ETEXT ATTACHMENT

03/31/2004 17 : 14

March 30, 2004

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

Attention: Erik W. Koeppen
Reports Analyst

Re: Letter of March 3, 2004 regarding the Mid Year (1/1/03-6/30/03) Form 3X Report of Receipts and Disbursements for KPAC (FEC I.D. Number C-30065551).

Dear Mr. Koeppen,

On behalf of KPAC (the "Committee"), I am responding to your letter of March 3, which the Committee received March 15, 2004.

You, on behalf of the Federal Election Commission (the "Commission"), raised a question whether the Committee fully disclosed all of its administrative expenses in the above-referenced reports. The Committee has fully and completely disclosed all of its administrative expenses. The Committee endeavors to minimize its administrative expenses so that funds raised can be used for its principle purpose. As such, the Committee out-sources most of its administrative, fundraising and accounting functions. When it has incurred expenses, those expenses have been fully disclosed.

As an example, the Committee has contracted Preferred Staffing, a Dallas based small business specializing in Accounting for Small Businesses, to perform its on-going accounting, reporting and communications functions. This contract includes the cost of ordinary office supplies, printing and fax services.

You will note that this monthly fee has been properly recorded during the six month period in question.

It is also important to note that such costs are considerably less by being based outside of the greater Washington, D.C. area. Finally the Committee utilizes volunteers extensively to further reduce costs.

I trust this response has addressed the issues raised in your letter concerning the above-referenced report. The Committee is committed to complying fully with all the requirements of the Federal Election Campaign Act of 1971, as amended, and the rules and regulations of the Commission.

If the Commission or its staff have any additional questions or comments concerning this response, please contact the undersigned at 214-221-3937.

Sincerely,

Jill Mellinger
Treasurer, KPAC