

July 19, 2007

Mr. Quy Vuong
Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Vuong:

The Committee for the Preservation of Capitalism recently conducted a review of its financial activities for the past several years. During the review, several discrepancies were discovered which were brought to the attention of the PAC's FEC reports analyst. As a result, upon the advice of its reports analyst, the PAC amended several reports for the years 2004-2006 previously filed with the FEC. In addition to filing the reports that contained discrepancies the PAC amended its 2007 filings with a new beginning of year balance that reflects the changes made in the prior year s amendments.

After incorporating these adjustments into the PAC's balance, there remains a discrepancy between the PAC's balance as reported to the FEC and the balance in the PAC's bank account. This discrepancy is a result of activity from years ago and cannot be tied to any specific transactions. To reconcile the PAC's FEC balance with its bank balance, therefore, an accounting adjustment is included in this report.

Sincerely,

Jan Furlow
Treasurer
