

H | K | G

Hinton, Kreditor & Gronroos, LLP
Certified Public Accountants

David R. Hinton, CPA
Frederick P. Kreditor, CPA
Eric A. Gronroos, CPA, MBT
Fred T. Arjani, CPA
Jon Stein, CPA
David W. Riley, CPA, JD

February 4, 2005

Ms Lynn Fraser
Federal Election Commission
999 E. Street N.W.
Washington, DC 20463

Re: ADR 187

Dear Ms. Fraser:

Per your letter dated January 26, 2005 I would like to respond with the steps that the California Republican Party has taken in regards to item 8 of the negotiated settlement. In addition to these steps the California Republican Party is also updating its financial procedures manual.

1. At least three members of the CRP team will be attending the upcoming March 2005 FEC seminar in Washington DC.
2. We continually work with our Rad Analyst to ensure that accurate reports are generated. In the last ten days I have had two conversations with our analyst dealing with various issues.
3. The \$15,000 civil penalty payment is enclosed with this letter.

Sincerely,



Fred Arjani
Certified Public Accountant

cc: Doug Boyd
Mike Vallante