

Federal Election Commission
Nisha Saspal
Campaign Finance Analyst
Reports Analysis Division
Washintgon, DC 20463

Identification Number: C00034033

Reference: Your letter July 18, 2007; Year End Report (11/28/06-12-31/06)

1. Concerning net pay, payroll taxes, fringe benefits: At the time in question, all of our employees spend less than 25% of their time on FEA or activities in connection with a Federal election and did therefore not fall under 11 CFR ph. 300.33(c)(2).
2. The transfer of \$ 1834.13 into our non-federal account was for repayment of shared expenses which we overestimated and consequently received from our non-federal account. The money was not used to finance activities in connection with federal elections, nor was it used to influence the election or defeat of specific federal candidate.
3. The payments made to Ray Lyerly were for CONTRACT LABOR, not salary. Mr. Lyerly was not an employee of the state party

Please call me if this Form 99 failed to answer your question sufficiently.

Sincerely,

Doug Robertson, Treasurer