

November 25, 2003

Associate Director Steve McMillin  
Associate Director for General Government Programs  
Office of Management and Budget  
Old Executive Office Building  
Washington, D.C. 20503

Dear Mr. McMillin:

The Federal Election Commission (FEC) has authorized me to accept the OMB Passback funding level of \$52,159,000 for 391 FTE in FY 2005. The original FEC Budget Request of \$52,742,000 and 391 FTE assumed a government-wide COLA pay adjustment for federal employees of 4% in January 2005. We accept the OMB recommended level with the understanding that the Administration will propose a 1.7% COLA for FY 2005. As a result we have adjusted our FY 2005 request to reflect this assumption for the 2005 COLA.

Pursuant to provisions of the Federal Election Campaign Act (FECA), the Commission's budget requests are submitted concurrently to the OMB and Congress. However, the FEC recognizes the value of reaching agreement with OMB and supporting the President's budget in the federal budget and appropriation process. We are therefore pleased that OMB has recognized the need for a true current services level of funding for the Commission.

This final FEC FY 2005 funding level represents a continuation of the FY 2004 funding levels, as adjusted for inflation and salary and benefit increases, and contains neither new initiatives nor any programmatic increases. It is a current services level request that provides sufficient resources to support FEC programs and implementation of the Bipartisan Campaign Reform Act (BCRA), which represented the first major amendments to the FECA since 1980.

The Commission appreciates that OMB has recognized the importance of a FY 2005 funding level that permits the FEC to achieve its mission and implement the BCRA for the 2004 and 2006 elections.

Sincerely,

/signed/

James A. Pehrkon  
Staff Director