

ETEXT ATTACHMENT

02/11/2003 12 : 69

February 11, 2003

Brandy Phillips
Reports Analysis Division
Federal Election Commission
999 E St., NW
Washington, DC 20463

Identification Number: -- C00307405

Reference: PPP30 Day Post-General Report (10/17/02-11/25/02)

Dear Ms. Phillips:

␣This letter is in response to your request for additional information dated January 29, 2003 and received by the Keep Our Majority PAC on January 31, 2003.

␣You indicated in your letter that Schedule A supporting line 11(b) discloses a payment from a federal candidate committee for goods and/or services provided by our committee. This is inaccurate. Schedule A, Line 11(b) discloses an in-kind contribution from the Illinois Republican Party's Federal Account to our committee for rent. The provision of this good-/service was based on "the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution" and "at a commercially reasonable rate prevailing at the time the services were rendered." Our committee did not assess any charge to any federal candidate committee--this was an in-kind contribution received by our committee.

As we have indicated in previous responses, all transfers from the non-federal account for joint activity occur within the 70-day time period. Because reporting periods are generally less than 70 days, and the transfer period is within a 70-day time period, expenses itemized on Line 21 (a)(ii) and transfers from the non-federal account reported on Line 16 are usually different amounts.

␣Your letter inaccurately states that the \$25,660.54 in transfers from the non-federal account for joint activity was for THIS reporting period. As you further note in your letter, transfers for shared activity must occur within a 70-day time period: no more that 10 days before or 60 days after the payment to the vendor. Transfers from the non-federal account which are itemized on the 30 Day Post-General Report could include activity itemized on Line 21(a)(ii) of the Pre-General Report and the October Monthly Report.

This reporting period was only 40 days of activity. The transfers from the non-federal account are made for payments to vendors from PREVIOUS reporting periods, but still well within the 60 days after the actual payments to the vendors were made. It is inaccurate to state that transfers made from the non-federal account for joint activity always equal the actual non-federal share of disbursements disclosed in any single reporting period.

It is not necessary to transfer any amount back to the non-federal account. Furthermore, as of November 8, 2002, the non-federal account was no longer affiliated with the federal account (please reference the amended Statement of Organization).

Sincerely,

ETEXT ATTACHMENT

Lisa R. Lisker
Assistant Treasurer