ETEXT ATTACHMENT

05/08/2003 17 : 06

May 7, 2003

Antoinette Kitchen
Senior Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E Street NW
Washington, DC 20463

Re: Human Rights Campaign Fund Political Action Committee (FEC ID#C00235853)

Dear Ms. Kitchen:

This responds to your letter of April 23, 2003, requesting additional information regarding disbursements totaling $5,4-75 from HRCF PAC to our connected organization.

These disbursements reflect in-kind contributions to candidates. Each of the 219 candidates that HRC endorsed in 2002—who accept PAC funds—were named in a list on HRC's website, at an estimated cost of $25 each. This amount was determined to reflect the fair-market value of the cost associated with posting the endorsements. We are aware that HRCPAC is required to advance payment to the corporation for the fair market value of the in-kind contributions and have established procedures to comply with this requirement. Our procedures require that the staff make an advance request for transfer of funds from the PAC to HRC in order to cover the costs of any in-kind. Once the funds are transferred, generally by wire, the in-kind contributions are made. We have amended the report to show the transfer.

Your letter raises the issue of whether these transactions involved fundraising. These transactions, and the web posting of HRC's endorsements, were in no way related to fundraising activities of the organization, or its connected PAC.

Please let me know if you have further questions.

Sincerely,

Elizabeth Birch
Treasurer