

To: Federal Election Commission:
From: Senate Majority Fund
C00368431

Reference: May Monthly Report (4/1/08-4/30/2008)
Response to July 30 FEC Letter

This ETEXT ATTACHMENT is in response to the above referenced letter.
The paragraphs below respond to the FEC letter which requested clarification.

1) In April of 2008 we made a \$2,000.00 contribution to Sauerberg for US Senate and designated the check for the Primary election. The Primary election had already taken place and a redesignation was not requested. After receiving the RFA we immediately asked for a refund of the contribution made. We have received and deposited the refund check from Sauerberg for U.S. Senate. The refund check will be reported in our September 20 Monthly Report as it was received on August 14, 2008. A hard copy of the refund received is being mailed. We make every effort to designate the correct election on contributions made. This particular check was an administrative error.

2) The letter asked if our committee was assessed the usual and normal charge for the goods and or services and we were asked to explain the steps the political committee took in determining the amounts charged. Payments made by the Senate Majority Fund to the Jon Kyl for US Senate committee are based on fair market value of the service provided. The services provided are rent of office space, rental of office equipment, and reimbursement for telephone and internet service. Rent of office space is based on square footage used exclusively by each committee and the frequency of use of common areas. Office equipment rental is based on fair market rental of equivalent items of the equivalent age on the general market; ie: a desk, a chair, filing cabinets, and proportional use of computer equipment, copier, and fax machine. Reimbursement for telephone and internet is based on percentage of use by each committee. Currently these items are running at fifty/fifty for each committee. Employees of the Senate Majority Fund are paid on an hourly basis by the Senate Majority Fund. The payments made to Jon Kyl for US Senate were the usual/normal charges for the goods and services.

3) An amended report has been filed on a different matter. Our bank mistakenly deposited a check from Orbital Sciences PAC made out to Jon Kyl for US Senate into the Senate Majority Fund checking account. We reported the Orbital Sciences check as a contribution to the Senate Majority Fund when in fact it should not have been. I have sent a hard copy in the mail of the check clearly designating it to Jon Kyl for US Senate. We have amended our MAY, JUNE, and JULY reports to show corrected Cash On Hand.

Thank you in advance for your consideration.
