

KPMG PAC
RECEIVED
FEDERAL ELECTION
COMMISSION MAIL ROOM

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2000 APR 27 P 1:27

April 25, 2000

Ms. Andrea Wilkens
Senior Reports Analyst
Federal Election Commission
Washington, DC 20463

Reference: Year End Report (9/2/99 – 12/31/99)

Dear Ms. Wilkens:

I received your letter of April 5, 2000 (copy enclosed).

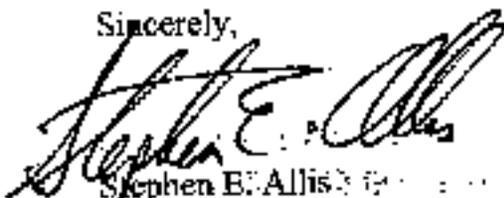
Your letter questions the limited payments for administrative expenses the PAC reported during the referenced period. While the administrative expenses for the 9/2/99 to 12/31/99 period were limited (\$2,016.85), the total for the calendar year was considerably larger (\$23,028.62). The PAC routinely advances funds to the partnership for future expenses including rent, utilities, salaries, telephone service, office equipment and supplies. In 1999 the advance was made during the 1/1/99 to 6/30/99 period and is reflected in that report.

I want to verify that all expenses referenced in the Year End Report have been adequately disclosed and have not been paid by a connected organization.

In reference to your second question relating to an incorrect identification number, it is my understanding that issue has been resolved through a conversation with John Stirrup of my office.

Please contact me or Mr. Stirrup if you have further questions on this issue.

Sincerely,



Stephen B. Allis
Secretary/Treasurer



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Stephen E. Allis, Treasurer
KPMG Partners/Principals &
Employees PAC
P.O. Box 18254
Washington, DC 20036

APR 5 2000

Identification Number: C00280222

Reference: Year End Report (9/2/99-12/31/99)

Dear Mr. Allis:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule B (if applicable), supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

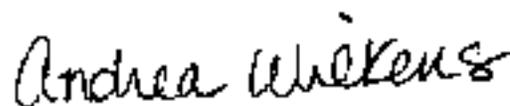
Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the

non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If these services have been provided by volunteers, please confirm this in writing.

-Be advised that you have used an incorrect committee identification number on the Summary Page of your report(s). Please file all future reports and correspondence using your correct identification number, C00280222, to avoid potential errors in entering your reports onto the public record.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Andrea Wilkens
Senior Reports Analyst
Reports Analysis Division

