

August 22, 2004

Ms. Jennifer Thangavelu
Federal Election Commission
Reports Analysis Division
999 E Street NW
Washington, DC 20463

Reference: Your Notice dated August 11, 2004
July Quarterly Report (4/1/03-6/30/03)
October Quarterly Report (7/1/03-9/30/03)
Year-End Report (10/1/03-12/31/03)
April Quarterly Report (1/1/04-3/31/04)
July Quarterly Report (4/1/04-6/30/04)
Identification Number C00150995

Dear Ms. Thangavelu,

This memorandum is submitted in response to your inquiry regarding The National PAC reports identified above. As your inquiry notes, The National PAC's administrative expenses are very limited. In the Spring of 2001, the PAC's leadership made a conscious decision to drastically reduce its overhead costs in order to maximize candidate support. Our administrative office on Capitol Hill was closed, and our full-time support staff was eliminated. Our recurring operating expenses are generally limited to the following categories:

Accounting Services
Direct Mail Production
Messenger Service
Office Supplies
Postage
Storage
Subscriptions
Telephone

While we literally operate on a shoestring, we find that we are able to achieve our support objectives and meet the expectations of our supporters. We do not anticipate a shift from this strategy in the foreseeable future.

I hope that this satisfactorily addresses the issues raised in your inquiry. Should you have any additional questions, please feel free to contact me weekdays at (202) 418-2230. Thank you.

Sincerely,

ETEXT ATTACHMENT

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WARREN E. O'HEARN, CPA
Treasurer
The National PAC