ETEXT ATTACHMENT

07/07/2003 16 : 13

July 07, 2003

Scott Walker

Senior Campaign Finance Analyst

Reports Analysis Division

Federal Election Commission

999 E Street, N.W.

Washington, D.C. 20463

Identification Number: C00003418

RE: Year End Report (11/26/02-12/31/02)

Dear Mr. Walker;

This correspondence is in response to your "Request For Additional Information" ("RFAI"), resulting from the Republican National Committee's ("RNC") "Year End Report (11/26/02-12/31/02)".

To clarify expenditures listed for Broadcast Services and Fax Broadcast, these are RNC operating costs. None of these expenditures are Candidate specific. No media related expenditures listed on line 21 are intended for or directed by a specific candidate. They are either generic overhead costs or RNC fundraising costs. A version of this note is attached to all filings that include these costs.

With regard to two transfers, totaling $28,726.65, listed on Schedule H4 supporting Line 21a, these transfers were made to our non-federal Republican National State Election Committee account to offset debts and replenish the account balance. These funds were not used to influence the election or defeat of any specific federal candidate.

Schedule A supporting Line 1 of our Republican National State Election Committee non-federal account discloses $5547.36 of receipts after the contribution cutoff date. These receipts are not contributions. One of the receipts is a returned contribution. Three of the receipts are returns of credit account balances from vendors. The final receipt is the return of a security deposit from a vendor. No correction to these records or amendment is necessary.

With regard to the "usual and normal charge" for fees received from a federal candidate on Schedule A supporting Line 15, the RNC charges fair market value for services it provides. Prices are intended to recover the cost for providing the service. The services reported on this schedule for which the RNC received payment were not services of a nature which is unique to the RNC. Services of this type are common in the business community and as such, the RNC compares and sets the price charged to prices available from other commercial sources.

Schedule B supporting Line 21(b) of this report includes payments to another political committee. With regard to the "usual and normal charge", we are assured the fee is a commercially reasonable rate because we regularly obtain similar services from a variety of sources both political and commercial.

Regarding contributions to candidates on Line 23, the contributions were made in accordance with FEC policy. We had difficulty determining the proper annotation of these records given the shortcomings of the validation and print programs supplied by FEC at the time of the original filing. The incomplete information failed to properly identify the primary debt and general campaign debt that the funds were intended for. The current version of the FEC software shows the necessary details to correctly specify the purpose of the contribution. The records have been edited to show the purpose and the report has been amended.

I trust this response answers your inquiry. However, if you need further clarification please do not hesitate to contact me.