

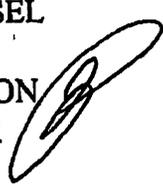


FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

MEMORANDUM

August 8, 2000

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JAMES A. PEHRKON
STAFF DIRECTOR 

FROM:  JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: REFERRAL OF DISTRICT 1199C NATIONAL UNION OF
HOSPITAL & HEALTH CARE EMPLOYEES POLITICAL
ACTION FUND

This is a referral of the District 1199C National Union of Hospital & Health Care Employees Political Action Fund ("the Committee") for receiving a transfer-in of \$66,666 from the non-federal account of the American Federation Of State County & Municipal Employees- P.E.O.P.L.E. ("AFSCME") during the calendar year 1999. The Committee has failed to refund or transfer-out the amount within sixty (60) days of the date of the Request For Additional Information ("RFAI"). According to the 1999-2000 RAD Review and Referral Procedures for Unauthorized Committees (Standard 5), this matter requires further examination by your office.

If you have any questions regarding this matter, please contact Andrew Dodson at 694-1134.

Attachment

2000 AUG 15 11:45 AM

REPORTS ANALYSIS REFERRAL
TO
OFFICE OF GENERAL COUNSEL

DATE: August 8, 2000

ANALYST: Andrew Dodson

- I. COMMITTEE:** District 1199C National Union Of Hospital & Health
Care Employees Political Action Fund
(C00034066)
Marguerite Morrison, Treasurer
1319 Locust Street
Philadelphia, PA 19107
- II. RELEVANT STATUTE:** 11 CFR § 102.5(a)(1)(i)
- III. BACKGROUND:**

Transfer-in from the Non-Federal Account of the American Federation Of State
County & Municipal Employees - P.E.O.P.L.E.

The District 1199C National Union of Hospital & Health Care Employees
Political Action Fund ("the Committee") received a \$66,666 transfer-in from the
non-federal account of the American Federation of State County & Municipal
Employees - P.E.O.P.L.E. ("AFSCME") on May 5, 1999, as disclosed on Schedule
A of the 1999 Mid-Year Report (Attachment 2).

On January 19, 2000, a Request for Additional Information ("RFAI") was
sent to the Committee which advised that reports filed by AFSCME failed to
disclose the transfer to the Committee and requested that the Committee provide
clarifying information regarding the source of the transfer (Attachment 3).

21-19-025-0416

On January 28, 2000, Marguerite Morrison, the Committee's Treasurer, called the Reports Analysis Division ("RAD") analyst concerning the RFAI referencing the 1999 Mid-Year Report. Ms. Morrison stated that she contacted AFSCME concerning the source of the \$66,666 transfer that the Committee received on May 5, 1999 and she had been informed that the funds had come from AFSCME's non-federal account. The RAD analyst informed Ms. Morrison that she should either transfer the funds to an account not used for federal activity or refund the full amount to AFSCME. Ms. Morrison stated that the Committee did not have sufficient funds for either option, so the RAD analyst stated that the Committee should declare a debt to its non-federal account for the total amount of the transfer and repay the debt as soon as possible (Attachment 4).

On February 1, 2000, the Commission received the Committee's Amended 1999 Mid Year Report. In a cover letter, signed by Ms. Morrison, the Committee indicated that the transfer from AFSCME was intended to be a non-federal contribution, but was deposited into the federal account since a separate account for non-federal contributions did not exist. The Committee also indicated that a non-federal account would be set up and the \$66,666 transferred-out over time (Attachment 5).

On February 10, 2000, a Second Notice was sent to the Committee. The Second Notice advised the Committee that the \$66,666 should be transferred to its non-federal account as soon as the funds became available (Attachment 6).

On February 15, 2000, the RAD analyst called Ms. Morrison and advised her that the Committee should amend its 1999 Year End Report to disclose the \$66,666 transfer from AFSCME as a debt owed to the Committee's non-federal account (Attachment 7).

On February 28, 2000, the Committee amended its 1999 Year End Report to disclose the \$66,666 transfer from AFSCME as a debt owed to its non-federal account (Attachment 8).

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	IMAGE LOCATION
						TYPE OF FILER
DISTRICT 1199C NAT'L UNION OF HOSPITAL & HEALTH CARE EMPLOYEES POLITICAL ACTION FUND				ID #C00034066	NON-PARTY QUALIFIED	
CONNECTED ORGANIZATION: RETAIL WHOLESALE DEP'T STORE UNION						
1999	MID-YEAR REPORT	74,942	78,086	1JAN99 -30JUN99	7	99FEC/476/1541
	MID-YEAR REPORT - AMENDMENT			1JAN99 -30JUN99	6	20FEC/514/2291
	MID-YEAR REPORT - AMENDMENT	74,942	78,086	1JAN99 -30JUN99	3	20FEC/531/3342
	REQUEST FOR ADDITIONAL INFORMATION			1JAN99 -30JUN99	3	20FEC/503/3588
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JAN99 -30JUN99	3	20FEC/527/0456
	YEAR-END	9,043	8,954	1JUL99 -31DEC99	6	20FEC/504/3716
	YEAR-END - AMENDMENT	9,043	8,954	1JUL99 -31DEC99	6	20FEC/514/2297
	YEAR-END - AMENDMENT	9,043	8,954	1JUL99 -31DEC99	5	20FEC/531/3337
	YEAR-END - AMENDMENT	9,043	8,954	1JUL99 -31DEC99	4	20FEC/571/4587
	YEAR-END - AMENDMENT	9,043	8,954	1JUL99 -31DEC99	5	20FEC/572/2609
	REQUEST FOR ADDITIONAL INFORMATION			1JUL99 -31DEC99	4	20FEC/557/3814
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1JUL99 -31DEC99	5	20FEC/563/3852
2000	APRIL QUARTERLY	0	0	1JAN00 -31MAR00	5	20FEC/554/2884
	JULY QUARTERLY	0	0	1APR00 -30JUN00	4	20FEC/571/4583
	JULY QUARTERLY - AMENDMENT	0	0	1APR00 -30JUN00	5	20FEC/592/1733
	REQUEST FOR ADDITIONAL INFORMATION			1APR00 -30JUN00	2	20FEC/590/4885
TOTAL		83,985	0 87,040	0	73	TOTAL PAGES

All Reports reviewed except Amended July Quarterly.

Cash on hand as of 6/30/00: \$1796.63
 Debt owed to the Committee: \$0.00
 Debt owed by the Committee: \$66,666.00



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Marguerite Morrison, Treasurer
District 1199C Nat'l Union of Hospital
& Health Care Employees Political
Action Fund
1319 Locust Street
Philadelphia, PA 19107

JAN 19 2000

Identification Number: C00034066

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Ms. Morrison:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-A review of the reports filed by your committee (pertinent portion(s) attached) indicates that your committee received a transfer(s) from the American Federation of State County & Municipal Employees - PEOPLE which has not been disclosed on their report(s) of receipts and disbursements. Please provide clarifying information regarding the source of the transfer(s) received by your committee.

-Please provide the total(s) for Line 29, Columns A and B of the Detailed Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,

Andrew J. Dodson
Senior Reports Analyst
Reports Analysis Division

SCHEDULE A

ITEMIZED RECEIPTS

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

DISTRICT 1990 POLITICAL ACTION FUND

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
AFSCME PEOPLE 1625 "L" ST. NW WASHINGTON, DC 20036		5/5/99	66666.00
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 66666.00	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	

SUBTOTAL of Receipts This Page (optional)

TOTAL This Period (last page this line number only)

66666.00

21 19 025 0420

TELECON

ANALYST: Andrew Dodson

CONVERSATION WITH: Marguerite Morrison, Treasurer

COMMITTEE: District 1199C National Union of Hospital & Health Care
Employees Political Action Fund - C00034066

DATE: January 28, 2000

SUBJECT: Response to a RFAI referencing the 1999 Mid Year Report

I received a call today from Marguerite Morrison, treasurer of the District 1199C National Union of Hospital & Health Care Employees Political Action Fund, and we discussed the \$66,666 transfer that the committee received from AFSCME PEOPLE. Ms Morrison stated that correspondence she had received from AFSCME indicated that the funds were intended for her Committees non-federal account. I informed Ms Morrison that she should either transfer the funds to an account not used for federal activity or refund the transfer to AFSCME. Ms Morrison stated that the funds had been expended and that she would declare a debt to her non-federal account for the amount of the impermissible receipt and transfer the funds to her non-federal account as soon as possible. Ms Morrison also stated that she would file copies of AFSCME's correspondence with the Commission and declare a debt to her non-federal account on her next report.

21.19.025.0421

DISTRICT
1199C

Political Action Fund

1319 Locust Street, Philadelphia, Pa. 19107 (215) 735-1300

RECEIVED
FEDERAL ELECTION
COMMISSION MAIL ROOM

Attachment # 5
Page 1 of 5

HENRY NICHOLS, Chairperson
MARGUERITE MORRISON, Treasurer

January 28, 2000

Andrew J. Dodson
Senior Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street NW
Washington, Dc 20463

RE: Mid-Year Report (1/1/99-6/30/99)

Dear Mr. Dodson:

Per our conversation of this date, I am sending you the information that I received from AFSCME regarding the \$66,666.00 transfer that we received from them. As they have indicated this transfer was a non-federal contribution that we reported on our federal PAC since we do not have a separate account for non-federal contributions.

Per your instructions, I will be setting up a separate non-federal PAC account. The \$66,666.00 that was deposited in the federal account will be carried as a loan to that account and will be paid off over time. Thank you for your assistance in this matter.

I have already completed and submitted the end-of-year report. Based on our conversation today, I am not quite sure how, or if, I should amend it at this time. I would appreciate any further information you can give me in this regard. Again, thank you for your assistance.

Sincerely,


Marguerite Morrison,
Treasurer

cc: Doreen M. Schickton, Political Research Coordinator, Political Action Department

21-19-025-0422

PEOPLE - THE LEGISLATIVE/POLITICAL ACTION ARM OF
THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES



AFSCME
in the public service



January 27, 2000

Ms. Marguerite Morrison, Treasurer
District 1199C National Union of Hospital
And Health Care Employees Political Action Fund
1319 Locust Street
Philadelphia, PA 19107

Dear Ms. Morrison:

I am writing to you regarding the attached letter from the Federal Election Commission in connection with AFSCME's non-federal contribution of \$66,666.00 to District Council 1199C PAC. This contribution was from AFSCME's non-federal PEOPLE account and as stated in the attached letter, was intended for the non-federal account of District 1199C PAC. Since this was a non-federal contribution, AFSCME did not report, nor was required to report, this contribution to the Federal Election Commission (FEC). Also, District Council 1199C PAC was not required to report this non-federal contribution to the FEC.

Please call me at (202) 429-1179 if you need any additional information.

Sincerely,

Doreen M. Schickton
Political Research Coordinator
Political Action Department

/ds

Enclosure

Cc: Henry Nicholas

PEOPLE—THE LEGISLATIVE/POLITICAL ACTION ARM OF
THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES



AFSCME
In the public service



Gerald W. McEntee, President/William Lucy, Secretary-Treasurer

May 4, 1999

Mr. Henry Nicholas
District Council 1199C PAC
1319 Locust Street
Philadelphia, PA 19107

Dear Brother Nicholas:

On behalf of the American Federation of State, County and Municipal Employees, we are pleased to enclose a \$66,666.00 contribution to the non-federal account of District Council 1199C PAC from PEOPLE, AFSCME's multicandidate political action committee.

We extend AFSCME's best wishes to you.

In Solidarity,


William Lucy
International Secretary-Treasurer


Gerald W. McEntee
International President

GWMcE/WL.vt

Enclosure

cc: Shirley Aldebol, Regional Director
Lemon Hood, Area Field Services Director

1625 L STREET N.W., WASHINGTON, D.C. 20036 (202) 429-1021

In accordance with Federal Law, the PEOPLE Committee will accept contributions only from members of AFSCME and their families. Contributions or gifts to AFSCME PEOPLE are not deductible as charitable contributions for federal income tax purposes.

240-525-0424



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

February 10, 2000

Marguerite Morrison, Treasurer
District 1199C Nat'l Union of Hospital
& Health Care Employees Political
Action Fund
1319 Locust Street
Philadelphia, PA 19107

Identification Number: C00034066

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Ms. Morrison:

On January 19, 2000, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your January 28, 2000 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Please provide the total(s) for Line 29, Columns A and B of the Detailed Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

-The Commission acknowledges that you have clarified the source of the transfer from the American Federation of State County & Municipal Employees - PEOPLE. Please be advised that in conjunction with 11 CFR 102.5(a)(1), the \$66,666 should be transferred to the Non-Federal account as soon as the funds are available.

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

20035270456



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Marguerite Morrison, Treasurer
District 1199C Nat'l Union of Hospital
& Health Care Employees Political
Action Fund
1319 Locust Street
Philadelphia, PA 19107

JAN 19 2000

Identification Number: C00034066

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Ms. Morrison:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-A review of the reports filed by your committee (pertinent portion(s) attached) indicates that your committee received a transfer(s) from the American Federation of State County & Municipal Employees - PEOPLE which has not been disclosed on their report(s) of receipts and disbursements. Please provide clarifying information regarding the source of the transfer(s) received by your committee.

-Please provide the total(s) for Line 29, Columns A and B of the Detailed Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,

Andrew J. Dodson
Senior Reports Analyst
Reports Analysis Division

21 19 00 0426

SCHEDULE A

ITEMIZED RECEIPTS

Attachment
Page 2 of 2

Use separate schedule(s)
for each category of the
Detailed Summary Page

PAGE 3 OF 15
FOR LINE NUMBER 112

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)
DISTRICT 11990 POLITICAL ACTION FUND

A. Full Name, Mailing Address and ZIP Code AFSCME PEOPLE 1625 "L" ST. NW WASHINGTON, DC 20036 Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$ 66666.00	Date (month, day, year) 5/5/99	Amount of Each Receipt this Period 66666.00
B. Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
C. Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
D. Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
E. Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
F. Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period
G. Full Name, Mailing Address and ZIP Code Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Name of Employer Occupation Aggregate Year-to-Date > \$	Date (month, day, year)	Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional) 6

TOTAL This Period (last page this line number only) 66666.00

SCHEDULE A

ITEMIZED RECEIPTS

Attachment # 5

Page 3 of 5

Also separate schedule(s) each category of the attached Summary Page
PAGE 3 OF 15
FOR LINE NUMBER 112

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK

Any information copied from such Reports and Statements may not be sold or used by any person for purposes of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full) DISTRICT 1199A POLITICAL ACTION FUND
2000 FEB -1 P 2:22
A10

A. Full Name, Mailing Address and ZIP Code AFSCME PEOPLE 1625 "L" ST. NW WASHINGTON, DC 20036	Name of Employer	Date (month, day, year) 5/5/99	Amount of Each Receipt this Period 66666.00
	Occupation		
	Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 66666.00

B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$

C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$

D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$

E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$

F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$

G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$

SUBTOTAL of Receipts This Page (optional)	6
TOTAL This Period (last page this line number only)	66666.00

2000 FEB 19 025 0423