

ETEXT ATTACHMENT

10/06/2005 14 : 30

Mr. Bradley Decker

ID# C00406645

Reference: Mid-Year Report (1/1/05-6/30/05)

Dear Brad:

In reference to your letter dated September 9, 2005:

The Mid-Year Report does not disclose any payments for salary or wages on Schedule B, Line 30b because federal election activity by our employees that constituted more than 25% of their time ended when the presidential election was over in November. The last of our federal election activity regarding payroll was reported on the 30-Day Post General Report covering 10/14/04-11/22/04. All subsequent payroll has been paid with nonfederal funds because our employees have spent no time on federal election activity.

Regarding Schedule H1, the report has been amended to reflect the correct fixed percentage of 21%. The following correction was made:

1. Transfers for allocable expenses totaling \$12,630.81 were calculated at the incorrect 15% federal and 85% nonfederal rates. Calculated at the correct 21% federal and 79% nonfederal rates, the transfers should have totaled \$11,080.32. A reimbursement for the overpayment of \$1,550.49 was made from the federal account to the nonfederal account on 10-6-05, and this transaction will be reflected on the January 31 Year End Report.
2. The transfer made on 1-12-05 for \$598.59 for December 2004 allocable expenses was calculated at the correct percentage for 2004 which was 28%.

Regarding Schedule B reporting reimbursements to individuals, the payments to the original vendors did aggregate in excess of \$200 in the calendar year. The Mid-Year Report has been amended to reflect the memo entries.

Regarding Schedule H4 reporting reimbursements to individuals, the Mid-Year Report has been amended to reflect the memo entries.

Paula Mackey