

In response to letter dated July 29, 2010:

The California Republican Party's(CRP) accounting department has confirmed with us that the transactions in question were allocable expenses they paid to us. Since its FEC audit the CRP has paid allocable expenses with two checks, one federal and one non federal, per FEC instruction. The bounty payments from the CRP were also deemed "consideration" for services rendered and not "contributions" by the FEC informally. The CRP bouny payments received by our committee were paid and received in this fashion. Therefore they have been reported and Miscellaneous Receipts on Schedule L and based on past correspondence between the FEC and the CRP, no corrective action is required.
