any person or company in connection with a single purchase or transaction. A record of petty cash disbursements (to whom the cash was disbursed, the amount, and the purpose) must be kept in accordance with FEC requirements."

Further, this memorandum suggests the following procedures for complying with FEC reporting regulations:

- Record all disbursements made by the Committee.
- Be sure information is complete for all disbursements.
- Send copies of checks, invoices, and any other support for disbursements made.

This memorandum also included a further explanation of FEC guidelines on contributions and disbursements in question and answer format. The questions and answers relevant to this response are set forth below.

Q. **I've heard that the law requires us to keep a lot of paperwork whenever we go out to buy something for the Committee. Is that right?**

A. Well, some paperwork. And it's very important that you do it.

Q. **What's a "proper" disbursement purpose?**

A. Its a pretty liberal standard. It just means that we have to spend our money on Committee-related activities. Any lawful expenditure by the Perot Petition Committee "in connection with" the campaign for nomination qualifies.

Q. **So that's what we have to show?**

A. Exactly. We have to be able to document what we have spent and what it was for.

Q. **That sounds fair enough. How do we do it?**

A. The bottom line is this. For every disbursement made by the Perot Petition Committee -- that means every disbursement you make -- we need some written record of who it was to (name and address), how much it was for, what the purpose of the expenditure was, and the date.

Q. **This is starting to sound burdensome.**

A. Not really. There are a number of ways to do this. The best thing to do is to get a receipt or bill from the payee or vendor that states the purpose of the disbursement.

Q. **What if I can't?**

A. Well, the next best thing is to keep our cancelled check that was used to pay the bill and a copy of the invoice itself, as long as it states what the payment is for.

Q. **What if I don't have a bill or invoice?**

A. Well, you can also just keep the cancelled check as long as you have some other documentation that shows the purpose of the expenditure -- a voucher or even a memo to the files that you wrote at the same time as the check.

Q. **What about just the cancelled check itself?**

A. We really should try to have something more than just the check. But at a bare minimum, the cancelled check alone will do as long as the check itself states the purpose of the disbursement.

Q. **It sounds like I should always write the purpose of the disbursement on every check. That will provide some protection for us?**

A. Absolutely. It just makes good sense to put the purpose on every check.

Q. **Do these rules apply to all disbursements no matter what their size?**

A. We will be reporting all expenditures to the Federal Election Committee. Therefore, we still need the cancelled check that states who the payment was to, the amount, the date, and the purpose of the payment.

Q. **What if I pay by cash rather than by check?**

A. Don't. Unless it is under $100 and you get the money from a petty cash fund. Otherwise, all disbursements by the Committee MUST be paid by a check drawn on our bank account.

6. On June 10, 1992, I sent an additional memorandum to all State Coordinators, including the District of Columbia's Coordinator (Ms. Gloria Borland), regarding the importance of

making every expenditure from an authorized bank account. The memorandum lists the authorized bank accounts in each state and the District of Columbia, and it reminded these volunteers that "records of disbursements must be kept (showing address of payee, purpose, date, and amount). The easiest method is to retain cancelled checks." To emphasize the importance of rigid adherence to these rules, this memorandum included the following injunctions:

> "**Compliance is not optional.** All transactions need to go through authorized bank accounts and be reported as political contributions and expenditures."
>
> * * *
>
> **"ANY PERSON OR GROUP FAILING TO FOLLOW THE REQUIREMENTS OUTLINED ABOVE OR IN THE CAMPAIGN GUIDELINES SENT APRIL 7, 1992 (ATTACHED), MUST AND WILL BE SEPARATED FROM CONTACT WITH THE PPC. FURTHER INVOLVEMENT WITH THAT PERSON OR GROUP WILL BE PROHIBITED."**

A copy of this memorandum is Attachment 3. This memorandum also provided each recipient with an additional copy of the attachment to the April 7, 1992, memorandum entitled "Perot Petition Committee Coordinators' Contribution and Expenditure Guidelines."

7. On June 29, 1992, an additional memorandum concerning FEC reporting matters was sent to volunteers and State Coordinators, including the District of Columbia. This memorandum, which is Attachment 4, reiterates the key requirements of FEC rules on reporting and recordkeeping and emphasizes the importance of compliance with these rules. As in the previous memoranda, this memorandum emphasizes the importance

of recordkeeping for all contributions and expenditures, as well as the need to maintain a written record of all petty cash disbursements from a petty cash fund. The memorandum reiterates the requirements that "Payments from petty cash to one person for any one purchase or transaction may not exceed $100"; and "For single disbursements over $200 your organization must also keep a receipt, invoice, or cancelled check. This documentation must be submitted to Dallas." Further, where this documentation is not available, the memorandum suggests that "Correspondence requesting the above information should be sent and maintained to demonstrate a 'good faith effort' to obtain the information. This correspondence should be sent to Dallas for our files."

Finally, this memorandum repeated the penalty for non-compliance provided in the June 10, 1992, memorandum that

> **"ANY PERSON OR GROUP FAILING TO FOLLOW THE REQUIREMENTS OUTLINED ABOVE OR IN THE CAMPAIGN GUIDELINES SENT APRIL 7, 1992 (ATTACHED), MUST AND WILL BE SEPARATED FROM CONTACT WITH THE PPC. FURTHER INVOLVEMENT WITH THAT PERSON OR GROUP WILL BE PROHIBITED."**

8. To the best of my information and belief, each of the foregoing memoranda, Attachments 1-4, were received [and reviewed] by volunteer personnel in the District of Columbia office. At no time prior to receiving a copy of the letter sent to the FEC by Mr. William E. Harper was any possible violation of FEC requirements by the District of Columbia office of the PPC brought to my attention.

9. Neither I nor the PPC ever authorized, sanctioned or condoned in any way the conduct alleged in Mr. Harper's complaint

or any other conduct in violation of the FEC's regulations. Indeed, upon receiving the complaint, I forwarded it to R. Clayton Mulford, the PPC's General Counsel, who sent another copy of the June 10, 1992, memorandum (Attachment 3) to the District of Columbia Coordinator (Gloria Borland) to remind her of the need for compliance.

10. Finally, to ensure compliance with the FEC's regulations and accurate reporting, the PPC retained computer experts with Aristotle, Inc. (from whom the PPC had purchased extensive computer software designed for FEC compliance and reporting) and accountants with Ernst & Young. The PPC has always considered FEC compliance and reporting to be a top priority.

11. All of the foregoing is true and accurate to the best of my information and belief.

Mike Poss

Mike Poss
Treasurer, Perot Petition Committee

Subscribed and sworn to before me this 3 day of September, 1992.

Sally M Bell

Notary Public
My commission expires: 5/21/93

Attachment 1

MEMORANDUM

TO: State Coordinators

FROM: Perot Petition Committee

DATE: April 7, 1992

RE: Campaign Finance Procedures

Because our effort has grown so dramatically in the past few weeks, it is now vital that we act quickly to comply with federal election laws. These laws require that all contributions to and expenditures by your group be reported to the Federal Election Commission (the "FEC") through the Perot Petition Committee (the "PPC") in Dallas. This memo and the attached information are intended to assist you in this process.

Reports must be filed by the PPC with the FEC on a monthly basis. In order for us to prepare the March report, you will need to send us detailed information regarding all contributions (including cash received, checks deposited, and "in-kind" contributions used) and expenditures prior to March 31, 1992. You need to make a good faith effort to identify and record all contributions and expenditures made on behalf of the petition effort in your state. All information should be included on the attached Schedule A (for receipts) and Schedule B (for expenditures) and returned to Mike Poss, Treasurer of the PPC, via overnight courier NO LATER THAN APRIL 14. It is important that all information on these schedules be completed, including the occupation and employer of all contributors. Beginning Thursday, April 8, please contact Mark Sinclair of Ernst & Young at (214) 969-8946 with questions regarding preparation of these schedules.

We are currently developing procedures that will make it easier for you to prepare and submit information on an ongoing basis. You will receive additional information regarding these procedures when they are available.

In addition to the schedules listed above, please complete the attached "Bank Account Information" form and return it to Clay Mulford by facsimile at (214) 939-6100 as soon as possible. If you do not have a bank account, you should open one soon. Accounts may be opened in the name of the Perot Petition Committee or in the name that you are commonly using in your state, such as "Virginians for Perot". If the bank you select requires resolutions or other information from PPC headquarters, or if you have other questions regarding bank accounts, please contact Mike Poss at (214) 788-3030.

Also enclosed is an information sheet entitled "Contribution and Expenditure Guidelines", which will provide you with general guidance regarding limitations on contributions, expenditures, and recordkeeping responsibilities imposed by law. This information will be updated periodically.

For purposes of federal election laws, your group will be considered a state headquarters of the PPC, which is the "Principle Campaign Committee" and has been authorized by Mr. Perot. Accordingly, if you are considering filing any forms directly with the FEC, please do not do so. If you have already filed with the FEC, please contact John Bonnet at (214) 939-5777. If you have other questions regarding legal matters, contact Clay Mulford, John Bonnet, Craig Budner, Ethan Knowlden or John Moore at (214) 939-5500.

We should all keep in mind that even the appearance of a violation, justifiably or not, will be attributed to Mr. Perot. Therefore, it is important that we act carefully in complying with these laws.

We realize that complying with these laws will require a great deal of work on your part, and your efforts and patience are greatly appreciated.

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SCHEDULE A ITEMIZED RECEIPTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE ___ OF ___

FOR LINE NUMBER

Any information copied from such Reports and Statements 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 (in Full)

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date > $		

SUBTOTAL of Receipts This Page (optional)	
TOTAL This Period (last page this line number only)	

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SCHEDULE B	ITEMIZED DISBURSEMENTS	Use separate schedule(s) for each category of the Detailed Summary Page	PAGE OF FOR LINE NUMBER

Any information copied from such Reports and Statements 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 (in Full)

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional) ....

TOTAL This Period (last page this line number only) ....

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STATE OF ______________________

BANK ACCOUNT INFORMATION

Account Name or Style: ______________________

Bank: ______________________

Bank Address: ______________________

Authorized Signatories: ______________________

Person Who Opened Account: ______________________

ABA Wire No.: ______________________

Account Officer: ______________________

Bank Phone Number: ______________________

Your Name and Phone Number: ______________________

Copies of authorized resolutions attached? Yes _____ No _____

(Please use multiple copies of this form for more than 1 account)

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PEROT PETITION COMMITTEE COORDINATORS' CONTRIBUTION AND EXPENDITURE GUIDELINES

CONTRIBUTIONS

1. Contributions made by **corporations, labor organizations or banks are illegal** and cannot be accepted. For example, a dentist who is a "PC" -- professional corporation -- cannot make a contribution drawn on his "PC" account, and the owner of an incorporated "mom and pop" grocery store may not use its business account to make contributions.

2. The prohibition against corporate contributions **includes in-kind contributions** such as the use of telephones, typewriters, office furniture, stamps, or copy machines owned by a corporation, labor organization, or bank.

3. You may use the facilities of a corporation, labor organization, or bank **if** you pay the normal and usual rental charge, and may use the space without charge **if** the corporation has a policy to allow such use free of charge, has done so before and provides the space on a non-partisan basis.

4. Contributions by **Federal Government contractors** or **foreign nationals** are illegal.

5. **Individuals or partnerships** may contribute, in the **aggregate**, a maximum of **$1,000**. This applies to monetary and in-kind contributions (donations of goods and services) valued at market value.

6. Partnership contributions are allocated proportionately among partners -- reducing the amount they may contribute as individuals. For example, if a 3 person partnership gives the maximum $1,000, those 3 partners are each limited to an additional maximum contribution of $667 ([$1,000 - ($1,000 divided by 3)]

7. **Cash** contributions over **$100** may not be accepted.

8. An individual may **volunteer personal services** to your organization without making a contribution as long as the individual is not compensated by anyone (including the volunteer's employer) for the services provided.

9. The entire amount paid to attend a **fund raiser** or to purchase a fund raising item is a contribution. For example, if a contributor spends $20 to buy a campaign tee shirt that costs the campaign $5, the contributor has made a $20 contribution.

10. All **advertisements** (except buttons, bumper stickers and other small items) must state **"authorized and paid for by Perot Petition Committee"** (or identify whoever else has paid for the item).

11. Solicitations for contributions made in print, by television or radio, or by telephone must state "Contributions are not deductible as charitable contributions for Federal income tax purposes."

RECORDKEEPING

1. Records of **contributions** - including in-kind contributions - must be maintained identifying each contribution by **amount, date of receipt**, donor's **full name and address, occupation and employer**.

2. Contributions must be **deposited** into an **authorized bank account** (or returned) within 10 days of receipt. Maintain all **bank records**.

3. Records of small contributions (less than $50 each) **collected at a fund raiser** (such as gate receipts and cash contributions) must include only the name of the event, the date of receipt and the total amount of contributions received on each day of the event.

4. An **anonymous cash** contribution may not exceed $50 in the aggregate per individual.

5. Records for all **expenditures**, including **purpose, date, amount, and payee name and address** must be maintained.

6. A written record of **petty cash** disbursements must be kept if a petty cash fund is maintained. Payments from petty cash to one person for any one purchase or transaction may not exceed $100.

7. **For single disbursements over $200, your organization must also keep a receipt, invoice or cancelled check.**

8. If any **loans** have been made (for example, to pay for phone lines in setting up your operation) contact Mike Poss, Perot Petition Committee Treasurer (214) 788-3030. (If the expenditure was not tied to a loan with an expectation of repayment from fund raising, it should be reflected in your records as an in-kind contribution valued at cost.)

COMMONLY ASKED QUESTIONS

Our organization wishes to set up a local petition office. My employer (a corporation) has offered to donate excess office space in our building. Can we accept his offer?

No. The usage of office space either owned or leased by a corporation would be considered an in-kind contribution by a corporation and is prohibited under the Federal Election Laws. Your organization may enter into an agreement to lease this facility. The terms of any agreement must be commercially reasonable, including the rental charge.

An individual has offered to donate several phone systems for use by our organization as a phone bank. May we accept this contribution?

Yes, provided that this in-kind contribution by an individual does not exceed $1,000 in value. Note that the equipment must be owned by this individual and not by any corporation, labor organization, or bank with which this individual is associated.

We are planning an organizational meeting in a local hotel. How can we pay for this room?

Several options are available for payment. It may be possible for the participants to contribute in small amounts (less than $50 per person) to pay for the room. Although contributions less than $50 collected at such events need not be individually recorded, such records are encouraged. Also, an individual may advance the amount from his or her personal funds, or make use of a personal credit card. This payment will be considered an in-kind contribution from that individual to the organization, however, subject to the $1,000 limit until the individual is reimbursed by your organization. The advance must be recorded as a debt of your organization and as a contribution (until reimbursed). If an individual makes such an advance, please contact Mike Poss at the above number regarding the necessary paperwork. In all cases, a record of the expenditure must be retained.

We wish to hold an organizational meeting and set up several locations where petitions will be available to the general public for signing. May we advertise the times and locations of these events?

Yes, BUT any public political advertising that identifies the candidate must also clearly identify the name of the person that paid for the advertisement and indicate whether the advertisement was authorized by the Perot Petition Committee in Dallas. Any advertising that may be construed as a solicitation for contributions also must include a disclaimer stating that contributions to your organization are not deductible as charitable contributions for Federal income tax purposes.

My employer has agreed to allow me to work on the petition effort during regular business hours. Is this a contribution?

No, provided that if you are paid on an hourly or salaried basis, the time taken by you to work on the petition effort is made up within a reasonable time or is bona fide vacation time. If you are paid on a commission or piecework basis and your time is your own, your work on the petition effort is not a contribution by your employer. Uncompensated personal services generally are not a contribution of the individual performing the service.

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Attachment 2

MEMORANDUM

TO: State Coordinator/Treasurer

FROM: Mike Poss, Treasurer, Perot Petition Committee

DATE: April 28, 1992

SUBJECT: CONTRIBUTION LIMITATIONS AND GUIDELINES FOR FEC REPORTING

Due to the complexity of the Federal Election Commission (FEC) regulations and the volume of contributions we must report, we have compiled the basic regulations and requirements needed for proper FEC reporting. These guidelines should be sufficient for the majority of situations you will encounter, but if further information or guidance is needed, please call Tracey Thorburn, Mark Sinclair, or John Harper at 214-788-3043 or leave a message at 214-969-8946.

On the attached pages are guidelines for FEC contribution limitations, record keeping and reporting for:

1. Contributions
2. Disbursements
3. Loans
4. Debts and obligations (other than loans)
5. Helpful suggestions and support needed by the Perot Petition Committee ("the Committee") Dallas office.
6. Attachments
   - Monthly Cash Reconciliation
   - Examples and schedule instructions
   - Answers to commonly asked questions
   - Standard disbursement descriptions
   - Blank forms
   - Volunteer form

The last item, the Volunteer form, should be signed by all volunteers before they begin working on the petition effort. This form states that the volunteer understands the FEC regulations relating to volunteered time and contributions. Please have all volunteers sign this form and maintain it in your files. If a volunteer feels he or she will not be in compliance with this regulation, please call Mark Sinclair, John Harper, or Tracey Thorburn at 214-788-3043 for more details.

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FEC Guidelines

These guidelines will need to be followed closely in order to attain maximum efficiency and accuracy. The FEC reporting process will ultimately reflect on Ross Perot, so your record keeping and strict adherence to FEC rules and regulations is very important to the efforts of the Committee. It is very important that the state treasurer be responsible for gathering contribution and disbursement information and support from all Committees in his or her state, and consolidating it before sending it to Dallas headquarters. This will ensure the Dallas headquarters that all efforts in the state have been recognized and accounted for and expedite the final consolidation process.

A word of explanation about FEC reporting is in order. The Federal Election Commission requires our report to be filed within twenty days after the close of each calendar month. This does not provide us with much time to complete the steps which are necessary to file the report. Therefore, it is imperative that the contribution and disbursement information be kept up-to-date so that the process can be accomplished as efficiently as possible.

The first step in this process will require the treasurer of each state to consolidate all the financial information for the preceding month from all of the locations in his or her state which are receiving contributions and/or disbursing funds. This consolidation process includes cash transactions as well as In-kind contributions and disbursements. The treasurer of each state will then forward a copy of the report to Dallas. Ideally, the report will be produced by the software package which is explained below. The report should be submitted in hard copy form as well as on a 5 1/4" or 3 1/2" floppy disk. (More information about this process will be forthcoming in a future memo.)

The second step in this process will be performed in Dallas where we will consolidate the reports of the 50 states and the District of Columbia into one report which will be filed with the Federal Election Commission by the 20th of each month.

The problem is clear--we must perform a dual consolidation and report preparation process in a narrow time frame with a large number of reporting entities. The only way we can be successful is for everyone to maintain current records and be ready to prepare reports as soon after the end of the month as possible.

It will be the responsibility of each state treasurer to coordinate the reporting process with each of the other persons who maintain contribution and disbursement information within the state. A suggested schedule of due dates is set out below:

Assistant state treasurers forward information to state treasurer	3rd of the month
State treasurer forwards consolidated state report to Dallas	8th of the month

As the schedule suggests, the emphasis is on the assistant state treasurers to forward their information to the state treasurer as expeditiously as possible. The state treasurer will input the information into the software program (discussed below) for the purpose of preparing one state report to be submitted to Dallas. As we become more organized, it should be possible for the assistant state treasurers to produce their reports using a software package for submission to the state treasurer. This is discussed briefly below, and will be discussed more extensively in future memos.

The bottom line is that the preparation of the monthly reports must be approached with a great sense of importance and urgency by everyone involved in the process. We need the help and cooperation of everyone.

Software

We have selected a software package, *Campaign Manager II*, to assist us with the FEC reporting process. This package is produced and distributed by Aristotle Industries. The treasurer of each state should contact Mr. Rob Beams at Aristotle Industries (202-543-8345 ext. 722) for details about ordering the software. It is imperative that each state obtain a copy of this software package so that we can prepare our monthly report in a consistent and timely manner.

Campaign Manager II requires at least a 286 IBM or IBM compatible computer with at least 512 kilobytes of conventional memory. This package will help you keep track of contributions and disbursements, as well as generate direct mail to contributors and voters. Many other features are included to assist in bookkeeping and reporting, and a help line number for technical support is available to answer any questions you may have. After obtaining your copy of the software, you will need to go back and enter March data in order to build a complete history and to reconcile cash accounts.

Contributions (checks/cash, In-kind, contributions, loans) - Schedule A

Disclaimers

- A disclaimer on solicitations must notify donors that their contributions are not tax deductible. The disclaimer should read "Contributions to the Perot Petition Committee are not deductible as charitable contributions for federal income tax purposes." A second disclaimer should read "If your check is for $200 or more, election law requires that you provide your occupation and employer's name." Also, on any large advertising such as TV, radio, billboards, or mailings, the name of the person or group paying for the advertisement or mailing must be clearly written at the bottom of the advertisement.

Limitations

- No individual may contribute more than $1,000. This includes checks/cash, In-kind and loans.

- The contribution limit for individuals applies separately to each spouse, regardless of income. Minors may contribute only if those funds were actually under the child's control.

- Contributions from labor organizations, corporations, government contractors, national banks, foreign nationals, and those made in the name of another, are prohibited.

- All contributions received should be reviewed before accepting and depositing them. If any check or contribution is questionable, call Mark Sinclair, John Harper or Tracey Thorburn at 214-788-3043.

Record keeping

The state treasurer must keep an account of both contributions received and disbursements made. This includes:

- All contributions received by the Committee.

- Although you should attempt to determine name and address on all contributions received, if the contribution is $50 or more, a record of the contributor's name and address, and the date and amount of the contribution must be kept.

- If the contribution is $200 or more, the employer and occupation of the contributor, must also be determined.

- If the employer and/or occupation of contributors of $200 or more is not known, the efforts to request that information must be documented.

- If any required information is not available at the reporting date, the phrase "info requested" should be in the appropriate places on the forms. When the requested information is ascertained, send that information to Dallas with a sufficient description as to the date and amount of the contribution so that we can locate it.

In-kind Contributions

In-kind contributions are goods or services provided to the Committee free of charge or where payments are made for Committee activities directly by an individual. Examples of In-kind contributions consist of billboards, furniture, equipment, or any goods given to the Committee free of charge. Voluntary services are not considered contributions unless the volunteer is being paid by his or her employer while volunteering for the Committee. In this case, the employer is the contributor, and the amount of the In-kind contribution would be the salary of the volunteer for the amount of time given. (See below for discussion of illegal corporate contributions.)

If any item is sold to the Committee for an unusually low price, the difference between the normal price and the amount the Committee paid is considered to be an In-kind contribution.

When reporting an In-kind contribution, the contribution must be listed as a receipt on Schedule A and as a disbursement on Schedule B. The amounts will be the same, thus not affecting cash on hand. Under the amount in the amount box, type "In-kind" to distinguish it from a regular contribution or expenditure.

Reporting In-kind disbursements differs slightly from reporting regular disbursements. When completing Schedule D for In-kind disbursements, the name and address of <u>the person who made the In-kind contribution</u> should be used, not the name and address of the person or company to which the disbursement was made. Therefore, the name, address, date, and amount of an In-kind contribution will be the same on both Schedule A and Schedule B. See an example (Rose Buds, Inc.) on Schedule A and B attached.

If a corporate contribution is accidentally accepted and deposited, the total contribution must be refunded within 10 days. When reporting this contribution, complete the applicable boxes on Schedule A and put a footnote at the bottom of the page which reads "Contribution to be refunded by (month) 30, 1992." Use a double asterisk (**) to indicate to which contribution the footnote applies. (See example of reporting a corporate contribution on Schedule A.)

If a contribution that exceeds the individual limit of $1,000 is accidentally accepted and deposited, the excess over $1,000 should be refunded within 10 days. This situation should also be footnoted as described above.

The Perot Petition Committee in Dallas will be keeping detailed records of contributions and expenditures for every state. Please make two copies of all contribution checks or supporting documentation for In-kind contributions, keep one for your records and send the second copy with your FEC schedules to Dallas headquarters. Attached are examples of Schedule A for your referral.

<u>Disbursements/Expenditures</u> - Schedule B

<u>Record keeping</u>

Record all disbursements. Include name and address of <u>the person or company to whom the disbursement was made</u>, the amount, date, and the purpose of disbursement. (Refer to "In-kind" above for a description of how the recording of In-kind disbursements differs from the recording of regular disbursements.)

In describing the "Purpose" of the disbursement, <u>please use the Standard Disbursement Descriptions</u> to the extent possible. A copy of those standard descriptions are enclosed.

A petty cash fund may be maintained out of which disbursements may not be in excess of $100 to any person or company in connection with a single purchase or transaction. A record of petty cash disbursements (to whom the cash was disbursed, the amount, and the purpose) must be kept in accordance with FEC requirements.

For the Perot Petition Committee-Dallas records, please make copies of all invoices and support for all disbursements made. Write the check number and date paid on the invoice and send one copy with the appropriate FEC schedules to the Perot Petition Committee in Dallas.

If the Committee has a lease for a building, furniture, equipment, etc., please send a copy of the final signed lease to the Perot Petition Committee in Dallas. See reporting for leases under Debts and Obligations below.

Attached are examples of Schedule B.

Loans - Schedule C

Loans owed by the Committee

When a loan is given to the Committee, it must be recorded as a receipt on Schedule A as well as a loan on Schedule C. The following information must be reported on Schedule C in the appropriate boxes: full name, mailing address, and zip code of creditor; the election to which the loan applies (general in this case); the original amount of the loan; cumulative payment to date on the loan; and the outstanding balance at the close of the reporting period (unpaid balance).

The terms of the loan must also be included on Schedule C in the appropriate boxes, including date incurred, date due, interest rate percentage, and endorsers or guarantors of the loan, if any. "By Committee" should be typed at the top of the Schedule C (see sample Schedule C) to denote that this is a loan to be paid by the Committee.

Loans owed to the Committee

When a loan is owed to the Committee, it must be itemized on Schedule B as a disbursement, as well as a loan on Schedule C. The same information must be reported, as above, with respect to the debtor. When a portion or all of the debt is paid, it must be reported on Schedule A as a receipt and on Schedule C as a reduction of the debt. Also, type "To Committee" at the top of the Schedule C (see sample Schedule C) to denote that this loan is to be collected by the Committee.

If any unusual circumstances arise concerning a loan "by" or "to" the Committee, please call Mark Sinclair, John Harper, or Tracey Thorburn at 214-788-3043.

Attached are examples of Schedule C.

Debts and Obligations (excluding loans) - Schedule D

All debts, obligations, or other promises to make an expenditure over $500 should be reported on Schedule D. If the obligation is $500 or less, it should be reported as a disbursement on Schedule B at the time of payment or as an obligation on Schedule D no later than 60 days after such obligation is incurred, whichever comes first. The amount and nature of outstanding debts owed to or by the Committee shall be reported in Schedule D until paid or extinguished.

Some obligations from the Committee should be reported on Schedule A as well. For example, if a person advances to the Committee an amount to be used to open a bank account or make a deposit for phones, and the person expects to have the funds returned at the and of the campaign or earlier, the advance should be reported on Schedule D as an obligation by the Committee and on Schedule A as a receipt. When the funds are returned, Schedule D should reflect the reduction and Schedule B should show a disbursement for the same amount.

As in the case of a loan, the Committee must report the full name and mailing address of the creditor or debtor (depending upon whether the obligation is owed by or owed to the Committee), the amount of the debt incurred that period, the payments made during the period, and the outstanding balance at the and of the period. A separate Schedule D should be used for the two types of debts/obligations, and "By Committee" or "To Committee" should be typed at the top of the applicable Schedule D in a manner similar to that of Schedule C.

Also, if your Committee is renting office space and you have a written lease, the total amount of all future payments should be reported on Schedule D. The total obligation will be reduced every month as rent is paid. Remember, as rent is paid, you must report it on Schedule B as a disbursement and on Schedule D as a reduction of the obligation.

If any unusual circumstances arise concerning debts or obligations, please call Mark Sinclair, John Harper, or Tracey Thorburn at 214-788-3043 for further details and guidance to report the matter.

Attached are examples of Schedule D.

Complying With FEC Reporting Regulations

When organizing your records and completing the schedules, the Perot Petition Committee Dallas office suggests the following:

- Complete every blank on the appropriate forms and schedules.
- Be sure information is complete for contributions over $50, and those over $200.
- Send copies of all checks received as contributions.
- Record all disbursements made by the Committee.
- Be sure information is complete for all disbursements.
- Send copies of checks, invoices, and any other support for disbursements made.

- When estimating "In-kind" contributions, Send a brief explanation of the estimation process used to support that actual Fair Market Value was used as the amount of the contribution. For example, this would be necessary when a Committee is using a room or office free of charge. The amount that would normally be charged to a paying tenant would be best, if available. If not available, a calculation estimating normal or average rent will be sufficient.

- For "In-kind" contributions where an individual made a payment on behalf of the Committee (purchased supplies or advertising, etc.), a copy of the receipt should be sent to Dallas with the date, the name and address of the person who made the disbursement, and "In-kind" written on it.

- Send copies of all leases.

- Send a copy of the Committee monthly bank statement, if any, including the reconciliation to your month-and cash balance on the FEC report.

- Send a schedule of cash on hand or in the bank at and of month. Be sure this amount reconciles to the total contributions and disbursements that you will be reporting. Attached is an example of the monthly cash reconciliation which should be used.

- The federal election code has a provision for "independent expenditures." These expenditures are <u>not</u> reported by the Committee because we have no knowledge of them and they were made without any contact, guidance, consultation, cooperation or encouragement from the candidate, the Committee or anyone associated with the Committee. See the question and answer section for more details. We must be very careful in this area to follow the rules and regulations.

Also attached are examples of Schedules A through D for your referral.

93040984705

Monthly Cash Reconciliation

<u>**Monthly Cash Reconciliation**</u>

State: ______________________________

Person Preparing: ______________________________

Date: ______________________________

Bank Account ____________________ $__________

Bank Account ____________________ __________

Petty cash at ____________________ __________

Petty cash at ____________________ __________

$__________*

ADD:

Amounts received from Dallas Headquarters $__________

Total contributions greater than $200 (including In-kind) from Schedule A __________

Total contributions less than $200 - not itemized __________

$__________

LESS:

All disbursements (including In-kind) from Schedule B $__________

Disbursements to Dallas Headquarters __________

$__________

Ending Cash Balance:

Bank Account ____________________ $__________

Bank Account ____________________ __________

Petty cash at ____________________ __________

Petty cash at ____________________ __________

$__________*

*Agrees to Summary FEC Report

The ending balance should agree to the check books which should be reconciled to the bank statement, plus petty cash amounts.

Examples and Schedule Instructions

999 E Street, N.W.
Washington, D.C. 20463

ITEMIZED RECEIPTS

LINE NUMBER 17(a)

NAME OF COMMITTEE (in full)

PEROT PETITION COMMITTEE

Any information copied from such Reports and Statements 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, ADDRESS, CITY, STATE, ZIP CODE	NAME OF EMPLOYER / OCCUPATION / AGGREGATE YEAR-TO-DATE	RECEIPT FOR	DATE (MONTH, DAY, YEAR)	AMOUNT OF EACH RECEIPT THIS PERIOD
JOE DOE 1234 FIRST ST. DALLAS, TX 89145	Sunshine Inc. ACCOUNTING CLERK $300.00	[ ] Primary [X] General	04-05-92	$300.00
ROSE BUDS, INC. 84 8th AVENUE DALLAS, TX 89145	ROSE BUDS, INC. OWNER $200.00	[ ] Primary [X] General	04-30-92	** $200.00 IN-KIND
JOHN HARPERISTER 2020 WILD OAK ST. DALLAS, TX 76118	Lankster Co. MANAGER $1,050.00	[ ] Primary [X] General	04-15-92	* $1,050.00
BILL THORTON 2625 WILLOWBEND CT DALLAS, TX 56203	Green Thumb Inc. V.P. FINANCE $252.25	[ ] Primary [X] General	04-18-92	$252.25 IN-KIND
DOTTY FERGUSON 2903 WAGONWHEEL JACKSONVILLE, MS 42013	EL CHICO WAITRESS $250.00	[ ] Primary [X] General	04-01-92	$250.00
RANDY BROWN 8429 JARVIS FT. WORTH, TX 76113	THE FLOWER SHOP OWNER $1,000.00	[ ] Primary [X] General	04-01-92	$1,000.00
		[ ] Primary [ ] General		
		[ ] Primary [ ] General		

SUBTOTAL OF RECEIPTS THIS PAGE (optional) $3,052.25

TOTAL THIS PERIOD (last page this line number only) ....

** CONTRIBUTION TO BE REFUNDED BY MAY ______ 1992

* THIS INDIVIDUAL EXCEEDED THE CONTRIBUTION LIMIT OF $1,000.00. CONTRIBUTION IN EXCESS OF LIMIT TO BE REFUNDED BY MAY ______ 1992.

9 3 0 4 0 9 8 4 7 0 9

Line Number 11(a), p. 25

Contributions from Individuals/Persons Other Than Political Committees.

SCHEDULE A

ITEMIZED RECEIPTS

Page 1 of 1 for Line Number 11(a)

1C. [illegible] from Persons Other Than Political Committees

Name of Committee (in Full): Fund for a Better Government C00000000

Aggregation

A. Full Name, Mailing Address and ZIP Code: Paul Church, 493? Cathedral Street, City, State 00000
Name of Employer: City Construction Co.
Occupation: foreman
Date (month, day, year): 4/14/82
Amount of Each Receipt This Period: $ 25.00
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ [illegible]

$250 Contribution Later Refunded.

B. Full Name, Mailing Address and ZIP Code: Martha Kig, 637 Highland Street, City, State 00000
Name of Employer: Marlowe School
Occupation: teacher
Date (month, day, year): 4/19/82
Amount of Each Receipt This Period: $ 250.00
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 250.00

C. Full Name, Mailing Address and ZIP Code: Joseph Ulers, 933 Alpe Street, City, State 00000
Name of Employer: State Steel Corporation
Occupation: accountant
Date (month, day, year): 4/21/82
Amount of Each Receipt This Period: $ 300.00
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 300.00

Partnership Contributions

D. Full Name, Mailing Address and ZIP Code: Porter Son [illegible], 547 Max Square, City, State 00000
Name of Employer: (see below for allocation)
Occupation: law firm
Date (month, day, year): 5/14/82
Amount of Each Receipt This Period: $1,000.00
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 1,000.00

Memo Entry

E. Full Name, Mailing Address and ZIP Code: James E. Porter, 2540 Ellsworth Avenue, City, State 00000
Name of Employer: Porter & Son
Occupation: attorney
Date (month, day, year): 5/14/82
Amount of Each Receipt This Period: $ 500.00 (memo)
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 500.00

F. Full Name, Mailing Address and ZIP Code: James E. Porter, Jr., 9413 Whipple Street, City, State 00000
Name of Employer: Porter & Son
Occupation: attorney
Date (month, day, year): 5/14/82
Amount of Each Receipt This Period: $ 500.00 (memo)
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 500.00

In-Kind Contribution

G. Full Name, Mailing Address and ZIP Code: Jens Eby, 21? Garfield Road, City, State 00000
Name of Employer: State University
Occupation: professor
Date (month, day, year): 6/28/82
Amount of Each Receipt This Period: $ 254.10 (in-kind for catered lunch)
Receipt for: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 254.10

SUBTOTAL of Receipts This Page (optional) ....

TOTAL This Period (last page this line number only) $1,829.10

93040984710

INSTRUCTIONS FOR PREPARING SCHEDULE A

The Detailed Summary Page is broken down into various categories of receipts. Use Schedule A to list each receipt required to be itemized. DO NOT combine more than one category of receipts on the same Schedule A. Instead, use a separate Schedule A for each category of receipts. The line number of the Detailed Summary Page to which each Schedule A pertains should be identified in the upper right corner of each Schedule. In addition, the committee's full name must be entered in the appropriate block. For each receipt required to be itemized during the reporting period, the political committee must provide the identification, date and amount of the receipt, and the aggregate year-to-date total.

The term "identification" means, in the case of an individual, his or her full name including first name, middle name or initial, if available, and last name, mailing address, occupation, and the name of his or her employer; and, in the case of any other person, the person's full name and address. Do not abbreviate committee names.

The occupation and name of employer is only required to be provided for receipts from individuals. "Occupation" means the principal job title or position of an individual and whether or not self-employed. "Employer" means the organization or person by whom an individual is employed, and not the name of his or her supervisor.

Authorized committees must indicate the election for which the receipt was given. In the event the receipt was given for an election other than the current primary or general election, the "Other" block must be checked and the type of election specified (i.e., "General 1986," "Primary 1988"). The "receipt for" block does not apply to political committees which are not authorized committees. The "aggregate year-to-date" total must be given for each receipt and must equal the total amount that the person has given to the committee for that particular category of receipts for the calendar year. If a receipt is the only receipt from a person during the calendar year, the aggregate year-to-date total must still be entered.

The "Total This Period" amount (the last line on Schedule A) must be added to all other receipts for that category which are not itemized and carried forward to Column A of the corresponding line of the Detailed Summary Page.

If a contribution is received from a business entity or is drawn on what is or appears to be a business account, the political committee must determine that the contribution is not from a corporation, government contractor, or other prohibited source. If the contribution is from a prohibited source, it must be refunded within thirty days of its receipt.

A contribution which appears to be excessive, either on its face or when aggregated with other contributions from the same person, may be returned or deposited into a campaign depository but not used. If deposited, the contributor may be asked if a joint contribution was intended and, if so, to submit a written reattribution of the contribution signed by each contributor. The contributor may also be asked to redesignate the contribution for a different election if such a contribution would otherwise be permissible. If no redesignation or reattribution is received, the excessive contribution must be refunded within sixty days of its receipt. Both redesignations and reattributions are to be reported as memo entries on the report covering the period in which the committee receives the redesignations or reattributions. Indicate how the contribution(s) was reported initially, followed by the redesignated or reattributed entry(ies). See 11 CFR 104.8 for the reporting of these types of contributions.

Contributions to a candidate or authorized committee which are not designated by the contributor for a specific election must be counted toward the contributor's limitation for the next election after the contribution is made. Contributions may be made for a past election only to the extent that the recipient has net debts outstanding from that particular election.

Contributions In-Kind. Contributions in-kind (i.e., goods and services provided to a political committee) are treated as any other contribution and must be reported and itemized under the appropriate category of receipts. For example, a contribution in-kind from an individual must be itemized on Schedule A and reported under the category for "Contributions From Individuals/Persons Other Than Political Committees." The value of each contribution in-kind must be entered in the "Amount of Each Receipt This Period" column. The amount or value of the contribution in-kind is the difference between the usual and normal charge for the goods or services at the time of the contribution and the amount charged the political committee. The "aggregate year-to-date" total must include the total amount of all contributions which the person has contributed to the committee during the calendar year. The item must be labeled "contribution in-kind" and include the nature of the contribution (e.g., consulting, polling, etc.). Each contribution in-kind must also be reported in the same manner as an operating expense on Schedule B and included in the total for "Operating Expenditures" (NOTE: A political committee which makes a contribution in-kind only reports it as a disbursement and itemizes the transaction on Schedule B with a notation "contribution in-kind." The purpose of the expenditure (e.g., consulting, polling, etc.) and the aggregate year-to-date amount must also be provided. The committee receiving the contribution in-kind must report it as both a receipt and an expenditure.)

Contributions of stocks, bonds, art objects, and other similar items to be liquidated must be reported as follows:

(1) If the item has not be liquidated at the close of the reporting period, the committee must record as a memo entry (not as cash) on Schedule A the item's fair market value on the date received, including the name and mailing address (and, when in excess of $200, the occupation and name of the employer) of the contributor. The total amount of items to be liquidated must be entered under "Total This Period" on the last line of Schedule A. This amount must NOT be carried forward to the Detailed Summary Page.

(2) When the item is sold, the committee must report the proceeds and include them in the appropriate categories on the Detailed Summary Page. It must also report the (i) name and mailing address (and, where in excess of $200, the occupation and name of employer) of the purchaser on Schedule A if purchased directly from the committee (the purchaser is considered to have made a contribution to the committee); and (ii) the identification of the original contributor on Schedule A.

Exempt Legal or Accounting Services. Legal or accounting services rendered to or on behalf of an authorized committee of a candidate or any other political committee are not contributions or expenditures and are not, therefore, subject to the contribution limitations and prohibitions, if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely to ensure compliance with the Act.

The political committee must itemize as a memo entry on a separate Schedule A each person who provides legal or accounting services to the political committee in an aggregate value or amount in excess of $200 within the calendar year, together with the date of receipt and amount or value of the exempt legal or accounting services, and state that the receipt is for "exempt legal or accounting service." The total amount of exempt legal or accounting services must be entered on the line for "Total This Period" on the bottom of Schedule A, but the total amount may not be carried forward to any category or line number on the Detailed Summary Page.

Earmarked Contributions. For each earmarked contribution received (regardless of the amount), the political committee must report on Schedule A the name and address of the original contributor, the date of receipt and the amount of the contribution and, if the original contributor makes contributions aggregating in excess of $200 to the political committee during the calendar year, the occupation and name of employer. If the contribution passes through the political committee's account and is forwarded to another political committee or Federal candidate, the conduit committee must disclose each contribution, regardless of the amount, on both Schedule A and Schedule B and include the amount under the appropriate category of receipts and disbursements. If the contribution was passed on in the form of the contributor's check, the conduit must disclose each contribution on a separate Schedule A attached to the conduit's (intermediary) next report and the amounts of such contributions are not required to be included in the totals for the appropriate categories of receipts and disbursements. If a political committee is not a conduit, but is the intended recipient, the political committee must report each conduit through which the earmarked contribution passed, including the name and address of the conduit, and whether the contribution was passed on in cash, by the contributor's check, or by the conduit's check. If the conduit exercises direction and control over the contribution, the earmarked contribution must also be attributed to the contribution limitations of the conduit.

Checks Returned Due to Insufficient Funds. If a contributor's check is returned to the political committee due to insufficient funds and the receipt of the check was previously reported, the political committee must report the return under the appropriate category of receipts as a negative entry and net out the amount of the check from the total for that category. If the original receipt of the check was itemized on Schedule A, the return of the check must also be itemized as a negative entry on Schedule A. If the receipt of the check was never reported, the return of the check should not be reported.

Check Refunded to the Committee. A contribution may be refunded to the committee in one of two ways:

(1) The original check is returned uncashed. If the contribution was reported, the refund should be reported as a negative entry on Schedule B and the amount of the contribution refund subtracted from the disbursement totals on the line of the Detailed Summary Page that it was reported on.

(2) The original check is not returned and the refund is made by a check from the recipient of the contribution. Such a transaction should be reported as a receipt on Schedule A for the appropriate line of the Detailed Summary Page. This procedure is applicable regardless of whether the amount refunded is the full or only a partial refund of the contribution or whether the contribution was previously reported.

Best Efforts. When the treasurer of a political committee shows that best efforts have been used to obtain, maintain and submit the information required, the committee shall be considered in compliance with the Act.

With regard to reporting the identification of each person whose contribution(s) to the committee and its affiliated committees aggregate in excess of $200 in a calendar year, the treasurer will not be deemed to have exercised best efforts to obtain the required information unless he or she has made at least one effort per solicitation either by written request or by an oral request documented in writing to obtain the information from the contributor. The effort shall consist of a clear request for the information (i.e., name, mailing address, occupation, name of employer) which informs the contributor that the reporting of the information is required by law.

9 3 0 4 0 9 8 4 7 1 1

SCHEDULE B-P

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

ITEMIZED DISBURSEMENTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE OF (total pages)

LINE NUMBER 23

NAME OF COMMITTEE (in Full)
PEROT PETITION COMMITTEE

Any information copied from such Reports and Statements 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, ADDRESS, CITY, STATE, ZIP CODE	PURPOSE OF DISBURSEMENT / DISBURSEMENT FOR	DATE (MONTH, DAY, YEAR)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
ROSE BUDS, INC. 84 8th AVE. DALLAS, TX 89145	RENT EXPENSE DISBURSEMENT FOR: [ ] Primary [✓] General [ ] Other (specify)	4/30/92	$200.00 IN-KIND
BILL THORTON 2625 WILLOWBEND CT. DALLAS, TX 56213	ADVERTISING DISBURSEMENT FOR: [ ] Primary [X] General [ ] Other (specify)	4/18/92	$252.25 IN-KIND
KINKO'S 1010 SOUTH 23RD ST. DALLAS, TX 56213	PRINTING DISBURSEMENT FOR: [ ] Primary [X] General [ ] Other (specify)	4/19/92	$201.23
	DISBURSEMENT FOR: [ ] Primary [ ] General [ ] Other (specify)		
	DISBURSEMENT FOR: [ ] Primary [ ] General [ ] Other (specify)		
	DISBURSEMENT FOR: [ ] Primary [ ] General [ ] Other (specify)		
	DISBURSEMENT FOR: [ ] Primary [ ] General [ ] Other (specify)		
	DISBURSEMENT FOR: [ ] Primary [ ] General [ ] Other (specify)		

SUBTOTAL OF DISBURSEMENTS THIS PAGE (optional) $653.48

TOTAL THIS PERIOD (last page this line number only) ....

93040984712

Line Number 19, p. 25

Operating Expenditures.

$250/$225 Debt Repayments.

In-Kind Contribution.

$82.13 Negative Entry.

Memo Entry

In-Kind Contribution.

93040984713

SCHEDULE B

ITEMIZED DISBURSEMENTS

(Operating Expenditures)

Name of Committee (in Full)

Fund for a Better Government C00000001

Full name, mailing address and ZIP code	Purpose of disbursement	Date (month, day, year)	Amount of each disbursement this period
A. Parker Real Estate 1877 Grant Street City, State 00000	rent Disbursement for: □ Primary □ General □ Other (specify)	4/15/82	$ 400.00
B. Acme Business Supplies 13332 Bigelow Boulevard City, State 00000	office equipment Disbursement for: □ Primary □ General □ Other (specify)	4/20/82	$ 250.00
C. Star Stationers 1490 Penn Avenue City, State 00000	office supplies Disbursement for: □ Primary □ General □ Other (specify)	5/11/82	$ 225.00
D. Davis Printing 19576 Commercial Road City, State 00000	printing Disbursement for: □ Primary □ General □ Other (specify)	5/21/82	$ 321.52
E. Davis Printing ($82.13 of $321.52 allocated as in-kind contribution; See Schedule B for Line 21)	in-kind contribution to Teeper Committee Disbursement for: □ Primary □ General □ Other (specify)	5/21/82	($82.13)
F. U.S. Postmaster Post Office Building City, State 00000	postage Disbursement for: □ Primary □ General □ Other (specify)	5/25/82 6/17/82	$ 121.43 $ 104.55
G. Master Card City Bank City, State 00000	(see below) Disbursement for: □ Primary □ General □ Other (specify)	6/26/82	$ 267.92
H. XBT Corporation 3746 Huron Avenue City, State 00000	reproduction equipment rental and supplies Disbursement for: □ Primary □ General □ Other (specify)	5/23/82	$ 267.92 memo
I. John Appleby (contributor) 1211 Chesterfield Road City, State 00000	Lunch for committee board—committee business Disbursement for: □ Primary □ General □ Other (specify)	6/28/82	$ 254.10 (no entry)
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			$1,869.36

INSTRUCTIONS FOR PREPARING SCHEDULE B

The Detailed Summary Page is broken down into various categories of disbursements. Use Schedule B to list each disbursement required to be itemized. DO NOT combine more than one category of disbursements on the same Schedule B. Instead, use a separate Schedule B for each category of disbursements. The line number of the Detailed Summary Page to which each Schedule B pertains should be identified in the upper right corner of each Schedule. In addition, the committee's full name must be entered in the appropriate block.

For each disbursement required to be itemized during the reporting period, the political committee must provide the full name, mailing address, date, amount, and purpose of the disbursement.

The term "purpose" means a brief statement or description of why the disbursement was made. Examples of adequate descriptions include the following: dinner expenses, media, salary, polling, travel, party fees, phone banks, travel expenses, travel expense reimbursement, and catering costs. However, statements or descriptions such as "advance," "election day expenses," "other expenses," "expense reimbursement," "miscellaneous," "outside services," "get-out-the-vote," and "voter registration," would not meet the requirement for reporting the purpose of an expenditure. If the disbursement is a "loan repayment," "contribution refund," or other similar category of disbursement (other than an operating expenditure), the name of the category of disbursement (i.e., "loan repayment," etc.) is sufficient to meet the requirement for reporting the purpose of an expenditure.

For disbursements that are contributions to Federal candidates, or authorized committees, the committee must include under "Purpose of Disbursement" the name of the candidate and office sought (including State and congressional district, where applicable) and the aggregate year-to-date total of contributions made to that candidate or committee in the purpose of disbursement box.

For each contribution to a Federal candidate or authorized committee indicate in the election check-off box the election for which the contribution was made. Contributions to a candidate or authorized committee which are not designated by the contributor for a specific election must be counted toward the contributor's limitation for the next election after the contribution is made. Contributions may be made for a past election only to the extent that the recipient has net debts outstanding from that particular election. In the event the contribution was made for an election prior to the current election cycle, the "Other" box must be checked and the type of election specified (e.g., "General 1986," "Primary 1986"). The election check-off boxes provided for each itemized entry on Schedule B should not be used when itemizing operating expenditures.

The "Total This Period" amount (the last line on Schedule B) must be added to all other disbursements for that category which are not itemized and carried forward to Column A of the corresponding line of the Detailed Summary Page.

CONTRIBUTIONS IN-KIND RECEIVED

Contributions in-kind received by the committee which are itemized on Schedule A must also be itemized as an operating expenditure on Schedule B. In addition, in the "Purpose of Disbursement" box include the notation "Contribution In-Kind" and the nature of the expenditure (e.g., consulting, polling, etc.).

93040984714

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

LOANS

by Committee

Use separate schedule(s) for each category of the detailed summary page	PAGE	OF (total pages)
	LINE NUMBER	

NAME OF COMMITTEE (in Full)
Perot Petiton Committee

NAME OF LOAN SOURCE (OR RECIPIENT)	ORIGINAL AMOUNT OF LOAN	CUMULATIVE PAYMENT TO DATE	BALANCE OUTSTANDING
Randy Brown	$1,000.00		$1,000.00
ADDRESS (Number and Street) 8429 Jarvis			
CITY, STATE, ZIP CODE Ft. Worth, TX 76113	TYPE OF ELECTION: ☐ Primary ☒ General ☐ Other (specify)		

TERMS	DATE INCURRED	DATE DUE	INTEREST RATE (% APR)	SECURED
	04-01-92	11-01-92	7%	☒ Yes ☐ No

LIST ALL ENDORSERS OR GUARANTORS (if any)

● NAME	ADDRESS (Number and Street)	CITY, STATE, ZIP CODE	
NAME OF EMPLOYER	OCCUPATION		AMT. OUTSTANDING
● NAME	ADDRESS (Number and Street)	CITY, STATE, ZIP CODE	
NAME OF EMPLOYER	OCCUPATION		AMT. OUTSTANDING
● NAME	ADDRESS (Number and Street)	CITY, STATE, ZIP CODE	
NAME OF EMPLOYER	OCCUPATION		AMT. OUTSTANDING

NAME OF LOAN SOURCE (OR RECIPIENT)	ORIGINAL AMOUNT OF LOAN	CUMULATIVE PAYMENT TO DATE	BALANCE OUTSTANDING
ADDRESS (Number and Street)			
CITY, STATE, ZIP CODE	TYPE OF ELECTION: ☐ Primary ☐ General ☐ Other (specify)		

TERMS	DATE INCURRED	DATE DUE	INTEREST RATE (% APR)	SECURED
				☐ Yes ☐ No

LIST ALL ENDORSERS OR GUARANTORS (if any)

● NAME	ADDRESS (Number and Street)	CITY, STATE, ZIP CODE	
NAME OF EMPLOYER	OCCUPATION		AMT. OUTSTANDING
● NAME	ADDRESS (Number and Street)	CITY, STATE, ZIP CODE	
NAME OF EMPLOYER	OCCUPATION		AMT. OUTSTANDING
● NAME	ADDRESS (Number and Street)	CITY, STATE, ZIP CODE	
NAME OF EMPLOYER	OCCUPATION		AMT. OUTSTANDING

Carry outstanding balance only to Line 3, Schedule D-P, for this line. If no Schedule D-P, carry forward to appropriate line of Summary.	ORIGINAL AMOUNT OF LOAN	CUMULATIVE PAYMENT TO DATE	BALANCE OUTSTANDING
SUBTOTALS THIS PERIOD THIS PAGE (optional)			$1,000.00
TOTALS THIS PERIOD (last page in this line only)			

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Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

[illegible] COMMITTEE

DEBTS AND OBLIGATIONS EXCLUDING LOANS

[illegible] (Use separate schedule(s) for each category of the Detailed Summary Page)

PAGE | OF (total pages)

LINE NUMBER

NAME OF COMMITTEE (in Full) Perot Petition Committee	OUTSTANDING BALANCE BEGINNING THIS PERIOD	DATE AND AMOUNT INCURRED THIS PERIOD	PAYMENT THIS PERIOD	OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor Dotty Ferguson 2930 Wagonwheel Jacksonville, MS 42013	04-01-92 $250.00			$250.00
Nature of Debt (Purpose): DEPOSIT TO OPEN BANK ACCOUNT				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				$250.00
2) TOTAL This Period (last page this line only)				
3) TOTAL OUTSTANDING LOANS from Schedule C-P (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

Answers to Commonly Asked Questions

April 1992

FEC Guidelines -- Contributions

It is crucial that everyone involved in collecting, processing, and soliciting campaign contributions understand the basics of the Federal Election Commission (FEC) rules on contributions. This memorandum, in question and answer format, provides an overview of these rules. Other memoranda on other guidelines will follow.

Q. **Let me start with a simple question. What is a contribution?**

A. The federal election law broadly defines a contribution to include not only money, but also "anything of value" that is given to the Committee. This includes a loan to the Committee -- even the guarantee of someone else's loan. It also includes all goods and services that are given to the Committee -- "In-kind" contributions. Generally, anything the Committee receives from any source is going to be a contribution to the Committee, unless we pay full market value for it.

Q. **Are there any exceptions to this rule?**

A. Of course. That's what makes the law complicated. For instance, the law exempts from the definition of contribution the value of services provided by individuals who volunteer their time to the Perot Petition Committee. (Be careful! Volunteers may not be paid by their employers or any other person for the time they spend working for the Committee -- otherwise, their time is considered to be a "contribution" by those employers.)

Also, a volunteer may provide the use of his residence to the Committee for a fundraiser without it being a contribution, and may even spend up to $1,000 on the cost of invitations, food, and beverages for a fundraising party in his residence. This is not a contribution.

A volunteer may spend up to $1,000 of his own money on personal transportation expenses related to his volunteer activity, and may pay his own subsistence expenses while he works as a volunteer. None of these are contributions.

Q. **O.K. What about limits?**

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A. The basic rule is this: NO PERSON CAN GIVE MORE THAN $1,000 TO THE PEROT PETITION COMMITTEE. Ever. This includes all contributions made by the person -- both money and "In-kind."

Q. Can a husband and wife each give $1,000?

A. Sure -- they are two separate people.

Q. Can they give $2,000 from a single bank account?

A. Yes -- as long as it is clear that the contribution is from both of them.

Q. Can they make the contribution in a single check?

A. Yes. Again, as long as they indicate either on the check or in an accompanying document that the contribution is from both of them.

Q. What about their kids -- each one can give $1,000, right?

A. Maybe. A minor (a child under 18) can make a contribution only if the funds are owned or controlled exclusively by the child (for instance, if the child works and has his own income, or if he earns income from a trust in his name or has his own savings account) and only if the decision to contribute is made knowingly and voluntarily by the child. Of course, the law doesn't allow parents to give money to their children simply so the children have their "own" money to contribute. That's an obvious sham.

Q. What you're saying sounds a little legalistic. How do I know whether or not I can accept the contribution?

A. Use your judgment and explain the rules to the contributor. But you do see the problem. A married man with three kids can't just write a $5,000 check to the Perot Petition Committee and tell us to attribute $1,000 each to him, his wife, his 13-year-old, his 5-year-old, and his new baby. While the 13-year-old probably could make a "knowing" decision to give us a $1,000 from the money he is earning mowing lawns, the Federal Election Commission would have a hard time believing a 5-year-old can "knowingly" and "voluntarily" dip into his trust fund for Ross Perot!

If you're uncertain about whether to accept a contribution from a minor, call the headquarters for clarification.

Q. Are you sure that a person can't contribute more than $1,000 to us?

A. Positive.

Q. I've heard that independent expenditures are a great way to evade the $1,000 limit.

A. Well, you probably heard it from someone who doesn't know a great deal about independent expenditures. That's such a tangle we've written a whole separate dialog on it. Read it.

Q. So, let me state a simple rule: We can take a contribution from any person, so long as it is not in excess of $1,000, right?

A. Yes, almost. A "foreign national" can't make a contribution to the Committee. That means anyone who is not a U.S. citizen or not lawfully admitted for permanent residence in the U.S.

Q. All right. What other rules do you have?

A. There are still a number of important rules. The most important is this: NEVER, EVER, ACCEPT A CONTRIBUTION FROM A CORPORATION OR UNION.

Q. Why is a contribution from a corporation or union such a big deal?

A. Well, everyone can get in trouble for this. Corporations and unions are totally prohibited from making campaign contributions in any amount.

This applies as much to a doctor who forms a one-man personal corporation as it does to a large corporation. Do not take a contribution check that is drawn on any kind of corporate account. Do not accept free goods from businesses. Do not even let a corporation charge the Perot Petition Committee less than it charges its other customers for any goods or services.

Q. Why can't my brother, who owns a printing shop, give us a break on what he charges us for printing some Perot brochures? He just wants to help out.

A. That's exactly the point. Corporations can't "help out." If your brother's printing shop is incorporated -- and most business are -- he can't charge us less than he charges all his other customers for doing comparable work. If he does, he is making a prohibited corporate contribution in the amount of the difference between his usual price and his discounted price to us.

Q. **You mean we can't take advantage of discounts from any business?**

A. That's not what I said. We can't take advantage of discounts just for us. If a business offers discounts to all of its customers -- political or non-political -- then we can enjoy the discount as well. We just have to pay the "usual and normal" charge for anything we buy. If that business usually gives, say, a discount for bulk purchases, it's fine for us to get that same discount. The bottom line is this: A business has to treat us the same way it treats all of its other customers. It can't treat us any better. And, of course, we don't want it to treat us any worse.

Q. **Can we use office space in a corporation?**

A. Sure, as long as we pay fair market value for rental of the space.

Q. **What about credit? Can the Committee buy something and pay in 90 days?**

A. Same rule. It's okay as long as the extension of credit to the Perot Petition Committee is in the ordinary course of the corporation's business. In other words, they must extend credit to their other customers on substantially the same terms (i.e., amount and length of credit, interest rates, etc.) as they extend to us. Any credit given to us beyond the normal business practice is a contribution. That's prohibited.

Q. **This is getting pretty long. Any other rules?**

A. Let me mention one quick point about cash contributions. As a general rule, don't take them. First of all, they are illegal if in excess of $100. Second, for cash contributions over $50, you must have the name and address of the contributor or else you have to return it. Whenever you can, get a check. Of course, if you're selling refreshments at a reception for $1.25, cash is more practical.

Q. **That's interesting. You mean if we sell refreshments, the money we receive is considered to be a contribution?**

A. Yes. Or if we sell buttons or any other fundraising item, it's a contribution in the full amount paid. The same is true if we charge money to attend a dinner or concert or reception.

Q. **Well now, how do I keep records on all this? Don't we need disclosure information from each contributor? Do I have to get the name and address of everyone who buys a button?**

A. Not unless they buy a lot of them. Remember, small cash contributions are fine, although we should always attempt to get the name and address of anyone who makes a contribution. Over $50, we must have the name and address of any cash contributor. In general, we need the name, home address, occupation, and name of employer for any contributor who gives over $200 to the Committee.

Q. **You have practically bored me to tears with all these rules and restrictions and limitations. How am I going to remember all this?**

A. Use your common sense. For most contributions you will come across, the rules are quite straightforward. There is one simple, fail-safe rule. Get the contribution (up to $1,000) in the form of a personal check, signed by the account holder. Following that rule will eliminate 99% of your questions!

Q. **What about the other one percent?**

A. That's what lawyers are for. Call Mark Sinclair, John Harper or Tracey Thorburn at the Committee headquarters -- 214-788-3043 -- and they will get an answer from the Committee's lawyers.

FEC Guidelines -- Independent Expenditures

Q. **I've heard that independent expenditures are a great way to evade the $1,000 contribution limit. That's right isn't it?**

A. Well, that's not the way I would put it. There are essentially two ways a person can support a candidate's election. The person can give money or anything else of value to the candidate for the candidate to use as the candidate sees fit. That's called a contribution and is limited to $1,000. Or the person can go out and spend money on his own, independently urging voters to support his candidate. That's called an independent expenditure, and there is no limit on how much money a person can spend that way.

Q. **Then I can just tell someone what the Perot Petition Committee wants to do, and then have them go do it without being restricted to a $1,000 limit?**

A. No. Remember: We are talking about independent expenditures. That means the money spent by the individual must be totally independent of the Perot Petition Committee. There can be no consultation between anyone who works for the Perot Petition Committee and the spender. There can be no cooperation. There can be no guidance. There can even be no encouragement. None.

Q. **What if there is?**

A. If there is any coordination -- direct or indirect -- between the Perot Petition Committee and the so-called "independent" spender, the expenditure is automatically converted into a contribution to the Committee. If the expenditure was over $1,000, the spender has broken the law because he has made a contribution in excess of the limits. And, if we accept such a contribution, the Committee will break the law -- we must avoid that!

Q. **What do you mean by "any coordination -- direct or indirect?"**

A. The Federal Election Commission has said that an independent expenditure cannot be made "with the cooperation or prior consent of" the candidate, "in consultation with" the candidate or "at the request or suggestion of" the candidate or any agent of the candidate. That's very broad and essentially means we can have nothing to do with any independent expenditures made on behalf of the Perot Petition Committee.

Q. **What if someone wants to make an independent expenditure for us, and I just tell him how we plan to spend our money, but don't say anything about how he should**

spend his money. He then spends it the way he wants. That's an independent expenditure, right?

A. Wrong. The Commission presumes there is coordination if the expenditure is "based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate... (or his agent) with a view toward having an expenditure made." So you can't do what you suggested.

Q. **Well, what if I tell my eager spender who our media consultants are, and he "independently" spends his money through the same consultants. That's an independent expenditure, right?**

A. Wrong again. The Commission has further said that it will presume there is coordination if the expenditure has been "made by or through" any person who is, or has been:

1. An officer of the candidate's Committee
2. Authorized to raise or spend funds by the Committee
3. Receiving any compensation or reimbursement from the Committee.

So you can't tell your spender to use the Committee's media consultant.

Q. **I've got another idea. What if my independent spender wants just to reproduce and distribute material prepared by the Perot Petition Committee?**

A. Sorry. That too is going to be considered a contribution by the spender to the Committee. It's subject to the $1,000 limit.

Q. **Well, what do I tell my eager spender?**

A. Frankly, not much. If someone wants to discuss with you the idea of making independent expenditures, the best rule is: don't. The more you talk to them, the greater risk both we and they run of inadvertently coordinating, and thus violating the law. About all that you can safely do is offer to give your spender a copy of the FEC guidelines on independent expenditures.

Q. **You've been pretty discouraging about all this. Is it really this bleak?**

A. I hate to rain on your parade but a lot of people have a mistaken impression about independent expenditures. They are not a big loophole that a campaign can exploit to get around the contribution limits. Rather, we have to be very careful to maintain our distance from, and our absolute independence of, anyone who is, or who is planning to, make such expenditures for the Perot Petition Committee.

Q. **What if I have a question about independent expenditures?**

A. Call us. If we don't know, I will refer your question to the Committee's lawyers.

FEC Guidelines -- Documentation for Disbursements

Q. **I've heard that the law requires us to keep a lot of paperwork whenever we go out to buy something for the Committee. Is that right?**

A. Well, some paperwork. And it's very important that you do it.

Q. **What's a "proper" disbursement purpose?**

A. It's a pretty liberal standard. It just means that we have to spend our money on Committee-related activities. Any lawful expenditure by the Perot Petition Committee "in connection with" the campaign for nomination qualifies.

Q. **So that's what we have to show?**

A. Exactly. We have to be able to document what we have spent and what it was spent for.

Q. **That sounds fair enough. How do we do it?**

A. The bottom line is this. For every disbursement made by the Perot Petition Committee -- that means every disbursement you make -- we need some written record of who it was to (name and address), how much it was for, what the purpose of the expenditure was, and the date.

Q. **This is starting to sound burdensome.**

A. Not really. There are a number of ways to do this. The best thing to do is to get a receipt or bill from the payee or vendor that states the purpose of the disbursement.

Q. **What if I can't?**

A. Well, the next best thing is to keep our cancelled check that was used to pay the bill and a copy of the invoice itself, as long as it states what the payment is for.

Q. **What if I don't have a bill or invoice?**

A. Well, you can also just keep the cancelled check as long as you have some other documentation that shows the purpose of the expenditure -- a voucher or even a memo to the files that you wrote at the same time as the check.

Q. **What about just the cancelled check itself?**

A. We really should try to have something more than just the check. But at a bare minimum, the cancelled check alone will do as long as the check itself states the purpose of the disbursement.

Q. **It sounds like I should always write the purpose of the disbursement on every check. That will provide some protection for us?**

A. Absolutely. It just makes good sense to put the purpose on every check.

Q. **Do these rules apply to all disbursements no matter what their size?**

A. We will be reporting all expenditures to the Federal Election Committee. Therefore, we still need the cancelled check that states who the payment was to, the amount, the date, and the purpose of the payment.

Q. **What if I pay by cash rather than by check?**

A. Don't. Unless it is under $100 and you get the money from a petty cash fund. Otherwise, all disbursements by the Committee MUST be paid by a check drawn on our bank account.

Q. **But can we make small payments out of petty cash?**

A. Sure. As long as it's under $100. For those, we still need a written record disclosing who the money was paid to, the amount, the date, and the purpose of the payment.

Q. **What about travel advances?**

A. If it is under $500, it can be reported as a disbursement to the person receiving the advance (as long as that person is the one who is going to be using the money). But if it's over $500, we have to report it as a disbursement to the ultimate vendor -- the airline, the hotel, the restaurant, etc.

Q. **When you say we have to report the "purpose" of the expenditure, what do you mean? Can I just say, for instance, that it was for "materials"?**

A. No. You have to describe a little more specifically what you used the money for, but you don't have to be exhaustive. Just describe the good or services you bought. A standard list of descriptions for disbursements is enclosed.

Q. What happens to all these records? How long do I have to keep them?

A. Eventually all of our records -- bank records, vouchers, receipts, bills, ledgers, and so forth -- will be collected and made available to the FEC. We have to keep all this material for a least three years. That's one reason we have asked for copies of all support to be sent to headquarters.

Standard Disbursement Descriptions

PEROT PETITION COMMITTEE
STANDARD DISBURSEMENT DESCRIPTIONS
SCHEDULE B-P

Air Travel
Auto/Van Rental
Bank Charges
Bus Charter
Computer Services
Construction/Installation
Consulting
Contract Labor
Contribution Refund
Custodial Services
Delivery
Direct Mail
Event Expense
Filing Fees
Food for Volunteers
Furniture/Equipment Lease
Furniture/Equipment Purchase
Insurance
Lists
Lodging
Media Placement
Media Production

Meeting Expense
Notary
Office Supplies
Parking
Payroll
Payroll Taxes
Per Diem
Personnel
Petty Cash
Phone Bank
Postage
Printing
Promotional Materials
Reimbursement -- Travel
Rent
Repairs and Maintenance
Research Expense
Software
Subscriptions/Publications
Telephone Expenses
Transfer of Funds
Utilities
Void Check (SX.XX)

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PEROT PETITION COMMITTEE
STANDARD DISBURSEMENT DESCRIPTIONS
IN-KIND
SCHEDULE B-P

In-kind -- Billboards/other advertising

In-kind -- Copy machines, telephones, furniture or equipment

In-kind -- Office Space

In-kind -- Postage and office supplies

In-kind -- services (describe)

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Blank Schedules

PLEASE XEROX BEFORE USING

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE OF

FOR LINE NUMB

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commer purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

A. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Per.

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

B. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Perio

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

C. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Perio

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

D. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Perio

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

E. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Perio

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

F. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Perio

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

G. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Perio

Occupation

Receipt For: Primary General Other (specify): Aggregate Year-to-Date $

SUBTOTAL of Receipts This Page (optional) . . . .

TOTAL This Period (last page this line number only) . . . .

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SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE OF

FOR LINE NUMBER

Any information copied from such Reports and Statements 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 (in Full)

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional) . . . .

TOTAL This Period (last page this line number only) . . . .

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Volunteer Form

April 1992

To: Volunteers for ______________________________

From:

Federal Election Law Rules

The Perot Petition Committee greatly appreciates the time and effort you are contributing as a volunteer working for the Perot Petition Committee. This memo is intended to inform you of one important requirement of the federal campaign finance laws related to volunteers.

As you probably know, federal law limits the amount of money or anything of value that an individual can contribute to a political campaign. But the law expressly exempts the value of a volunteer's services from the contribution limit. Thus, you are free (and we hope you will continue) to volunteer as much of your time as you can to the Campaign without becoming subject to the law's limitation.

You should know, however, that the law prohibits the payment by anyone of compensation to a "volunteer" for the purpose of allowing the person to work for a political campaign. Simply put, you are free to volunteer your services on your own time, but you may not be paid by someone else for the time you spend working for a political campaign. That would not be volunteering. It would be a paid job. And, under the law, the person paying for the time you work for the Campaign would be considered to be making a contribution. We would need to know about that.

If you have any questions, please contact me through the Committee office ______________. We are asking that you sign the bottom of this memorandum and return it to me so that we know you have received, read, and understand the rules relating to your volunteer service. Thank you.

I have read the foregoing rules relating to my volunteer services for the Perot Petition Committee and I am in compliance with them.

______________________________ ______________________________
Date Signature

Attachment 3

MEMORANDUM

TO: Perot Petition Committee Personnel, Volunteers and State Coordinators

FROM: Perot Petition Committee (PPC)
Mike Poss
Clay Mulford

DATE: June 10, 1992

REMEMBER: Every expenditure made must be drawn on an "authorized" bank account -- that means an account that the FEC has been advised we use via a formal filing. A list of authorized accounts is attached. If you are aware of an account that is not on the list, notify us immediately. Records of disbursements must be kept (showing address of payee, purpose, date and amount). The easiest method is to retain cancelled checks.

REMEMBER: Every contribution must be deposited to an authorized bank account or returned within 10 days of receipt. You must also confirm you have all the information you need (name, amount, address, and if over $200, occupation and employer) and that the contribution is legal (not over $1,000 in the aggregate, not from a corporation, not from government contractor or foreign national). Any information not known about a legal contribution (usually employer and occupation for contributions over $200) must be requested.

Compliance is imperative, both to avoid very substantial fines (between $5,000 and $25,000 per occurrence -- each time a deposit is not made or expenditure is not drawn on an authorized account) as well as civil and criminal penalties. In addition, violations (which amount to illegal activity) could damage Mr. Perot's reputation for integrity. **COMPLIANCE IS NOT OPTIONAL.** All transactions need to go through authorized bank accounts and be reported as political contributions and expenditures.

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T-SHIRTS, ETC...

We understand some groups sell campaign merchandise to fund volunteer efforts. Because you are dealing with a t-shirt or a button doesn't exempt you from FEC law. Purchases from merchandise vendors (t-shirts, buttons, bumper stickers, etc.) must be by checks drawn on authorized bank accounts. If there is not enough money in the authorized bank account to purchase the merchandise, contact Mike Poss, Treasurer, at PPC headquarters.

All proceeds (not just "profits") from campaign merchandise sales (including t-shirts, buttons and anything else sold) by persons or groups operating or affiliated with us are "political contributions" and must be deposited into an authorized account and reported as a contribution. Even though the button you sell for $2.00 costs a dollar, the amount of the contribution is $2.00 (not $1.00). Most of these receipts will probably be anonymous cash contributions less than

$50.00, for which you need only keep records of the date and amount received (eg. "15 anonymous cash contributions of $20.00 and five of $5.00 on July 2") with a record of the bank deposit.

Example: If someone orders t-shirts for $200 and sells them for $300, pays $200 to the vendor and $100 to the campaign, he has broken the law. The $200 paid to the vendor was not from an authorized account and only $100 of the $300 in contributions were deposited into an authorized account. This one set of transactions alone would result in a fine of $20,000. And if the person put the $100 cash "profit" in a coffee can at a campaign office for future expenditures (instead of making a deposit), the fine would increase to $30,000. (Note that the person could have made an in kind contribution of the t-shirts to the campaign, in which case contributions would total $500 - but the $300 still needs to be deposited to an authorized account.)

Independent Activities: If persons are operating independently of the PPC (this means independently of Dallas and of any state organization connected in any way to the PPC), then they may sell merchandise in any way they please. To be operating independently, the person must have no contact with us and must not operate in concert with us. If an individual undertook the activity in the example on his own, without our knowledge and consent, and then made a contribution of $100 profit to the campaign, there is no violation (provided the campaign deposited the $100 into an authorized account within 10 days and properly recorded the person's name, etc.). The individual could have federal reporting requirements of his own, however, depending on circumstances, and contributions from the person would be subject to a $1,000 maximum.

ANY PERSON OR GROUP FAILING TO FOLLOW THE REQUIREMENTS OUTLINED ABOVE OR IN THE CAMPAIGN GUIDELINES SENT APRIL 7, 1992 (ATTACHED), MUST AND WILL BE SEPARATED FROM CONTACT WITH THE PPC. FURTHER INVOLVEMENT WITH THAT PERSON OR GROUP WILL BE PROHIBITED.

RCM/ss

AUTHORIZED BANK ACCOUNTS

Name	Date Authorized
First Alabama Bank P.O. Box 511 Montgomery, AL 36134	4/17
First National Bank of Anchorage P.O. Box 100720 Fairbanks, AK 99707	6/10
Bank of America 6060 East Thomas Road Scottsdale, AZ 85251	4/17
Valley National Bank of Arizona 728 W. Ajo Way P.O. Box 7577 Tuscon, AZ 85713	6/10
Bank of Fayetteville One South Block Street Fayetteville, AR 72701	6/10
First National Bank of Fort Smith 602 Garrison Avenue Fort Smith, AR 72901	6/10
First Interstate Bank of California 1 Civic Plaza, Suite 200 Newport Beach, CA 92660	4/17
Women's Bank 821 17th Street P.O. Box 8779 Denver, CO 80201	4/17
Fleet Bank 4707 Main Street Bridgeport, CT	5/13
Delaware Trust Company 101 Loockerman St. Dover, DE 19901	6/10

Industrial Bank of Washington 4812 Georgia Avenue, N.W. Washington, D.C. 20004	5/13
Barnett Bank of Tallahassee Main Office 315 South Calhoun Street Tallahassee, FL	5/13
Barnett Bank of Broward County, N.A. 2929 East Commercial Blvd. Ft. Lauderdale, FL 33308	5/13
Barnett Bank of Northwest Florida 189 Northeast Eglin Parkway Ft. Walton Beach, FL 32548	5/13
Barnett Bank of South Florida, N.A. 1414 Alton Road Miami, FL 33139	5/13
Barnett Bank of Pinellas County One Progress Plaza St. Petersburg, FL 33701	5/13
Barnett Bank of Jacksonville, N.A. 10455 San Jose Blvd. Jacksonville, FL 32257	6/10
Barnett Bank of Naples 385 14th Avenue South Naples, FL 33940	6/10
Barnett Bank of Palm Beach County 1224 U.S. Highway One North Palm Beach, FL	6/10
Barnett Bank of Central Florida 105 East Robinson Street #100 Orlando, FL 32801	6/10
Bank of the South, N.A. 135 Perimeter Center West Atlanta, GA 30346	4/17

First American Bank 30. College Avenue Athens, GA 30601	6/10
Wachovia Bank of Georgia, N.A. Mulberry St. at Third Macon, GA 31202	6/10
Wachovia Bank 6301 Abercoin Street Savannah, GA 31405	6/10
Pioneer Federal Savings Bank of Hawaii 900 Fort St. Honolulu, HI 96813	6/10
Key Bank of Idaho, Capital Center Office 702 West Idaho St. P.O. Box 2800 Boise, ID 83702	6/10
First of America Bank - Northwest Illinois 325 N. Milwaukee Street Libertyville, IL 60048	6/10
Bank One 111 Monument Circle Indianapolis, IN 45277	5/13
Brenton Bank, N.A. 2840 Ingersoll Avenue Des Moines, IA 50312	6/10
Metcalf State Bank P.O. Box 4249 Overland Park, KS 66204	5/13
Citizens Fidelity Bank & Trust Company 1250 Bardstown Road Louisville, KY 40204-1333	5/13
Premier Bank 3554 South Sherwood Forest Blvd. P.O. Box 3399 Baton Rouge, LA 70821-3399	4/17

Peoples Heritage Bank
299 Elm Street
Biddeford, ME 04005 4/17

Annapolis Bank and Trust
921 Bay Ridge Avenue
Annapolis, MD 21403 4/17

Bay Bank Boston, N.A.
5 Tremont Street
Boston, MA 02108 4/17

National Bank of Detroit
Branch #135
2410 West Road
Trenton, MI 48183 4/17

Norwest Bank Minnesota
55 East Fifth Street
St. Paul, MN 55101 5/13

Trustmark National Bank
P.O. Box 291
Jackson, MS 39205 6/10

Commerce Bank of Springfield
1661 Boonville
Springfield, MO 65801 6/10

First Citizens Bank
P.O. Box 578
Bozeman, MT 59715 5/13

Union Bank & Trust Company
P.O. Box 6155
3643 South 48th Street
Lincoln, NE 68506 4/17

First Interstate Bank of Nevada
California/Arlington Office
490 California Avenue
Reno, NV 89509 4/17

First Interstate Bank
3433 South Maryland
Las Vegas, NV 89109 5/13

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Cornerstone Bank P.O. Box 326 Derry, NH 03038	4/17
United Jersey Bank/Central N.A. 3140 Princeton Pike Lawrenceville, NJ 08648	5/13
Sunwest Bank of Santa Fe P.O. Box 5375 Santa Fe, NM 87502-5375	4/17
United New Mexico Bank Zuni at San Mateo SE Albuquerque, NM 87108	6/10
Mutual Building & Loan Association 510 South Main Las Cruces, NM 87108	6/10
Endicott Trust 89-91 Court St. Binghamton, NY 88001	6/10
EAB 114 Old County Road Mineola, NY 11501	5/13
Chemical Bank 30 Rockefeller Plaza New York, NY 11501	5/13
Chemical Bank 1 East 41st Street New York, NY 10112	4/12
Key Bank 2 Brinkerhoff St. Plattsburgh, NY 12901	5/13
United Carolina Bank 310 East John Street Matthews, NC 28105	5/13

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North Carolina Nations Bank - North Hills Office P.O. Box 27287 Raleigh, NC 27611	6/10
Bank Center One 1101 East Interstate Ave. Bismarck, ND 58501	5/13
Bank One 65 East State Street Columbus, OH 43271-0333	5/13
Boatmens Bank of Oklahoma P.O. Box 25189 120 N. Robinson Oklahoma City, OK 73125	5/13
Local America Bank P.O. Box 3499 Tulsa, OK 74101	4/12
First Interstate Bank of Oregon 1300 S.W. Fifth Ave. Portland, OR 97201	5/13
Mellon Bank 22 Turner Lane West Goshen, PA 19382	4/12
Old Stone Bank 86 S. Main Street Providence, RI 02903	5/13
South Carolina National Bank 1401 Main Street Columbia, SC 29226	6/10
Peoples Federal Savings & Loan Association 2200 Oak Street Myrtle Beach, SC 29577	5/13

Norwest Bank 317 E. 4th. Street Dell Rapids, SD 57022	6/10
American State Bank 7th & St. Joseph Street Rapid City, SD 57701	6/10
First American National Bank 3021 West End Avenue Nashville, TN 37203	5/13
First Security Bank of Utah, N.A. 230 S. Main Bountiful, UT 84010	4/12
Nations Bank of Virginia, N.A. 12th and Main Streets Richmond, VA 23219-3509	4/12
Chittenden Bank 2 Burlington Square Burlington, VT 05402	5/13
U.S. Bank of Washington Fourth & Battery Branch 2411 Fourth Ave. Seattle, WA 98101	5/13
Putname County Bank P.O. Box 308 Hurricane, WV 25526	5/13
Norwest Bank 735 W. Wisconsin Ave. Milwaukee, WI 53223	4/12
Mountain Plaza National Bank 4085 CY Avenue Casper, WY 82604	6/10

PEROT PETITION COMMITTEE COORDINATORS' CONTRIBUTION AND EXPENDITURE GUIDELINES

CONTRIBUTIONS

1. Contributions made by corporations, labor organizations or banks are illegal and cannot be accepted. For example, a dentist who is a "PC" -- professional corporation -- cannot make a contribution drawn on his "PC" account, and the owner of an incorporated "mom and pop" grocery store may not use its business account to make contributions.

2. The prohibition against corporate contributions includes in-kind contributions such as the use of telephones, typewriters, office furniture, staplers, or copy machines owned by a corporation, labor organization, or bank.

3. You may use the facilities of a corporation, labor organization, or bank if you pay the normal and usual rental charge, and may use the space without charge if the corporation has a policy to allow such use free of charge, has done so before and provides the space on a non-partisan basis.

4. Contributions by Federal Government contractors or foreign nationals are illegal.

5. Individuals or partnerships may contribute, in the aggregate, a maximum of $1,000. This applies to monetary and in-kind contributions (donations of goods and services) valued at market value.

6. Partnership contributions are allocated proportionately among partners -- reducing the amount they may contribute as individuals. For example, if a 3 person partnership gives the maximum $1,000, these 3 partners are each limited to an additional maximum contribution of $667 ($1,000 - ($1,000 divided by 3)).

7. Cash contributions over $100 may not be accepted.

8. An individual may volunteer personal services to your organization without making a contribution as long as the individual is not compensated by anyone (including the volunteer's employer) for the services provided.

9. The entire amount paid to attend a fund raiser or to purchase a fund raising item is a contribution. For example, if a contributor spends $20 to buy a campaign tee shirt that costs the campaign $5, the contributor has made a $20 contribution.

10. All advertisements (except buttons, bumper stickers and other small items) must state "authorized and paid for by Perot Petition Committee" (or identify whoever else has paid for the item).

11. Solicitations for contributions made in print, by television or radio, or by telephone must state "Contributions are not deductible as charitable contributions for Federal income tax purposes."

RECORDKEEPING

1. Records of contributions - including in-kind contributions - must be maintained identifying each contribution by amount, date of receipt, donor's full name and address, occupation and employer.

2. Contributions must be deposited into an authorized bank account (or returned) within 10 days of receipt. Maintain all bank records.

3. Records of small contributions (less than $50 each) collected at a fund raiser (such as gate receipts and cash contributions) must include only the name of the event, the date of receipt and the total amount of contributions received on each day of the event.

4. An anonymous cash contribution may not exceed $50 in the aggregate per individual.

5. Records for all expenditures, including purpose, date, amount, and payee name and address must be maintained.

6. A written record of petty cash disbursements must be kept if a petty cash fund is maintained. Payments from petty cash to one person for any one purchase or transaction may not exceed $100.

7. single disbursements over $200, your organization must also keep a receipt, invoice or cancelled check.

8. If any loans have [illegible] made (for example, to pay for phone lines in setting up your operation) contact Mike Poss, Perot Petition Committee Treasurer (214 788-3030. (If the expenditure was not tied to a loan with an expectation of repayment from fund raising, it should be reflected in your records as an in-kind contribution valued at cost.)

COMMONLY ASKED QUESTIONS

Our organization wishes to set up a local petition office. My employer (a corporation) has offered to donate excess office space in our building. Can we accept his offer?

No. The usage of office space either owned or leased by a corporation would be considered an in-kind contribution by a corporation and is prohibited under the Federal Election Laws. Your organization may enter into an agreement to lease this facility. The terms of any agreement must be commercially reasonable, including the rental charge.

An individual has offered to donate several phone systems for use by our organization as a phone bank. May we accept this contribution?

Yes, provided that this in-kind contribution by an individual does not exceed $1,000 in value. Note that the equipment must be owned by this individual and not by any corporation, labor organization, or bank with which this individual is associated.

We are planning an organizational meeting in a local hotel. How can we pay for this room?

Several options are available for payment. It may be possible for the participants to contribute in small amounts (less than $50 per person) to pay for the room. Although contributions less than $50 collected at such events need not be individually recorded, such records are encouraged. Also, an individual may advance the amount from his or her personal funds, or make use of a personal credit card. This payment will be considered an in-kind contribution from that individual to the organization, however, subject to the $1,000 limit until the individual is reimbursed by your organization. The advance must be recorded as a debt of your organization and as a contribution (until reimbursed). If an individual makes such an advance, please contact Mike Poss at the above number regarding the necessary paperwork. In all cases, a record of the expenditure must be retained.

We wish to hold an organizational meeting and set up several locations where petitions will be available to the general public for signing. May we advertise the times and locations of these events?

Yes, BUT any public political advertising that identifies the candidate must also clearly identify the name of the person that paid for the advertisement and indicate whether the advertisement was authorized by the Perot Petition Committee in Dallas. Any advertising that may be construed as a solicitation for contributions also must include a disclaimer stating that contributions to your organization are not deductible as charitable contributions for Federal income tax purposes.

My employer has agreed to allow me to work on the petition effort during regular business hours. Is this a contribution?

No, provided that if you are paid on an hourly or salaried basis, the time taken by you to work on the petition effort is made up within a reasonable time or is bona fide vacation time. If you are paid on a commission or piecework basis and your time is your own, your work on the petition effort is not a contribution by your employer. Uncompensated personal services generally are not a contribution of the individual performing the service.

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Attachment 4

MEMORANDUM

TO: Perot Petition Committee Personnel, Volunteers and State Coordinators

FROM: Perot Petition Committee (PPC)
Mike Poss
Clay Mulford

DATE: June 29, 1992

SUBJECT: FEC REPORTING MATTERS

Listed on the following pages are highlights of FEC rules on reporting and recordkeeping, along with several points we wish to emphasize, and a question and answer section.

If you have any questions regarding FEC rules, please contact:

John Harper	-	(214) 716-6454
Chris Wimpee	-	(214) 716-6452

We, once again, wish to emphasize the importance of compliance with these rules.

JH:bj

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PEROT PETITION COMMITTEE COORDINATORS' CONTRIBUTION AND EXPENDITURE GUIDELINES

CONTRIBUTIONS

1. Every contribution must be deposited into an authorized bank account or returned within 10 days of receipt.

2. Every disbursement must be drawn from an authorized bank account.

3. Contributions made by corporations, labor organizations or banks are illegal and cannot be accepted. For example, a dentist who is a "PC" -- professional corporation -- cannot make a contribution drawn on his "PC" account, and the owner of an incorporated "mom and pop" grocery store may not use its business account to make contributions.

4. The prohibition against corporate contributions **includes in-kind contributions** such as the use of telephones, typewriters, office furniture, stamps, or copy machines owned by a corporation, labor organization, or bank.

5. Corporate contributions should be returned within 10 days.

6. You may use the facilities of a corporation, labor organization, or bank <u>if</u> you pay the normal and usual rental charge, and may use the space without charge <u>if</u> the corporation has a policy to allow such use free of charge, has done so before and provides the space on a non-partisan basis.

7. Contributions by **Federal Government contractors** or **foreign nationals** are **illegal**.

8. **Individuals or partnerships** may contribute, in the aggregate, a maximum of **$1,000**. This applies to monetary and in-kind contributions (donations of goods and services) valued at market value.

9. A volunteer may provide the use of his residence to the Committee for a fundraiser without it being a contribution and may even spend up to $1,000 on the cost of invitations, food, and beverages for a fundraising party in his residence. This is not a contribution.

10. A volunteer may spend up to $1,000 of his own money on personal transportation expenses related to his volunteer activity and may pay his own subsistence expenses while he works as a volunteer. None of these are contributions.

11. Partnership contributions are allocated proportionately among partners -- reducing the amount they may contribute as individuals. For example, if a 3 person partnership gives the maximum $1,000, those 3 partners are each limited to an additional maximum contribution of $667 ([$1,000 - ($1,000 divided by 3)].

12. Contributions in excess of $1,000 should be returned/refunded within 10 days.

13. Cash contributions over **$100** may not be accepted.

14. An individual may **volunteer personal services** to your organization without making a contribution as long as the individual is not compensated by anyone (including the volunteer's employer) for the services provided.

15. A loan to the committee is considered a contribution until it is paid back.

16. The entire amount paid to attend a **fund raiser** or to purchase a fund raising item is a contribution. For example, if a contributor spends $20 to buy a campaign tee shirt that costs the campaign $5, the contributor has made a $20 contribution.

17. All **advertisements** (except buttons, bumper stickers and other small items) must state **"authorized and paid for by Perot Petition Committee"** (or identify whoever else has paid for the item).

18. Solicitations for contributions made in print, by television or radio, or by telephone must state "Contributions are not deductible as charitable contributions for Federal income tax purposes."

RECORD KEEPING

1. Records of **contributions** in excess of $50 must be maintained identifying each contribution by **amount, date of receipt,** donor's full **name and address**. In addition, if the contribution is in excess of $200 you must also have **occupation and employer**.

2. Contributions must be deposited into an authorized bank account (or returned) within 10 days of receipt. Maintain all bank records.

3. Records of small contributions (less than $50 each) collected at a fund raiser (such as gate receipts and cash contributions) must include only the name of the event, the date of receipt and the total amount of contributions received on each day of the event.

4. An anonymous cash contribution may not exceed $50 in the aggregate per individual.

5. Records for all expenditures, including purpose, date, amount, and payee name and address must be maintained.

6. A written record of petty cash disbursements must be kept if a petty cash fund is maintained. Payments from petty cash to one person for any one purchase or transaction may not exceed $100.

7. For single disbursements over $200, your organization must also keep a receipt, invoice or cancelled check. This documentation must be submitted to Dallas.

8. Correspondence requesting the above information should be sent and maintained to demonstrate a "good faith effort" to obtain the information. This correspondence should be sent to Dallas for our files.

9. We must be notified of all loans and leases to properly report these items in our FEC filings. All loans must be reported on Schedule "C" and all leases must be reported on Schedule "D". Copies of these agreements must be forwarded to Dallas immediately.

10. Obligations over $500 or in excess of 60-days old should be reported to Dallas as an obligation on Schedule "D".

REMEMBER: Every expenditure made <u>must</u> be drawn on an "authorized" bank account -- that means an account that the FEC has been advised we use via a formal filing. A list of authorized accounts is attached. If you are aware of an account that is not on the list, notify us immediately. Records of disbursements <u>must</u> be kept (showing address of payee, purpose, date and amount). The easiest method is to retain cancelled checks.

REMEMBER: Every contribution <u>must</u> be deposited to an authorized bank account or returned within 10 days of receipt. You must also confirm you have all the information you need (name, amount, address, and if over $200, occupation and employer) and that the contribution is legal (not over $1,000 in the aggregate, not from a corporation, not from government contractor or foreign national). Any information not known about a legal contribution (usually employer and occupation for contributions over $200) must be requested.

Compliance is imperative, both to avoid very substantial fines (between $5,000 and $25,000 per occurrence -- each time a deposit is not made or expenditure is not drawn on an authorized account) as well as civil and criminal penalties. In addition, violations (which amount to illegal activity) could damage Mr. Perot's reputation for integrity. COMPLIANCE IS NOT OPTIONAL. All transactions need to go through authorized bank accounts and be reported as political contributions and expenditures.

T-SHIRTS, ETC...

We understand some groups sell campaign merchandise to fund volunteer efforts. Because you are dealing with a t-shirt or a button doesn't exempt you from FEC law. Purchases from merchandise vendors (t-shirts, buttons, bumper stickers, etc.) must be by checks drawn on authorized bank accounts. If there is not enough money in the authorized bank account to purchase the merchandise, contact Mike Poss, Treasurer, at PPC headquarters.

All proceeds (not just "profits") from campaign merchandise sales (including t-shirts, buttons and anything else sold) by persons or groups operating or affiliated with us are "political contributions" and <u>must</u> be deposited into an authorized account and reported as a contribution. Even though the button you sell for $2.00 costs a dollar, the amount of the contribution is $2.00 (not $1.00). Most of these receipts will probably be anonymous cash contributions less than $50.00, for which you need only keep records of the date and amount received (eg. "15 anonymous cash contributions of $20.00 and five of $5.00 on July 2") with a record of the bank deposit.

Example: If someone orders t-shirts for $200 and sells them for $300, pays $200 to the vendor and $100 to the campaign, he has broken the law. The $200 paid to the vendor was not from an authorized account and only $100 of the $300 in contributions were deposited into an authorized account. **This one set of transactions alone would result in a fine of $20,000.** And if the person put the $100 cash "profit" in a coffee can at a campaign office for future expenditures (instead of making a deposit), the fine would increase to $30,000. (Note that the person could have made an in kind contribution of the t-shirts to the campaign, in which case contributions would total $500 - but the $300 still needs to be deposited to an authorized account.)

Independent Activities: If persons are operating independently of the PPC (this means independently of Dallas and of any state organization connected in any way to the PPC), then they may sell merchandise in any way they please. To be operating independently, the person must have no contact with us and must not operate in concert with us. If an individual undertook the activity in the example on his own, without our knowledge and consent, and then made a contribution of $100 profit to the campaign, there is no violation (provided the campaign deposited the $100 into an authorized account within 10 days and properly recorded the person's name, etc.). The individual could have federal reporting requirements of his own, however, depending on circumstances, and contributions from the person would be subject to a $1,000 maximum.

ANY PERSON OR GROUP FAILING TO FOLLOW THE REQUIREMENTS OUTLINED ABOVE OR IN THE CAMPAIGN GUIDELINES SENT APRIL 7, 1992 (ATTACHED), MUST AND WILL BE SEPARATED FROM CONTACT WITH THE PPC. FURTHER INVOLVEMENT WITH THAT PERSON OR GROUP WILL BE PROHIBITED.

JH:bj

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GUIDELINES – CONTRIBUTIONS

It is crucial that everyone involved in collecting, processing, and soliciting campaign contributions understand the basics of the Federal Election Commission (FEC) rules on contributions. This memorandum, in question and answer format, provides an overview of these rules. Other memoranda on other guidelines will follow.

Q. **Let me start with a simple question: <u>What is a contribution</u>?**

A. The Federal Election law broadly defines a contribution to include not only money, but also "anything of value" that is given to the Committee. This includes a loan to the Committee -- even the guarantee of someone else's loan. It also includes all goods and services that are given to the Committee -- "In-kind" contributions. Generally, anything the Committee receives from any source is going to be a contribution to the Committee, unless we pay full market value for it.

Q. **Are there any exceptions to this rule?**

A. Of course. That's what makes the law complicated. For instance, the law exempts from the definition of contribution the value of services provided by individuals who volunteer their time to the Perot Petition Committee. (Be careful! Volunteers may not be paid by their employers or any other person for the time they spend working for the Committee -- otherwise, their time is considered to be a "contribution" from those <u>employers</u>.)

Also, a volunteer may provide the use of his residence to the Committee for a fundraiser without it being a contribution and may even spend up to $1,000 on the cost of invitations, food and beverages for a fundraising party in his residence. This is not a contribution.

A volunteer may spend up to $1,000 of his own money on personal transportation expenses related to his volunteer activity and may pay his own subsistence expenses while he works as a volunteer. None of these are contributions.

Q. **O.K. What about limits?**

A. The basic rule is this: **NO PERSON CAN GIVE MORE THAN $1,000 TO THE PEROT PETITION COMMITTEE.** Ever. This includes all contributions made by the person -- both money and "In-kind."

Q. **Can a husband and wife each give $1,000?**

A. Sure -- they are two separate people.

Q. **Can they give $2,000 from a single bank account?**

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A. Yes -- as long as it is clear that the contribution is from both of them.

Q. Can they make the contribution in a single check?

A. Yes. Again, as long as they indicate either on the check or in an accompanying document that the contribution is from both of them.

Q. What about their kids -- each one can give $1,000, right?

A. Maybe. A minor (a child under 18) can make a contribution only if the funds are owned or controlled exclusively by the child (for instance, if the child works and has his own income, or if he earns income from a trust in his name or has his own savings account) and only if the decision to contribute is made knowingly and voluntarily by the child. Of course, the law doesn't allow parents to give money to their children simply so the children have their "own" money to contribute. That's an obvious sham.

Q. What you're saying sounds a little legalistic. How do I know whether or not I can accept the contribution?

A. Use your judgment and explain the rules to the contributor. But you do see the problem. A married man with three kids can't just write a $5,000 check to the Perot Petition Committee and tell us to attribute $1,000 each to him, his wife, his 13-year-old, his 5-year-old, and his new baby. While the 13-year-old probably could make a "knowing" decision to give us $1,000 from the money he is earning mowing lawns, the Federal Election Commission would have a hard time believing a 5-year--old can "knowingly" and "voluntarily" dip into his trust fund for Ross Perot!

If you're uncertain about whether to accept a contribution from a minor, call the headquarters for clarification.

Q. Are you sure that a person can't contribute more than $1,000 to us?

A. Positive.

Q. I've heard that independent expenditures are a great way to evade the $1,000 limit.

A. Well, you probably heard it from someone who doesn't know a great deal about independent expenditures. That's such a tangle, we've written a whole separate dialog on it. Read it.

Q. All right. What other rules do you have?

A. There are still a number of important rules. The most important is this: NEVER, EVER, ACCEPT A CONTRIBUTION FROM A CORPORATION OR UNION.

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Q. **Why is a contribution from a corporation or union such a big deal?**

A. Well, everyone can get in trouble for this. Corporations and unions are totally prohibited from making campaign contributions in any amount.

This applies as much to a doctor who forms a one-man personal corporation as it does to a large corporation. Do not take a contribution check that is drawn on any kind of corporate account. Do not accept free goods from businesses. Do not even let a corporation charge the Perot Petition Committee less than it charges its other customers for any goods or services.

Q. **Why can't my brother, who owns a printing shop, give us a break on what he charges us for printing some Perot brochures? He just wants to help out.**

A. That's exactly the point. Corporations can't "help out." If your brother's printing shop is incorporated -- and most businesses are -- he can't charge us less than he charges all his other customers for doing comparable work. If he does, he is making a prohibited corporate contribution in the amount of the difference between his usual price and his discounted price to us.

Q. **You mean we can't take advantage of discounts from any business?**

A. That's not what I said. We can't take advantage of discounts just for us. If a business offers discounts to all of its customers -- political or non-political -- then we can enjoy the discount as well. We just have to pay the "usual and normal" charge for anything we buy. If that business usually gives, say, a discount for bulk purchases, it's fine for us to get that same discount. The bottom line is this: A business has to treat us the same way it treats all of its other customers. It can't treat us any better. And, of course, we don't want it to treat us any worse.

Q. **Can we us office space in a corporation?**

A. Sure, as long as we pay fair market value for rental of the space.

Q. **What about credit? Can the Committee buy something and pay in 90 days?**

A. Same rule. It's okay as long as the extension of credit to the Perot Petition Committee is in the ordinary course of the corporation's business. In other words, they must extend credit to their other customers on a substantially the same terms (i.e., amount and length of credit, interest rates, etc.) as they extend to us. Any credit given to us beyond the normal business practice is a contribution. That's prohibited.

Q. **This is getting pretty long. Any other rules?**

A. Let me mention one quick point about <u>cash</u> contributions. As a general rule, don't take them. First of all, they are <u>illegal if in excess of $100</u>. Second, for cash contributions over $50, you must have the name and address of the contributor or else you have to return it. Whenever you can, get a check. Of course, if you're selling refreshments at a reception for $1.25, cash is more practical.

Q. That's interesting. You mean if we sell refreshments, the money we receive is considered to be a contribution?

A. Yes. Or, if we sell buttons or any other fundraising item, it's a contribution in the full amount paid. The same is true if we charge money to attend a dinner or concert or reception.

Q. Well, now, how do I keep records on all this? Don't we need disclosure information from each contributor? Do I have to get the name and address of everyone who buys a button?

A. Not unless they buy a lot of them. Remember, small cash contributions are fine, although we should always attempt to get the name and address of anyone who makes a contribution. Over $50, we <u>must</u> have the name and address of any cash contributor. In general, we need the name, home address, occupation, and name of employer for any contributor who gives over $200 to the Committee.

Q. You have practically bored me to tears with all these rules and restrictions and limitations. How am I going to remember all this?

A. Use your common sense. For most contributions you will come across, the rules are quite straightforward. There is one simple, fail-safe rule. Get the contribution (up to $1,000) in the form of a personal check, signed by the account holder. Following that rule will eliminate 99% of your questions!

Q. What about the other one percent?

A. That's what lawyers are for. Call John Harper or Chris Wimpee at the Committee headquarters — 214/716-6454 or 214/716-6452, respectively — and they will get an answer from the Committee's lawyers.

Q. **I've heard that the law requires us to keep a lot of paperwork whenever we go out to buy something for the Committee. Is that right?**

A. Well, some paperwork. And, it is very important that you do it.

Q. **What is a "proper" disbursement purpose?**

A. It is a pretty liberal standard. It just means that we have to spend our money on Committee-related activities. Any lawful expenditure by the Perot Petition Committee "in connection with" the campaign for nomination qualifies.

Q. **So that's what we have to show?**

A. Exactly. We have to be able to document what we have spent and what is was spent for.

Q. **That sounds fair enough. How do we do it?**

A. The bottom line is this: for every disbursement made by the Perot Petition Committee -- that means every disbursement you make -- we need some written record of who it was to (name and address), how much it was for, what the purpose of the expenditure was, and the date.

Q. **This is starting to sound burdensome.**

A. Not really. There are a number of ways to do this. The best thing to do is to get a receipt or bill from the payee or vendor that states the purpose of the disbursement.

Q. **What if I can't?**

A. Well, the next best thing is to keep our cancelled check that was used to pay the bill and a copy of the invoice itself, as long as it states what the payment is for.

Q. **What if I don't have a bill or an invoice?**

A. Well, you can also just keep the cancelled check as long as you have some other documentation that shows the purpose of the expenditure -- a voucher or even a memo to the files that you wrote at the same time as the check.

Q. **What about just the cancelled check itself?**

A. We really should try to have something more than just the check. But, at a bare minimum, the cancelled check alone will do as long as the check itself states the purpose of the disbursement.

Q. It sounds like I should always write the purpose of the disbursement on every check. That will provide some protection for us?

A. Absolutely. It just makes good sense to put the purpose on every check.

Q. Do these rules apply to all disbursements no matter what their size?

A. We will be reporting <u>all</u> expenditures to the Federal Election Committee. Therefore, we still need the cancelled check that states who the payment was to, the amount, the date, and the purpose of the payment.

Q. What if I pay by cash, rather than by check?

A. Don't. Unless it is under $100 and you get the money from a petty cash fund. Otherwise, all disbursements by the Committee MUST be paid by a check drawn on our authorized bank account.

Q. But, can we make small payments out of petty cash?

A. Sure. As long as it is under $100. For those, we still need a written record disclosing who the money was paid to, the amount, the date, and the purpose of the payment.

Q. What about travel advances?

A. If it is under $500, it can be reported as a disbursement to the person receiving the advance (as long as that person is the one who is going to be using the money). But, if it is over $500, we have to report it as a disbursement to the ultimate vendor – the airline, the hotel, the restaurant, etc.

Q. When you say we have to report the "purpose" of the expenditure, what do you mean? Can I just say, for instance, that it was for "materials"?

A. No. You have to describe a little more specifically what you used the money for, but you don't have to be exhaustive. Just describe the goods or services you bought. A standard list of descriptions for disbursements is enclosed.

Q. What happens to all these records? How long do I have to keep them?

A. Eventually, all of our records – bank records, vouchers, receipts, bills, ledgers, and so forth – will be collected and made available to the FEC. We have to keep all this material for at least three years. That's one reason we have asked for copies of all support to be sent to headquarters.

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FEC GUIDELINES – INDEPENDENT EXPENDITURES

Q. I've heard that independent expenditures are a great way to evade the $1,000 contribution limit. That's right, isn't it?

A. Well, that's not the way I would put it. There are essentially two ways a person can support a candidate's election. The person can give money, or anything else of value, to the candidate for the candidate to use as the candidate sees fit. That's called a contribution and is limited to $1,000. Or, the person can go out and spend money on his own, independently urging voters to support his candidate. That's called an <u>independent expenditure</u>, and there is no limit on how much money a person can spend that way.

Q. Then, I can just tell someone what the Perot Petition Committee wants to do and then have them go do it without being restricted to a $1,000 limit?

A. No. Remember: We are talking about independent expenditures. That means the money spent by the individual must be totally independent of the Perot Petition Committee. There can be no consultation between anyone who works for the Perot Petition Committee and the spender. There can be no cooperation. There can be no guidance. There can even be no encouragement. NONE.

Q. What if there is?

A. If there is any coordination – direct or indirect -- between the Perot Petition Committee and the so-called "independent" spender, the expenditure is automatically converted into a contribution to the Committee. If the expenditure was over $1,000, the spender has broken the law because he has made a contribution in excess of the limits. And, if we accept such a contribution, the Committee will break the law. We must avoid that!

Q. What do you mean by "any coordination – direct or indirect?"

A. The Federal Election Commission has said that an independent expenditure cannot be made "with the cooperation or prior consent of" the candidate, "in consultation with" the candidate or "at the request or suggestion of" the candidate or any agent of the candidate. That's very broad and essentially means we can have nothing to do with any independent expenditures made on behalf of the Perot Petition Committee.

Q. What if someone wants to make an independent expenditure for us, and I just tell him how we plan to spend our money, but don't say anything about how he should spend his money. He then spends it the way he wants. That's an independent expenditure, right?

A. Wrong. The Commission presumes there is coordination if the expenditure is "based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate (or his agent) with a view toward having an expenditure made." So you can't do what you suggested.

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Q. **Well, what if I tell my eager spender who our media consultants are and he "independently" spends his money through the same consultants. That's an independent expenditure, right?**

A. Wrong again. The Commission has further said that it will presume there is coordination if the expenditure has been "made by or through" any person who is or has been:

1. An officer of the candidate's Committee
2. Authorized to raise or spend funds by the Committee
3. Receiving any compensation or reimbursement from the Committee

So, you can't tell your spender to use the Committee's media consultant.

Q. **I've got another idea. What if my independent spender wants just to reproduce and distribute material prepared by the Perot Petition Committee?**

A. Sorry. That, too, is going to be considered a contribution by the spender to the Committee. It's subject to the $1,000 limit.

Q. **Well, what do I tell my eager spender?**

A. Frankly, not much. If someone wants to discuss with you the idea of making independent expenditures, the best rule is: don't. The more you talk to them, the greater risk both we and they run of inadvertently coordinating and, thus, violating the law. About all that you can safely do is offer to give your spender a copy of the FEC guidelines on independent expenditures.

Q. **You've been pretty discouraging about all this. Is it really this bleak?**

A. I hate to rain on your parade, but a lot of people have a mistaken impression about independent expenditures. They are not a big loophole that a campaign can exploit to get around the contribution limits. Rather, we have to be very careful to maintain our distance from, and our absolute independence of, anyone who is or who is planning to make such expenditures for the Perot Petition Committee.

Q. **What if I have a question about independent expenditures?**

A. Call us. If we don't know, we will refer your question to the Committee's lawyers.

AFFIDAVIT OF CLAUDE L. MATTHEWS

District of Columbia)
) ss.
City of Washington)

1. My name is Claude L. Matthews. My office address is 1212 New York Avenue, N.W., 4th Floor, Washington, D.C. 20005. From approximately May 1, 1992, until approximately August 4, 1992, I served as Treasurer of the District of Columbia office of the Perot Petition Committee.

2. Shortly after I began as a volunteer with the PPC, I received memoranda from the Perot Petition Committee in Dallas and its Treasurer, Mike Poss, dated April 7, 1992, and April 28, 1992. These memoranda explained in detail the rules and regulations governing contributions and expenditures for federal elections. I reviewed these materials so that I could respond to questions on this subject and prepared a one-page summary of their most essential requirements in early May, 1992. This summary, entitled "Federal Election Commission Regulations," is Attachment 1.

3. Attachment 1 was posted in the District of Columbia office of the Perot Petition Committee at all times and copies were made available to all volunteers who served at the District of Columbia office of the Perot Petition Committee. In addition, the memorandum and its contents were brought to the attention of volunteers at orientation meetings of volunteers. Copies of this memorandum were also available at the office of the Committee at

737 15th Street, N.W, Washington, D.C. The memorandum was not sent to or reviewed by the PPC or its Treasurer.

4. At no time during my tenure as Treasurer of the District of Columbia People for Perot Committee did I witness the use of cash being disbursed directly from the cash drawer to cover expenses for paying vendors or other payees. Further, at no time during my tenure were any complaints brought to my attention that cash contributions were being utilized to pay expenses, or that FEC regulations were being violated in any way.

5. All of the foregoing is true and accurate to the best of my information and belief.

Claude L. Matthews

Subscribed and sworn to before me this 8th day of September, 1992.

Notary Public
My commission expires: 7/31/95

Attachment 1

MEMORANDUM

To: Perot/DC Volunteers

From: Claude Matthews, Treasurer

Subject: Federal Election Commission Regulations

Contributions (checks/cash, In-Kind, contributions, loans)

No individual may contribute more than $1000.

Although you should attempt to determine name and address on all contributions received, if the contribution is $50 or more, a record of the contributor's name and address, and the date and amount of the contribution must be kept.

If the contribution is $200 or more, the employer and occupation of the contributor, must also be determined.

In-kind contributions are goods or services provided to the Committee free of charge or where payments are made for Committee activities directly by an individual. Examples of In-kind contributions consist of billboards, furniture, equipment, or any goods given to the Committee free of charge. Voluntary services are not generally considered contributions. If any item is sold to the Committee for an unusually low price, the difference between the normal price and the amount the Committee paid is considered to be an In-Kind contribution.

Disbursements/Expenditures

Record all disbursements. Include name and address of the person or company to whom the disbursement was made, the amount, date, and the purpose of disbursement.

A petty cash fund may be maintained out of which disbursements may not be in excess of $100 to any person or company in connection with a single purchase or transaction. A record of petty cash disbursements(to whom the cash was disbursed, the amount, and the purpose) must be kept in accordance with FEC requirements.

MUR # 3568

ADDITIONAL DOCUMENTS WILL BE ADDED TO THIS FILE AS THEY BECOME AVAILABLE. PLEASE CHECK FOR ADDITIONAL MICROFILM LOCATIONS.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3568

DATE FILMED 10/28/93 CAMERA NO. 2

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

✓ Microfilm

____ Public Rcds

____ Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3568.

12/10/93

93043543008

THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS

FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. <u>See</u> Reel 354, pages 1590-94.

2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. <u>See</u> Reel 354, pages 1595-1620.

3. Certification of Commission vote, dated April 28, 1993. <u>See</u> Reel 354, pages 1621-22.

4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. <u>See</u> Reel 354, pages 1623-1740.

5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William E. Harper
2022 Columbia Road, NW #703
Washington, DC 20009

RE: MUR 3568

Dear Mr. Harper:

On July 29, 1992, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against People for Perot D.C. Committee and Mike Poss, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Jose M. Rodriguez
Attorney

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1993

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MUR 3568
People for Perot D.C. Committee

This matter was initiated by a complaint alleging that the Committee violated the Act by failing to deposit and report funds generated through the sale of campaign merchandise. In response, the Committee contended that it was not aware of any of the alleged activity and that even if the activity in fact took place, the resulting violations would have been de minimis.

The case had little or no impact on the process and did not involve any significant issues relative to the other issues pending before the Commission or substantial amounts. Moreover, there was no indication of any serious intent by Respondents to violate the Act.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Dean Brenner, Esq.
Verner, Liipfert, et al.
Suite 700
901-15th St., N.W.
Washington, DC 20005-2301

RE: MUR 3568
People for Perot
D.C. Committee and
Mike Poss, as treasurer

Dear Mr. Brenner:

On August 4, 1992, the Federal Election Commission notified your clients People for Perot D.C. Committee and Mike Poss, as treasurer, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. <u>See</u> attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

MUR 3568
Dean Brenner, Esq.
Page 2

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jose M. Rodriguez
Attorney

Attachment
Narrative

Date the Commission voted to close the file: DEC 0 9 1993

MUR 3568
People for Perot D.C. Committee

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