

The following is an explanation -- for the 2009-2010-election cycle -- of the administrative expenses of the U.S.-Cuba Democracy PAC.

The U.S.-Cuba Democracy PAC ("the PAC") is a small administrative operation. Most of the PAC's activities are conducted on a non-compensated, volunteer basis, as it involves individuals that are personally -- not professionally -- committed to its objectives. Strictly within the limitations provided by federal law, the PAC strives to keep its expenses to a minimum. Non-administrative expenses, such as PAC-only fundraising events, materials and activities, are promptly and accurately disclosed each reporting period.

The following further clarifies all information regarding the PAC's administrative expenses:

1. Rent: The PAC does not currently rent any physical office space. The PAC has a new U.S. Postal Service Box in Hialeah, FL, which it uses as its mailing address. The cost of this P.O. Box is paid for directly by the PAC. The PAC maintains an additional mailing address from the UPS Store at 2020 Pennsylvania Ave., N.W., Washington, D.C. A rate of \$180 is paid for this space -- by means of an individual in-kind contribution -- on a six-month basis.

2. Salaries: As previously mentioned, most of the activities of individuals involved with the PAC are conducted on a personal, non-compensated, volunteer basis. Non-volunteer activities, such as political consulting services, are directly compensated by the PAC and accurately disclosed each reporting period. Furthermore, the public accounting firm of Morrison, Brown, Argiz, and Farra, LLP, provides in-kind accounting services to ensure the PAC's compliance with the provisions of the Federal Election Campaign Act, and is promptly and accurately disclosed each reporting period.

3. Other Administrative Expenses: Other outsourced administrative expenses, including -- but not limited to -- graphic design (Creation Network), credit card processing (Americart and Bank of America), printing and supplies (Sir Speedy and 12th Avenue Graphics), and website and email maintenance (Burnette Solutions) have been specifically disclosed and settled each reporting period as operating expenses of the PAC. Additionally, all PAC-only mailings (U.S. Postal Service and Zip Mailer) and FedEx expenses are specifically reflected in each report, whether paid for in-kind or directly by the PAC.

Pursuant to federal law, all in-kind contributions to the PAC comply with the limitations and prohibitions of 2 U.S.C. Secs. 441(a) and 441(b).
