FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1756

Date Filmed 1/13/85 Camera No. --- 2

Cameraman AS

8604056399996

SUMMARY FILE CHECK-OFF

MUR # 1756

8-23-85 Date of Close-out Letters (Mailing Date)

CONTENT CHECK-OFF

✓ Close-Out Letter(s)

✓ Final OGC Report or Memorandum or Conciliation Agreement(s)

NA Respondent(s) Reply to Brief(s)

NA General Counsel's Brief(s)

✓ Respondent's Reply to RTB Finding

✓ First General Counsel's Report

✓ Respondent's Reply to the Complaint

✓ Original Complaint(s) (If Any)

✓ Other Report or Correspondence*

✓ All Certifications**

Maura White Calloway Preparer of the Summary File

Date _____ File Reviewed by _____

* To be included if, in the opinion of the staff member, it is important.

** Certifications of Commission actions should be placed in the Summary File prior to the documents which formed the basis of the action and in reverse chronological order.

(Revised 7/5/83)

8604056396

FEDERAL ELECTION COMMISSION

Routing Slips; 12 day report; Comment Sheets; Memo to CAS from Commissioner Elliott; Assignment form

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

___	(1) Classified Information	___	(6) Personal privacy
✓	(2) Internal rules and practices	___	(7) Investigatory files
___	(3) Exempted by other statute	___	(8) Banking Information
___	(4) Trade secrets and commercial or financial information	___	(9) Well Information (geographic or geophysical)
✓	(5) Internal Documents		

Signed Maure White Callaway

date 1/9/86

FEC 9-21-77

8 6 0 4 0 5 6 3 9 9 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 23, 1985

Lyn B. Schoenfeld, Esq.
110 West Front Street
Media, PA 19063

RE: MUR 1756
Charles Oakley
Chester Upland Education
Assn.

Dear Ms. Schoenfeld:

On October 23, 1984, the Commission found reason to believe that your clients had violated 2 U.S.C. § 441b(b)(3)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission determined on August 14, 1985, to close its file in this matter.

If you have any questions, please direct them to Lois Lerner, the attorney assigned to this matter, at (202) 523-4143.

Sincerely,

Joan D. Aikens

Joan D. Aikens

8604056399

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 23, 1985

Robert Smith
402 Ninth Street
Upland, PA 19015

Re: MUR 1756

Dear Mr. Smith:

The Federal Election Commission reviewed the allegations of your complaint dated July 31, 1984 and on October 23, 1984, determined that there was reason to believe that Charles Oakley and the Chester Upland Education Association violated 2 U.S.C. § 441b(b)(3)(A). After further investigation, the Commission determined to close the file in this matter on August 14, 1985. Accordingly, the file has been closed and will become part of the public record in 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure
General Counsel's Report

8604056400

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Chester Upland Education) MUR 1756
Association)
Charles Oakley, President)

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission meeting on August 14, 1985, do hereby certify that the Commission in a vote of 6-0 passed a motion to close the file on the above-captioned matter.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald, and McGarry voted affirmatively for this decision.

Attest:

8-15-85
Date

Mary W. Dove
Mary W. Dove
Recording Secretary

8604056400

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: AUGUST 2, 1985

SUBJECT: OBJECTIONS - MUR 1756 General Counsel's Report signed July 29, 1985

The above-named document was circulated to the Commission on Wednesday, July 31, 1985 at 4:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	
Commissioner Elliott	X
Commissioner Harris	X
Commissioner McDonald	X
Commissioner McGarry	
Commissioner Reiche	

This matter will be placed on the Executive Session agenda for Tuesday, August 13, 1985.

8604056400 02

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: July 30, 1985

SUBJECT: MUR 1756 - General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of

Open Session

Closed Session

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[x]	Compliance	[x]
Sensitive	[x]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

8604056400 3

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Chester Upland Education)
Association) MUR 1756
Charles Oakley, President)

GENERAL COUNSEL'S REPORT

BACKGROUND

On July 31, 1984, Robert Smith ("the complainant") submitted a complaint alleging that the Chester Upland Education Association ("CUEA") and Charles Oakley, its President ("Respondents") violated the Act when dues were deducted from his payroll check in favor of the Political Action Committee for Education ("PACE") against his wishes. It appears that the complainant is a member of a county education association as a result of being a teacher in the county school district. The Pennsylvania State Education Association ("PSEA") also has a political action committee by the name of PACE. The PSEA PACE is registered with the Commission. The complainant argues that it was the education association which directed his employer, the county school district, to deduct $6 from his payroll check in favor of PACE. The complainant argues that the deduction was not authorized and was made over this objections.

On October 23, 1984, and after receiving a response from counsel for the CUEA, the Commission found reason to believe the CUEA violated 2 U.S.C. § 441b(b)(3)(A). Moreover, the Commission authorized the mailing of interrogatories in an effort to clarify

additional questions of concern generated by the respondents' reply. On December 11, 1984, answers to the interrogatories were received at the Commission.

In response to the interrogatories, the respondents argue that the CUEA is "a local affiliate of the Pennsylvania State Education Association" which organizes the collection of contributions to the PSEA PACE. The respondents assert that PSEA members are given the option of contributing to one, both or neither of the PSEA PACE for state elections (SPAC) or PSEA PACE for Federal Elections (FPAC). The CUEA member exercises this option at the beginning of the school year. At the end of the school year, the PSEA bills the CUEA for the contributions for SPAC and FPAC as indicated in their enrollment forms. Although the respondents argue that only the monies authorized in support of SPAC and FPAC are forwarded to the PSEA, they also concede that monies are also deducted during the year from the payroll of those who opted not to contribute, although those monies are not forwarded to the PSEA. In fact, although the PSEA enrollment form includes a disclaimer which states that, "members are free not to contribute..." the statement seems to be voided by the fact that dues are deducted from each member's payroll even though the member may have decided not to contribute.

The respondents indicate that this procedure is used for "ease of bookkeeping." Those individuals opting not to contribute are said to receive reimbursement for the $6 deducted at the end of the year from the CUEA. Although the respondents

8604056400 5

argue that no funds were ever expended for Federal candidates by the CUEA, they state that some of the funds which are authorized for deduction are sent to the PSEA's Federal PACE. On March 26, 1985, the Commission found no reason to believe the Pennsylvania State Education Association PACE (FPAC) and Wayne Koch, as treasurer, violated 2 U.S.C. § 441b(b)(3)(A).

FACTUAL AND LEGAL ANALYSIS

Inasmuch as the Commission does not view the deduction of dues as an involuntary deduction because the deducted money is never transmitted to the PSEA (FPAC), we are left to determine whether the voluntarily deducted funds were transferred in a timely fashion.

2 U.S.C. § 432(b)(2)(A) states that:

> Every person who receives a contribution for a political committee which is not an authorized committee shall -
> if the amount of the contribution is $50 or less, forward to the treasurer such contribution no later than 30 days after receiving the contribution;

It appears that there is a monthly deduction of dues which is paid to the CUEA. Since the transmission of the contribution does not occur until June, the end of the school year, the CUEA may have violated the Act by not forwarding the dues collected pursuant to § 432(b)(2)(A).

RECOMMENDATIONS

The Office of General Counsel recommends that the Commission:

8604005640006

1. find reason to believe the Chester Upland Education Association and Charles Oakley, President, violated 2 U.S.C. § 432(b)(2)(A).

2. approve the attached Letter and Factual and Legal Analysis.

Charles N. Steele
General Counsel

Date July 24, 1985

By: Kenneth A. Gross
Associate General Counsel

ATTACHMENTS

I. Letter
II. Factual and Legal Analysis

8604056400 07

ATTACHMENT 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Lyn B. Schoenfeld, Esquire
110 West Front Street
Media, Pennsylvania 19063

RE: MUR 1756
Chester Upland Education
Association
Charles Oakley

Dear Ms. Schoenfeld:

On June , 1985, the Federal Election Commission determined that there is reason to believe your clients violated 2 U.S.C. § 432(b)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against your clients. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within fifteen days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your clients, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-

8604056400 8

probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent will not be entertained.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of General Counsel is not authorized to give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Duane A. Brown, the attorney assigned this matter, at (202) 523-4000.

Sincerely,

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

8604056400 7

ATTACHMENT II

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR 1756
STAFF MEMBER & TEL. NO.
D.A. Brown
(202)523-4000

RESPONDENT: Chester Upland Education Association
Charles Oakley, President

SUMMARY OF ALLEGATIONS

On July 31, 1984, Robert Smith ("the complainant") submitted a complaint alleging that the Chester Upland Education Association ("CUEA") and Charles Oakley, its President ("Respondents") violated the Act when dues were deducted from his payroll check in favor of the Political Action Committee for Education ("PACE") against his wishes. It appears that the complainant is a member of a county education association as a result of being a teacher in the county school district. The Pennsylvania State Education Association ("PSEA") also has a political action committee by the name of PACE. The PSEA PACE is registered with the Commission. The complainant argues that it was the education association which directed his employer, the county school district, to deduct $6 from his payroll check in favor of PACE. The complainant argues that the deduction was not authorized and was made over this objections.

On October 23, 1984, and after receiving a response from counsel for the CUEA, the Commission found reason to believe the CUEA violated 2 U.S.C. § 441b(b)(3)(A). Moreover, the Commission authorized the mailing of interrogatories in an effort to clarify

8604056401O

additional questions of concern generated by the respondents reply. On December 11, 1984, answers to the interrogatories were received at the Commission.

In response to the interrogatories, the respondents argue that the CUEA is "a local affiliate of the Pennsylvania State Education Association" which organizes the collection of contributions to the PSEA PACE. The respondents assert that PSEA members are given the option of contributing to one, both or neither of the PSEA PACE for state elections (SPAC) or PSEA PACE for Federal Elections (FPAC). The CUEA member exercises this option at the beginning of the school year. At the end of the school year, the PSEA bills the CUEA for the contributions for SPAC and FPAC as indicated in their enrollment forms. Although the respondents argue that only the monies authorized in support of SPAC and FPAC are forwarded to the PSEA, they also concede that monies are also deducted during the year from the payroll of those who opted not to contribute, although those monies are not forwarded to the PSEA. In fact, although the PSEA enrollment form includes a disclaimer which states that, "members are free not to contribute..." the statement seems to be voided by the fact that dues is deducted from each member's payroll even though the member may have decided not to contribute.

The respondents indicate that this procedure is used for "ease of bookkeeping." Those individuals opting not to contribute are said to receive reimbursement for the $6 deducted at the end of the year from the CUEA. Although the respondents

8604056401

argue that no funds were ever expended for Federal candidates by the CUEA, they state that some of the funds which are authorized for deduction are sent to the PSEA's Federal PACE.

FACTUAL BASIS AND LEGAL ANALYSIS

The issue to be determined is whether the voluntarily deducted funds were transferred by the CUEA to the PSEA (FPAC) in a timely fashion.

2 U.S.C. § 432(b)(2)(A) states that:

> Every person who receives a contribution for a political committee which is not an authorized committee shall -
> if the amount of the contribution is $50 or less, forward to the treasurer such contribution no later than 30 days after receiving the contribution;

It appears that there is a monthly deduction of dues which is paid to the CUEA. Since the transmission of the contribution does not occur until June, the end of the school year, the CUEA may have violated the Act by not forwarding the dues collected pursuant to § 432(b)(2)(A).

RECOMMENDATIONS

The Office of General Counsel recommends that the Commission find reason to believe the Chester Upland Education Association and Charles Oakley, President, violated 2 U.S.C. § 432(b)(2)(A).

8604056401 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	
Chester Upland Education Association	)	MUR 1756
Charles Oakley, President	)	
Pennsylvania State Education Association PACE (FPAC)	)	
Wayne Koch, as treasurer	)	

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session of March 26, 1985, do hereby certify that the Commission decided in a vote of 4-0 to take the following actions in MUR 1756:

> Find no reason to believe the Pennsylvania State Education Association PACE (FPAC) and Wayne Koch, as treasurer, violated 2 U.S.C. § 441b(b)(3)(A).

Commissioners Aikens, Elliott, Harris, and McGarry voted affirmatively for the decision.

Attest:

3-27-85
Date

Mary W. Dove
Mary W. Dove
Recording Secretary

8604056401 3

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM JCR

DATE: MARCH 21, 1985

SUBJECT: ADDITIONAL OBJECTION - MUR 1756
General Counsel's Report
signed March 15, 1985

The above-named document was circulated to the Commission on March 18, 1985 at 11:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	X
Commissioner Elliott	X
Commissioner Harris	X
Commissioner McDonald	
Commissioner McGarry	
Commissioner Reiche	

This matter will be placed on the Executive Session agenda for Tuesday, March 26, 1985.

8604056401 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

D Brown

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: March 15, 1985

SUBJECT: MUR 1756 - General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[X]	Compliance	[X]
Sensitive	[X]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

8604056401 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ DEBORAH L. SPRIGHT

DATE: March 19, 1985

SUBJECT: OBJECTION - MUR 1756

The above-named document was circulated to the Commission on Monday, March 18, 1985.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	X
Commissioner Harris	X
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Reiche	_____

This matter will be placed on the Executive Session agenda for March 26, 1985.

8604056401 6

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

85 MAR 15 P12:30

In the Matter of	)	
	)	
Chester Upland Education Association	)	MUR 1756
Charles Oakley, President	)	
Pennsylvania State Education Association PACE (PPAC)	)	
Wayne Koch, as treasurer	)	

GENERAL COUNSEL'S REPORT

BACKGROUND

On July 31, 1984, Robert Smith ("the complainant") submitted a complaint alleging that the Chester Upland Education Association ("CUEA") and Charles Oakley, its President ("Respondents") violated the Act when dues were deducted from his payroll check in favor of the Political Action Committee for Education ("PACE") against his wishes. It appears that the complainant is a member of a county education association as a result of being a teacher in the county school district. The Pennsylvania State Education Association ("PSEA") also has a political action committee by the name of PACE. The PSEA PACE is registered with the Commission. The complainant argues that it was the education association which directed his employer, the county school district, to deduct $6 from his payroll check in favor of PACE. The complainant argues that the deduction was not authorized and was made over his objections.

On October 23, 1984, and after receiving a response from counsel for the CUEA, the Commission found reason to believe the CUEA violated 2 U.S.C. § 441b(b)(3)(A). Moreover, the Commission authorized the mailing of interrogatories in an effort to clarify

8604056401 7

additional questions of concern generated by the respondents reply. On December 11, 1984, answers to the interrogatories were received at the Commission (Attachment I).

FACTUAL AND LEGAL ANALYSIS

In response to the interrogatories, the respondents argue that the CUEA is "a local affiliate of the Pennsylvania State Education Association" which organizes the collection of contributions to the PACE. The respondents assert that PSEA members are given the option of contributing to one, both or neither of the PSEA PACE for state elections (SPAC) or PSEA PACE for Federal Elections (FPAC). The CUEA member exercises this option at the beginning of the school year. At the end of the school year, the PSEA bills the CUEA for the contributions for SPAC and FPAC as indicated in their enrollment forms. Although the respondents argue that only the monies authorized in support of SPAC and FPAC were forwarded to the PSEA, they also concede that monies were also deducted during the year from the payroll of those who opted not to contribute, although those monies were not forwarded to the PSEA. The respondents indicate that this procedure is used for "ease of bookkeeping". Those individuals opting not to contribute are said to receive reimbursement for the $6 deducted at the end of the year from the CUEA. Although the respondents argue that no funds were ever expended for Federal candidates by the CUEA, they state that some of the funds which are authorized for deduction are sent to the PSEA's Federal PACE.

8604056401 8

Moreover, although the respondents argue that individuals have the option of not participating in the contribution process, a review of the PSEA enrollment form attached to the respondents reply letter reveals that the form fails to provide the option for an individual not to have the money deducted from his or her paycheck.

2 U.S.C. § 441b(b)(3)(A) states that:

> It shall be unlawful [for any labor organization's committee . . .] to make a contribution or expenditure by utilizing . . . dues, fees, or other monies required as a condition of membership in a labor organization. . . .

Even though CUEA members may opt not to contribute to either the state or federal PSEA PACE, $6 is deducted, nonetheless, from their pay as a condition of each individual's membership in the labor organization and is commingled with the contributions that are later sent to PSEA's federal PACE. Accordingly, it appears that the PSEA PACE (FPAC) violated 2 U.S.C. § 441b(b)(3)(A) by using funds collected in violation of this section.

CONCLUSION

The Office of General Counsel recommends that the Commission find reason to believe the Pennsylvania State Education Association PACE (FPAC) and Wayne Koch, as treasurer, violated 2 U.S.C. § 441b(b)(3)(A). In addition, this office recommends that the Commission forward the attached order and interrogatories in an effort to ascertain the extent of the violations.

8604005640019

RECOMMENDATIONS

The Office of the General Counsel recommends that the Commission:

1. Find reason to believe the Pennsylvania State Education Association PACE (FPAC) and Wayne Koch, as treasurer, violated 2 U.S.C. § 441b(b)(3)(A).

2. Approve the attached letter, order, interrogatories, and Factual and Legal Analysis.

Charles N. Steele
General Counsel

March 15, 1985 By: Kenneth A. Gross
Associate General Counsel

Attachments
1. Letter from Lyn Schoenfeld, Esq.
2. Letter to Wayne Koch
3. Order and Interrogatories
4. Factual and Legal Analysis

8604056402O

Attachment I

GCC #5930

LAW OFFICES
RICHARD, DiSANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION

HOWARD RICHARD
ALEXANDER A. DiSANTI
THOMAS P. HAMILTON, JR.
JOHN M. GALLAGHER, JR.
MICHAEL A. PAUL*
LYN B. SCHOENFELD
LEONARD V. TENAGLIA
SUE ANN UNGER

PARA-LEGAL ASSOCIATES
RUTH DEVLIN
JAN BUCKLEY

*PA. & DEL. BAR

110 WEST FRONT STREET
MEDIA, PENNSYLVANIA 19063
(215) 565-4800
REPLY TO P.O. BOX 900
MEDIA, PENNSYLVANIA 19063

December 6, 1984

The Federal Election Commission
Washington, D.C. 20463

Attention: Lee Ann Eliott
Chairman

Re: MUR 1756 Chester-Upland
Education Association - Charles Oakley

Dear Ms. Elliot:

Enclosed with this letter please find Answers to the Interrogatories which were served upon us for response by Charles Oakley. Attached to Mr. Oakley's Answers are two forms which may assist the Commission in understanding the process of dues deduction.

Please note that the Interrogatories that we received were numbered with two Interrogatories numbered five so that I have renumbered them from the second number five through number eight. Also, I have assumed that the reference to the school years beginning in September 1983 in Interrogatory Number three should refer to an ending point of June 1984 rather than June 1983 as indicated.

The most important information that I think should be presented to the Commission is the incontrovertible fact that no monies ever collected via dues deduction from the Chester-Upland Education Association from members indicating a desire not to contribute to the political action committees ever left

8604056402 1

the union's bank account. Dues were deducted from all members in a uniform amount for ease of bookkeeping. However, early in the year each teacher had to indicate on a PSEA enrollment form whether he or she wished to contribute to PSEA PACE for State elections (SPAC) or PSEA PACE for Federal elections (FPAC) or both. At the end of the year, when the political action contributions were transmitted from the local to the PSEA, only the $6.00 deducted from members indicating a desire to contribute was actually billed for and forwarded. The $6.00 belonging to Robert Smith and the other twenty-six persons who indicated that they did not wish to contribute was remitted to them from the union's bank account. We have official PSEA billing rosters (copies of which we would be happy to provide) which clearly indicate that Robert Smith and the other twenty-six persons who indicated that they did not wish to contribute were listed as non-contributors for all purposes.

Very truly yours,

Lyn Schoenfeld

LYN B. SCHOENFELD

LBS:jm
encls. Answers to Interrogatories
cc: Charles Oakley, Chester-Upland Education Association
Robert Strunk, PSEA

8604056402 2

A

IN RE: CHESTER UPLAND EDUCATION ASSOCIATION
MUR 1756

INTERROGATORIES

1. Please explain the relationship of PACE to:

a. FNEA
b. PSEA
c. CUEA

PACE is a political action committee established by the Pennsylvania State Education Association (PSEA). I am not aware of the relationship, if any to the FNEA and the CUEA is simply a local affiliate of PSEA which arranges for collection of contributions to PACE. There are two different PACE organizaitons. One is PSEA PACE for State elections (SPAC) and the other is PSEA PACE for Federal elections (FPAC). PSEA members are given the option to contribute to SPAC and FPAC through enrollment forms whereby members designate if they wish to contribute to SPAC, to FPAC, to both or neither. A sample enrollment form is attached to these Interrogatories for your reference.

2. Please describe the system for dues authorization whereby monies are deducted from members' wages for contribution to:

a. the FNEA
b. the PSEA
c. the CUEA
d. the PACE

Members of the Chester-Upland Education Association sign a pay-roll form which operates as an authorization for dues deduction for National, State and Local dues to be paid. A copy of the Chester-Upland Education pay-roll form is attached to these Interrogatories.

In addition to the pay-roll form, a PSEA enrollment form (referred to in the answer to Interrogatory No. 1 above) is provided so that each member is to designate whether or not he wishes to contribute to SPAC, FPAC, both or neither. Therefore, if any given member declines to contribute to SPAC or FPAC (as did Robert Smith) that member is listed for all union purposes as a non-contributor. He is recorded in Harrisburg on the official PSEA Billing and Renewal Roster form as a non-contributor. Robert Smith at all times declined to

8604056402 3

contribute to either SPAC or FPAC and was listed as a non-contributor to both SPAC and FPAC.

---

3. Please state whether members of the CUEA are required to sign separate written authorizations before contributions to the FNEA, PSEA, CUEA and PACE are deducted. If so, what were the number of such written authorizations and what was the total amount deducted from wages during the school year beginning September, 1983 through June, 1984?

a. If not, provide the number of individuals for whom dues were deducted, without prior authorization, during the school year beginning September, 1983 through June, 1984.

Apart from the PSEA enrollment form and the local CUEA pay-roll form referred to in Interrogatories No. 1 and 2 above, no separate written authorizations had to be signed before dues were deducted from the CUEA members. During 1983-1984, there were twenty-seven (27) persons, including Robert Smith who received $6.00 apiece from CUEA at the end of the school year on account of their being non-contributors.

---

4. If your answer to question #2 is yes, state whether Robert Smith signed such an authorization. If so, please attach a copy of each authorization he signed.

Robert Smith signed both the PSEA enrollment form and theChester-Upland Education Association payroll form, examples of which are attached hereto. If copies of these original documents are requested, they can be located and produced. He did not sign any separate authorization.

---

5. Please explain whether any portion of the $6.00 deducted from the membership wages in favor of PACE is disbursed, at any time, in favor of:

a. the First National Education Association and/or its PACE.
b. the Pennsylvania State Education Association and/or its PaCE.

To my knowledge, no money ever went to NEA or its PACE.

8604056402 4

No. 5 continued

At the end of the school year, PSEA bills the Chester-Upland Education Association for the amount of contributions to FPAC and SPAC indicated by CUEA members on their enrollment forms. Since only those persons who indicated a desire to contribute to FPAC and SPAC or both were on the billing list from PSEA, only the $6.00 collected from members who asked to contribute actually went to PSEA for the benefit of SPAC and FPAC in June or July, 1984. The $6.00 from the twenty-seven (27) persons who indicated that they wished to be non-contributors never left the CUEA bank account until it was paid over to these non-contributing individuals, also at the end of the school year. Therefore, none of the funds ever deducted from Robert Smith or the other twenty-six (26) non-contributing CUEA members ever found its way to a political action committee.

---

6. If your answer to question #4 is yes, please describe the method by which the funds are disbursed by PACE. In addition, to whom are the monies disbursed.

We have absolutely no knowledge of how the funds sent from CUEA to PSEA for the benefit of SPAC and FPAC are disbursed by PACE. PACE has its own committees set up to determine the method by which the funds are distributed and to whom the monies are distributed. There is no input from the union local on this issue.

Again, it is important to understand that the monies which are sent from CUEA (by virtue of the dues deduction) to PSEA PACE (both for State and Federal Elections) represent contributions only from those members of CUEA who have specifically indicated a desire to contribute to SPAC, FPAC or both. None of the funds allocable to non-contributing members ever left the CUEA local.

---

7. Please state whether any portion of the $6.00 deducted from membership wages in favor of PACE is expended for the benefit of federal candidates.

a. If so, what portion of the $6.00 was expended for the benefit of federal candidates?

b. State which federal candidates received contributions from PACE for the period 1983-1984.

Again, we have no knowledge of how PACE distributes money to candidates except to note that PSEA PACE is divided

8604056402 5

No. 7 continued.

into SPAC, which governs State elections and FPAC which governs Federal elections. No funds are ever expended for any candidates by CUEA and it is entirely up to PSEA and its PACE committee to determine the expenditure of the contributed funds.

---

8. Please state whether any portion of the $6.00 deducted from membership wages in favor of PACE is disbursed to other who make contributions to federal candidates.

a. If so, to whom is money disbursed in this manner?

PSEA receives the contributed money at the end of the year for the benefit of SPAC and FPAC. The money that is transmitted from CUEA to PSEA is determined by the enrollment forms filled out by CUEA members. Only those CUEA members who indicated a desire to contribute either to FPAC or SPAC or both appear on the PSEA master list, and it is for those designated contributions only that CUEA receives a bill from PSEA. Once the funds are transmitted from CUEA to PSEA, it is up to the PSEA PACE committees to determine the actual disbursement of funds for candidates.

Lyn Schoenfeld

LYN B. SCHOENFELD, ESQUIRE

Richard, DiSanti, Hamilton
Gallagher & Paul
110 W. Front Street
P.O. Box 900
Media, Pennsylvania 19063
(215) 565-4600

8604056402 6

1984 ENROLLMENT FORM

LOCAL ASSOCIATION NUMBER	LOCAL ASSOCIATION NAME	
41 — — —		

SOCIAL SECURITY NO.	TITLE	LAST NAME	FIRST NAME	MIDDLE INITIAL
	☐MRS. ☐MS. ☐MR.			

STREET ADDRESS	CITY	STATE	ZIP CODE

EMPLOYMENT CODES: DEPARTMENT • SECTION • POSITION • LEVEL — PLEASE CHECK (✓) ONE

30 CLASSROOM TEACHER ACADEMIC AREAS

- ☐ 30-00-01 ART
- ☐ 30-00-02 COMMUNICATION (ENGLISH)
- ☐ 30-00-03 ELEMENTARY
- ☐ 30-00-04 FOREIGN LANGUAGE
- ☐ 30-00-05 HEALTH AND PHYSICAL EDUCATION
- ☐ 30-00-06 LIBRARY SCIENCE
- ☐ 30-00-07 MATHEMATICS
- ☐ 30-00-08 MUSIC
- ☐ 30-00-09 READING
- ☐ 30-00-10 SAFETY EDUCATION
- ☐ 30-00-11 SCIENCE
- ☐ 30-00-12 SOCIAL STUDIES
- ☐ 30-00-13 SPECIAL EDUCATION
- ☐ 30-00-14 SPEECH AND HEARING
- ☐ 30-00-99 OTHER

15 ADMINISTRATION/SUPERVISION

- ☐ 15-17-00 CHIEF SCHOOL ADMINISTRATOR/ ASSISTANT ADMINISTRATORS
- ☐ 15-11-00 ELEMENTARY PRINCIPALS/ ASSISTANT PRINCIPALS
- ☐ 15-11-01 SECONDARY PRINCIPALS/ ASSISTANT PRINCIPALS
- ☐ 15-14-00 SUPERVISORS
- ☐ 15-21-00 OTHER ADMINISTRATION

45 HIGHER EDUCATION

- ☐ 45-20-00 CONSULTANT/TRAINER
- ☐ 45-40-00 COLLEGE FACULTY
- ☐ 45-40-01 STATE UNIVERSITY FACULTY
- ☐ 45-40-02 COLLEGE AND UNIVERSITY FACULTY SPECIALIZED

60 PUPIL SERVICES

- ☐ 60-50-00 COUNSELORS
- ☐ 60-50-01 DENTAL HYGIENISTS
- ☐ 60-50-02 H.S.S. DIRECTORS
- ☐ 60-50-03 SCHOOL NURSES
- ☐ 60-50-04 SCHOOL PSYCHOLOGISTS

80 VOCATIONAL/TECHNICAL

- ☐ 80-80-01 AGRICULTURE
- ☐ 80-80-02 BUSINESS
- ☐ 80-80-03 DISTRIBUTIVE
- ☐ 80-80-04 HEALTH OCCUPATIONS
- ☐ 80-80-05 HOME ECONOMICS
- ☐ 80-80-06 INDUSTRIAL ARTS
- ☐ 80-80-99 TRADE AND INDUSTRIAL

DATE OF BIRTH			POLITICAL AFFILIATION	ETHNIC CLASSIFICATION
MO.	DAY	YEAR	☐REPUBLICAN ☐DEMOCRAT ☐INDEPENDENT ☐NONE	☐1 AMERICAN INDIAN/ALASKA NATIVE ☐2 ASIAN/PACIFIC ISLANDER ☐3 BLACK ☐4 CHICANO-HISPANO ☐5 CAUCASIAN (NOT OF SPANISH ORIGIN)

SEX	SCHOOL DISTRICT CODE OF RESIDENCE (OVER)	AREA CODE	HOME TELEPHONE NUMBER
☐FEMALE ☐MALE		( )	

PSEA is committed to ensuring the continued representation of members of ethnic minority groups in all governance areas of the Association. Ethnic minority data would assist PSEA in identifying underrepresented groups and in developing programs to meet the needs and interests of the Association's ethnic minority members. Ethnic minority data would also be helpful in determining if and how to offer ethnic minority members rights, or benefits in NEA, PSEA, the local or any of their affiliates. This information will be kept confidential.

PACE PLEDGE

PSEA has established two political action committees. PSEA PACE for State Elections (SPAC) supports friends of education in state and local elections. PSEA PACE for Federal Elections (FPAC) supports friends of education in federal elections. Contributions to these committees are purely voluntary and although guidelines for contributions are set forth below, these guidelines are merely suggestions. Members are free not to contribute or to contribute more or less than the suggested amounts without affecting their membership status, rights, or benefits in NEA, PSEA, the local or any of PSEA's affiliates.

With full knowledge of this information, I authorize the following political action contributions as indicated by the check marks (✓) placed below.

PSEA PACE for State Elections	PSEA PACE for Federal Elections
(✓) PLEASE CHECK	(✓) PLEASE CHECK
A.) ☐ $5 CONTRIBUTION (SUGGESTED)	A.) ☐ $1 CONTRIBUTION (SUGGESTED)
B.) ☐ $_____OTHER CONTRIBUTION (ENTER AMOUNT)	B.) ☐ $_____OTHER CONTRIBUTION (ENTER AMOUNT)

(✓) PLEASE CHECK

☐ I authorize my local association to include my voluntary contribution to SPAC and FPAC as indicated above in my authorization for payroll deduction of membership dues. My political action contribution shall be made to the appropriate committee out of my final payment of the membership year unless proration is required by law.

It is agreed that my authorization for political action contributions and my authorization for payroll deduction, if available and already authorized, shall continue in force from year to year unless revoked or modified by me for a succeeding membership year by giving written notice to that effect to my local association on or before October 1 of that membership year.

MEMBERSHIP TYPE AND PAYMENT

Pennsylvania is a united state. The NEA, PSEA and local associations may not be joined separately.

PSEA

(✓) PLEASE CHECK ONE

☐ 10 ANNUAL	$164.00
☐ 11 HALF-YEAR	$ 82.00
☐ 20 ASSOCIATE	$ 82.00
☐ 40 RESERVE	$ 82.00

NEA

(✓) PLEASE CHECK ONE

☐ 10 ANNUAL	$ 62.00
☐ 11 HALF-YEAR	$ 31.00
☐ 20 ASSOCIATE	$ 5.00
☐ 40 RESERVE	$ 31.00

PSEA DUES (from above):	$_____
NEA DUES (from above):	_____
LOCAL DUES:	_____
SPAC CONTRIBUTION (from pledge):	_____
FPAC CONTRIBUTION (from pledge):	_____
TOTAL PAYMENT:	$_____

I UNDERSTAND THAT OF THE TOTAL PSEA DUES, $9.00 IS FOR A ONE YEAR SUBSCRIPTION TO THE VOICE, AND OF THE TOTAL NEA DUES, $1.01 IS FOR A ONE YEAR SUBSCRIPTION TO TODAY'S EDUCATION AND $1.45 IS FOR A ONE YEAR SUBSCRIPTION TO NEA TODAY.

BY SIGNING THIS MEMBERSHIP FORM, I AM ENROLLING FOR THE 1984-85 MEMBERSHIP YEAR AND ALSO AGREEING TO MAINTAIN MY MEMBERSHIP IN THE APPROPRIATE CATEGORY EACH MEMBERSHIP YEAR THEREAFTER, UNLESS COVERED BY A MAINTENANCE OF MEMBERSHIP PROVISION. I MAY REVOKE MY MEMBERSHIP BY NOTIFYING, IN WRITING, MY LOCAL ASSOCIATION, IF AVAILABLE, OR PSEA NO LATER THAN OCTOBER 1 OF THAT MEMBERSHIP YEAR OR AS STATED IN MY COLLECTIVE BARGAINING AGREEMENT.

DATE _____ SIGNATURE _____

K. Eugene Preston EXECUTIVE DIRECTOR
PENNSYLVANIA STATE EDUCATION ASSOCIATION

PSEA COPY

PLEASE RETURN THE FIRST TWO COPIES OF THIS FORM TO PSEA

Don Cameron EXECUTIVE DIRECTOR
NATIONAL EDUCATION ASSOCIATION

Name_____
School_____

To Paymaster:

I_____
hereby authorize you to deduct from
my pay the proper dues for Educational
Association until they are paid in full.

Starting Date_____
Effective Date_____
Signature_____

CHESTER-UPLAND EDUCATION ASSOCIATION
PAYROLL FORM

Mr.
Mrs.
Miss_____Telephone_____

Address_____

City_____State_____Zip Code_____

Social Security Number_____School_____

Elementary_____
Secondary_____ Subject_____

Birth Date Month_____Date_____Year_____

Dues Deduction_____Total_____

Full payment_____

Two payment_____

10 payment_____

20 payment_____

18 6 0 4 0 5 6 4 0 2 8

ATTACHMENT 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Wayne Koch, Treasurer
PSEA PACE (FPAC)
P.O. Box 1724
400 North Third Street
Harrisburg, Pennsylvania 17105

Re: MUR 1756
Pennsylvania State Education
Association PACE (FPAC)
Wayne Koch, as treasurer

Dear Mr. Koch:

On March , 1985, the Federal Election Commission determined that there is reason to believe the Pennsylvania State Education Association PACE (FPAC) and you, as treasurer, violated 2 U.S.C. §441b(b)(3)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your answers to the enclosed questions, within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form

8604056402 9

-9

stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Duane A. Brown, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

8604056404030

ATTACHMENT II

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Pennsylvania State Education Association PACE (FPAC) Wayne Koch, as treasurer	)	MUR 1756
	)	
	)	

ORDER TO SUBMIT WRITTEN ANSWERS

To: Wayne Koch
Treasurer, PSEA PACE (FPAC)
P.O. Box 1724
400 North Third Street
Harrisburg, PA 17105

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this day of , 1985.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories

8604056403 1

10

Wayne A. Koch
Treasurer
PSEA PACE (FPAC)

INTERROGATORIES

In an effort to clarify questions of concern, the Commission poses the following questions to you. Please answer each question under oath.

1. Please describe the procedure(s) used by PSEA PACE (FPAC) to obtain funds from members of its local affiliates for subsequent use in Federal Elections.

The Commission has ascertained information which reveals that the Chester Upland Education Association ("CUEA") deducts monies from membership wages and forwards that which was authorized to be deducted to the PSEA PACE (SPAC and FPAC).

2. Please provide the name, title, address and telephone number of each President and affiliate which transmitted to the PSEA PACE (FPAC) monies derived from membership wages for the period September 1, 1981 through June 30, 1984.

   A. Please submit a detailed summary of the amount of money transmitted by each affiliate to the PSEA PACE (FPAC) for the period September 1, 1981 through June 30, 1984.

   B. Please state which affiliates deduct and transmit funds to the PSEA PACE (FPAC) in a manner similar to that of the CUEA.

   C. Please describe the manner in which other affiliates deduct and transmit funds to the PSEA if not similar to that of the CUEA.

   On the Pennsylvania State Education Association pledge form for the period 1984-85, no option is given to a member who decides not to contribute to either the State PAC or the Federal PAC.

3. Please describe how a member of the PSEA who desires not to contribute money in connection with the PACE indicates that desire on the pledge form.

4. Please describe whether the PSEA or its PACE ever receives notification regarding members within the local affiliates who wish not to contribute to the PACE.

8604056403 2

ATTACHMENT II

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1756
STAFF MEMBER
Duane A. Brown

RESPONDENTS Pennsylvania State Education Association PACE (FPAC)
Wayne Koch, as treasurer

SUMMARY OF ALLEGATIONS

On July 31, 1984, Robert Smith ("the complainant") submitted a complaint alleging that the Chester Upland Education Association ("CUEA") and Charles Oakley, its President ("Respondents") violated the Act when dues were deducted from his payroll check in favor of the Political Action Committee for Education ("PACE") against his wishes. It appears that the complainant is a member of a county education association as a result of being a teacher in the county school district. The Pennsylvania State Education Association ("PSEA") also has a political action committee by the name of PACE. The PSEA PACE (FPAC) is registered with the Commission. The complainant argues that it was the education association which directed his employer, the county school district, to deduct $6 from his payroll check in favor of PACE. The complainant argues that the deduction was not authorized and was made over his objections.

On October 23, 1984, and after receiving a response from counsel for the CUEA, the Commission found reason to believe the CUEA violated 2 U.S.C. § 441b(b)(3)(A). Moreover, the Commission authorized the mailing of interrogatories in an effort to clarify

8604056403 3

additional questions of concern generated by the respondents reply. On December 11, 1984, answers to the interrogatories were received at the Commission.

FACTUAL BASIS AND LEGAL ANALYSIS

In response to the interrogatories, the respondents argue that the CUEA is "a local affiliate of the Pennsylvania State Education Association" which organizes the collection of contributions to the PACE. The respondents assert that PSEA members are given the option of contributing to one, both or neither of the PSEA PACE for state elections (SPAC) or PSEA PACE for Federal Elections (FPAC). The CUEA member exercises this option at the beginning of the school year. At the end of the school year, the PSEA bills the CUEA for the contributions for SPAC and FPAC as indicated in their enrollment forms. Although the respondents argue that only the monies authorized in support of SPAC and FPAC were forwarded to the PSEA, they also concede that monies were also deducted during the year from the payroll of those who opted not to contribute, although those monies were not forwarded to the PSEA. The respondents indicate that this procedure is used for "ease of bookkeeping". Those individuals opting not to contribute are said to receive reimbursement for the $6 deducted at the end of the year from the CUEA. Although the respondents argue that no funds were ever expended for Federal candidates by the CUEA, they state that some of the funds which are authorized for deduction are sent to the PSEA's Federal PACE.

8604056403 4

Moreover, although the respondents argue that individuals have the option of not participating in the contribution process, a review of the PSEA enrollment form attached to the respondents reply letter reveals that the form fails to provide the option for an individual not to have the money deducted from his or her paycheck.

2 U.S.C. § 441b(b)(3)(A) states that:

> It shall be unlawful [for any labor organization's committee...] to make a contribution or expenditure by utilizing . . . dues, fees, or other monies required as a condition of membership in a labor organization. . . .

Even though CUEA members may opt not to contribute to either the state or federal PSEA PACE, $6 is deducted, nonetheless, from their pay as a condition of each individual's membership in the labor organization and is commingled with the contributions that are later sent to PSEA's PACE (FPAC) federal PACE. Accordingly, it appears that the PSEA violated 2 U.S.C. § 441b(b)(3)(A) by using funds collected in violation of this section.

The Office of General Counsel recommends that the Commission find reason to believe the Pennsylvania State Education Association PACE (FPAC) and Wayne Koch, as treasurer, violated 2 U.S.C. § 441b(b)(3)(A). In addition, this office recommends that the Commission forward the attached order and interrogatories in an effort to ascertain the extent of the violations.

8604056403 5

LAW OFFICES
RICHARD, DISANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION

HOWARD RICHARD
ALEXANDER A. DISANTI
THOMAS B. HAMILTON, JR.
JOHN M. GALLAGHER, JR.
MICHAEL A. PAUL*
LYN E. SCHOENFELD
LEONARD V. TENAGLIA
SUE ANN UNGER

PARA-LEGAL ASSOCIATES
RUTH DEVLIN
JAN BUCKLEY

*PA. & DEL. BAR

110 WEST FRONT STREET
MEDIA, PENNSYLVANIA 19063
[illegible]
REPLY TO P.O. BOX 900
MEDIA, PENNSYLVANIA 19063

RECEIVED
OFFICE OF THE FEC
GCC # S930
84 DEC 11 A10:41

December 6, 1984

The Federal Election Commission
Washington, D.C. 20463

Attention: Lee Ann Eliott
Chairman

Re: MUR 1756 Chester-Upland
Education Association - Charles Oakley

Dear Ms. Elliot:

Enclosed with this letter please find Answers to the Interrogatories which were served upon us for response by Charles Oakley. Attached to Mr. Oakley's Answers are two forms which may assist the Commission in understanding the process of dues deduction.

Please note that the Interrogatories that we received were numbered with two Interrogatories numbered five so that I have renumbered them from the second number five through number eight. Also, I have assumed that the reference to the school years beginning in September 1983 in Interrogatory Number three should refer to an ending point of June 1984 rather than June 1983 as indicated.

The most important information that I think should be presented to the Commission is the incontrovertible fact that no monies ever collected via dues deduction from the Chester-Upland Education Association from members indicating a desire not to contribute to the political action committees ever left

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 DEC 11 A10:58

8604056403 6

the union's bank account. Dues were deducted from all members in a uniform amount for ease of bookkeeping. However, early in the year each teacher had to indicate on a PSEA enrollment form whether he or she wished to contribute to PSEA PACE for State elections (SPAC) or PSEA PACE for Federal elections (FPAC) or both. At the end of the year, when the political action contributions were transmitted from the local to the PSEA, only the $6.00 deducted from members indicating a desire to contribute was actually billed for and forwarded. The $6.00 belonging to Robert Smith and the other twenty-six persons who indicated that they did not wish to contribute was remitted to them from the union's bank account. We have official PSEA billing rosters (copies of which we would be happy to provide) which clearly indicate that Robert Smith and the other twenty-six persons who indicated that they did not wish to contribute were listed as non-contributors for all purposes.

Very truly yours,

Lyn Schoenfeld

LYN B. SCHOENFELD

LBS:jm
encls. Answers to Interrogatories
cc: Charles Oakley, Chester-Upland Education Association
Robert Strunk, PSEA

8604056404037

IN RE: CHESTER UPLAND EDUCATION ASSOCIATION
MUR 1756

INTERROGATORIES

1. Please explain the relationship of PACE to:

a. FNEA
b. PSEA
c. CUEA

PACE is a political action committee established by the Pennsylvania State Education Association (PSEA). I am not aware of the relationship, if any to the FNEA and the CUEA is simply a local affiliate of PSEA which arranges for collection of contributions to PACE. There are two different PACE organizaitons. One is PSEA PACE for State elections (SPAC) and the other is PSEA PACE for Federal elections (FPAC). PSEA members are given the option to contribute to SPAC and FPAC through enrollment forms whereby members designate if they wish to contribute to SPAC, to FPAC, to both or neither. A sample enrollment form is attached to these Interrogatories for your reference.

---

2. Please describe the system for dues authorization whereby monies are deducted from members' wages for contribution to:

a. the FNEA
b. the PSEA
c. the CUEA
d. the PACE

Members of the Chester-Upland Education Association sign a pay-roll form which operates as an authorization for dues deduction for National, State and Local dues to be paid. A copy of the Chester-Upland Education pay-roll form is attached to these Interrogatories.

In addition to the pay-roll form, a PSEA enrollment form (referred to in the answer to Interrogatory No. 1 above) is provided so that each member is to designate whether or not he wishes to contribute to SPAC, FPAC, both or neither. Therefore, if any given member declines to contribute to SPAC or FPAC (as did Robert Smith) that member is listed for all union purposes as a non-contributor. He is recorded in Harrisburg on the official PSEA Billing and Renewal Roster form as a non-contributor. Robert Smith at all times declined to

8604056403 8

BAB CONTENTS

contribute to either SPAC or FPAC and was listed as a non-contributor to both SPAC and FPAC.

---

3. Please state whether members of the CUEA are required to sign separate written authorizations before contributions to the FNEA, PSEA, CUEA and PACE are deducted. If so, what were the number of such written authorizations and what was the total amount deducted from wages during the school year beginning September, 1983 through June, 1984?

a. If not, provide the number of individuals for whom dues were deducted, without prior authorization, during the school year beginning September, 1983 through June, 1984.

Apart from the PSEA enrollment form and the local CUEA pay-roll form referred to in Interrogatories No. 1 and 2 above, no separate written authorizations had to be signed before dues were deducted from the CUEA members. During 1983-1984, there were twenty-seven (27) persons, including Robert Smith who received $6.00 apiece from CUEA at the end of the school year on account of their being non-contributors.

---

4. If your answer to question #2 is yes, state whether Robert Smith signed such an authorization. If so, please attach a copy of each authorization he signed.

Robert Smith signed both the PSEA enrollment form and theChester-Upland Education Association payroll form, examples of which are attached hereto. If copies of these original documents are requested, they can be located and produced. He did not sign any separate authorization.

---

5. Please explain whether any portion of the $6.00 deducted from the membership wages in favor of PACE is disbursed, at any time, in favor of:

a. the First National Education Association and/or its PACE.
b. the Pennsylvania State Education Association and/or its PaCE.

To my knowledge, no money ever went to NEA or its PACE.

ALL STATE BOND
RAG LINEN

8604056404039

No. 5 continued

At the end of the school year, PSEA bills the Chester-Upland Education Association for the amount of contributions to FPAC and SPAC indicated by CUEA members on their enrollment forms. Since only those persons who indicated a desire to contribute to FPAC and SPAC or both were on the billing list from PSEA, only the $6.00 collected from members who asked to contribute actually went to PSEA for the benefit of SPAC and FPAC in June or July, 1984. The $6.00 from the twenty-seven (27) persons who indicated that they wished to be non-contributors never left the CUEA bank account until it was paid over to these non-contributing individuals, also at the end of the school year. Therefore, none of the funds ever deducted from Robert Smith or the other twenty-six (26) non-contributing CUEA members ever found its way to a political action committee.

---

6. If your answer to question #4 is yes, please describe the method by which the funds are disbursed by PACE. In addition, to whom are the monies disbursed.

We have absolutely no knowledge of how the funds sent from CUEA to PSEA for the benefit of SPAC and FPAC are disbursed by PACE. PACE has its own committees set up to determine the method by which the funds are distributed and to whom the monies are distributed. There is no input from the union local on this issue.

Again, it is important to understand that the monies which are sent from CUEA (by virtue of the dues deduction) to PSEA PACE (both for State and Federal Elections) represent contributions only from those members of CUEA who have specifically indicated a desire to contribute to SPAC, FPAC or both. None of the funds allocable to non-contributing members ever left the CUEA local.

---

7. Please state whether any portion of the $6.00 deducted from membership wages in favor of PACE is expended for the benefit of federal candidates.

a. If so, what portion of the $6.00 was expended for the benefit of federal candidates?

b. State which federal candidates received contributions from PACE for the period 1983-1984.

Again, we have no knowledge of how PACE distributes money to candidates except to note that PSEA PACE is divided

8604056404O

No. 7 continued.

into SPAC, which governs State elections and FPAC which governs Federal elections. No funds are ever expended for any candidates by CUEA and it is entirely up to PSEA and its PACE committee to determine the expenditure of the contributed funds.

---

8. Please state whether any portion of the $6.00 deducted from membership wages in favor of PACE is disbursed to others who make contributions to federal candidates.

a. If so, to whom is money disbursed in this manner?

PSEA receives the contributed money at the end of the year for the benefit of SPAC and FPAC. The money that is transmitted from CUEA to PSEA is determined by the enrollment forms filled out by CUEA members. Only those CUEA members who indicated a desire to contribute either to FPAC or SPAC or both appear on the PSEA master list, and it is for those designated contributions only that CUEA receives a bill from PSEA. Once the funds are transmitted from CUEA to PSEA, it is up to the PSEA PACE committees to determine the actual disbursement of funds for candidates.

Lyn Schoenfeld

LYN B. SCHOENFELD, ESQUIRE

Richard, DiSanti, Hamilton
Gallagher & Paul
110 W. Front Street
P.O. Box 900
Media, Pennsylvania 19063
(215) 565-4600

8604056404 1

41 — — —

SOCIAL SECURITY NO. | TITLE | LAST NAME

CURRENT ADDRESS

EMPLOYMENT CODE | DEPARTMENT | SECTION | POSITION | CAMPUS

19 CLASSROOM TEACHERS ASSIGNMENT AREAS

- ☐ 00-00-00 ART
- ☐ 14-00-00 COMMUNICATION ARTS/ARTS
- ☐ 00-00-00 ELEMENTARY
- ☐ 12-00-00 FOREIGN LANGUAGE
- ☐ 10-00-00 HEALTH AND PHYSICAL EDUCATION
- ☐ 24-00-00 LIBRARY SCIENCE
- ☐ 00-00-00 MATHEMATICS
- ☐ 37-00-00 MUSIC
- ☐ 00-00-00 READING
- ☐ 16-00-00 SAFETY EDUCATION
- ☐ 31-00-00 SCIENCE
- ☐ 33-00-00 SOCIAL STUDIES
- ☐ 37-00-00 SPECIAL EDUCATION
- ☐ 21-10-00 SPEECH AND HEARING
- ☐ 00-00-00 OTHER

15 ADMINISTRATION/SUPERVISION

- ☐ 00-11-00 CHIEF SCHOOL ADMINISTRATOR/ASSISTANT ADMINISTRATORS
- ☐ 00-11-00 ELEMENTARY PRINCIPALS/ASSISTANT PRINCIPALS
- ☐ 00-11-00 SECONDARY PRINCIPALS/ASSISTANT PRINCIPALS
- ☐ 00-11-00 SUPERVISORS
- ☐ 00-11-00 OTHER ADMINISTRATION

45 HIGHER EDUCATION

- ☐ 00-00-00 COUNSELOR/COLLEGE FACULTY
- ☐ 00-00-00 STATE UNIVERSITY FACULTY
- ☐ 00-00-00 COLLEGE AND UNIVERSITY FACULTY (NON-PUBLIC)

47 PUPIL SERVICES

- ☐ 00-00-00 CHILD ACCOUNTING
- ☐ 00-00-00 ATTENDANCE SUPERVISOR
- ☐ 00-00-00 NURSES
- ☐ 00-00-00 SCHOOL SOCIAL WORK
- ☐ 00-00-00 SCHOOL PSYCHOLOGIST

49 OTHER CLASSIFICATIONS

- ☐ 00-00-00 AUDIO-VISUAL TECH
- ☐ 00-00-00 DIETICIAN
- ☐ 00-00-00 EDUCATIONAL ASSISTANT
- ☐ 00-00-00 GENERAL AIDES
- ☐ 00-00-00 TEACHER AIDE (NON-INSTR.)

DATE OF BIRTH			POLITICAL AFFILIATION	ETHNIC CLASSIFICATION
MO.	DAY	YEAR	☐ REPUBLICAN ☐ DEMOCRAT ☐ INDEPENDENT ☐ NONE	☐ 1 AMERICAN INDIAN/ALASKA NATIVE ☐ 2 ASIAN/PACIFIC ISLANDER ☐ 3 BLACK ☐ 4 CUBAN-HISPANO ☐ 5 CHICANO ☐ 6 PUERTO RICAN ☐ 7 NOT OF SPANISH ORIGIN

SEX	SCHOOL DISTRICT CODE OF RESIDENCE (OVER)	AREA CODE	HOME TELEPHONE NUMBER
☐ FEMALE ☐ MALE		( )	

Pursuant to its commitment to encourage the equitable representation of members of diverse minority groups as all governance levels of the Association, Bylaw 3 provides that minority members shall be elected as delegates to state conventions in the same proportion as the number of such minority members bears to the total membership of the state association. Minority membership is defined as all persons who are not white and who are not of Hispanic origin. Minority members of the Association are encouraged to run for elective office and to participate fully in the affairs of their state association.

PACE PLEDGE

PSEA has established two political action committees. PSEA PACE for State Elections (SPAC) supports friends of education in state and local elections. PSEA PACE for Federal Elections (FPAC) supports friends of education in federal elections. Contributions to these committees are purely voluntary and although guidelines for contributions are set forth below, these guidelines are merely suggestions. Members are free not to contribute or to contribute more or less than the suggested amounts without affecting their membership status, rights, or benefits in NEA, PSEA, the local or any of PSEA's affiliates.

With full knowledge of this information, I authorize the following political action contributions as indicated by the check marks (✓) placed below.

PSEA PACE for State Elections

(✓) PLEASE CHECK

A.) ☐ $5 CONTRIBUTION (SUGGESTED)

B.) ☐ $_____ OTHER CONTRIBUTION (ENTER AMOUNT)

PSEA PACE for Federal Elections

(✓) PLEASE CHECK

A.) ☐ $1 CONTRIBUTION (SUGGESTED)

B.) ☐ $_____ OTHER CONTRIBUTION (ENTER AMOUNT)

(✓) PLEASE CHECK

☐ I authorize my local association to include my voluntary contribution to SPAC and FPAC as indicated above in my authorization for payroll deduction of membership dues. My political action contribution shall be made to the appropriate committee out of my final payment of the membership year unless proration is required by law.

It is agreed that my authorization for political action contributions and my authorization for payroll deduction, if available and already authorized, shall continue in force from year to year unless revoked or modified by me for a succeeding membership year by giving written notice to that effect to my local association on or before October 1 of that membership year.

MEMBERSHIP TYPE AND PAYMENT

Pennsylvania is a unified state. The NEA, PSEA and local associations may not be joined separately.

PSEA

(✓) PLEASE CHECK ONE

☐ 10 ANNUAL	$184.00
☐ 11 HALF-YEAR	$ 92.00
☐ 20 ASSOCIATE	$ 92.00
☐ 40 RESERVE	$ 92.00

NEA

(✓) PLEASE CHECK ONE

☐ 10 ANNUAL	$ 62.00
☐ 11 HALF-YEAR	$ 31.00
☐ 20 ASSOCIATE	$ 5.00
☐ 40 RESERVE	$ 31.00

PSEA DUES (from above): $_____

NEA DUES (from above): _____

LOCAL DUES: _____

SPAC CONTRIBUTION (from pledge): _____

FPAC CONTRIBUTION (from pledge): _____

TOTAL PAYMENT: $_____

I UNDERSTAND THAT OF THE TOTAL PSEA DUES, $9.00 IS FOR A ONE YEAR SUBSCRIPTION TO THE VOICE, AND OF THE TOTAL NEA DUES, $1.01 IS FOR A ONE YEAR SUBSCRIPTION TO TODAY'S EDUCATION AND $1.45 IS FOR A ONE YEAR SUBSCRIPTION TO NEA TODAY.

BY SIGNING THIS MEMBERSHIP FORM, I AM ENROLLING FOR THE 1984-85 MEMBERSHIP YEAR AND ALSO AGREEING TO MAINTAIN MY MEMBERSHIP IN THE APPROPRIATE CATEGORY EACH MEMBERSHIP YEAR THEREAFTER, UNLESS COVERED BY A MAINTENANCE OF MEMBERSHIP PROVISION. I MAY REVOKE MY MEMBERSHIP BY NOTIFYING, IN WRITING, MY LOCAL ASSOCIATION, IF AVAILABLE, OR PSEA NO LATER THAN OCTOBER 1 OF THAT MEMBERSHIP YEAR OR AS STATED IN MY COLLECTIVE BARGAINING AGREEMENT.

DATE _____ SIGNATURE _____

K. Eugene Preston EXECUTIVE DIRECTOR
PENNSYLVANIA STATE EDUCATION ASSOCIATION

PSEA COPY

PLEASE RETURN THE FIRST TWO COPIES OF THIS FORM TO PSEA

Don Cameron EXECUTIVE DIRECTOR
NATIONAL EDUCATION ASSOCIATION

8604056404 3

Name_____
School_____

To Paymaster:

I_____
hereby authorize you to deduct from my pay the proper dues for Educational Association until they are paid in full.

Starting Date_____
Effective Date_____
Signature_____

CHESTER UPLAND EDUCATION ASSOCIATION
PAYROLL FORM

Mr.
Mrs.
Miss_____Telephone_____

Address_____

City_____State_____Zip Code_____

Social Security Number_____School_____

Elementary_____
Secondary_____ Subject_____

Birth Date Month_____Date_____Year_____

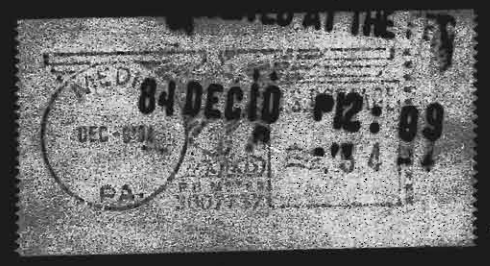
Dues Deduction_____Total_____

Full payment_____

Two payment_____

10 payment_____

20 payment_____



LAW OFFICES

RICHARD, DiSANTI, HAMILTON, GALLAGHER & PAUL

A PROFESSIONAL CORPORATION

20 WEST FRONT STREET

P.O. BOX 980

MEDIA, PENNSYLVANIA 19063

TO: THE FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

ATTENTION: LEE ANN ELIOTT
CHAIRMAN

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 27, 1984

Lyn Shoenfeld, Esquire
110 West Front Street
Media, Pennsylvania 19063

Re: MUR 1756
Chester Upland Education
Association
Charles Oakley

Dear Ms. Shoenfeld:

The Federal Election Commission notified your clients on August 6, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your clients at that time. We acknowledge receipt of your explanation of this matter which was dated August 9, 1984.

Upon further review of the allegations contained in the complaint and information supplied by your clients, the Commission, on October 23, 1984, determined that there is reason to believe that Chester Upland Education Association and Charles Oakley, violated 2 U.S.C. §441b(b)(3)(A), a provision of the Act. You may submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. In addition, please have your clients submit answers to the enclosed interrogatories within ten days of your receipt of this notification.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause; however, in the absence of any information which demonstrates that no further action should be taken against your clients, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

8604056400

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that your clients wish the matter to be made public. If you have any questions, please contact Duane A. Brown, the attorney assigned this matter, at (202)523-4000.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Procedures

8604056404046

Charles Oakley
President
Chester Upland Education Association

INTERROGATORIES

In an effort to clarify questions of concern, the Commission poses the following questions to you. Please answer each question under oath.

In your response to the complaint dated August 9, 1984, you indicate that dues deductions from individual teachers are made on a yearly basis in favor of the First National Education Association ("FNEA"), the Chester Upland Education Association ("CUEA") the Pennsylvania State Education Association ("PSEA") and PACE.

1. Please explain the relationship of PACE to:

   a) the FNEA.
   b) the PSEA.
   c) the CUEA.

2. Please describe the system for dues authorization whereby monies are deducted from members' wages for contribution to:

   a) the FNEA.
   b) the PSEA.
   c) the CUEA.
   d) the PACE.

3. Please state whether members of the CUEA are required to sign separate written authorizations before contributions to the FNEA, PSEA, CUEA, and PACE are deducted. If so, what were the number of such written authorizations and what was the total amount deducted from wages during the school year beginning September, 1983 through June, 1983?

   a) If not, provide the number of individuals for whom dues was deducted, without prior authorization, during the school year beginning September, 1983 through June, 1983.

4. If your answer to question #2 is yes, state whether Robert Smith signed such an authorization. If so, please attach a copy of each authorization he signed.

8 6 0 4 0 5 6 4

5. Please explain whether any portion of the $6 deducted from membership wages in favor of PACE is disbursed, at any time, in favor of:

a) the First National Education Association and/or its PACE.
b) the Pennsylvania State Education Association and/or its PACE.

5. If your answer to question #4 is yes, please describe the method by which the funds are disbursed by PACE. In addition, to whom are the monies disbursed.

6. Please state whether any portion of the $6 deducted from membership wages in favor of PACE is expended for the benefit of federal candidates.

a) If so, what portion of the $6 was expended for the benefit of federal candidates?

b) State which federal candidates received contributions from PACE for the period 1983-1984.

7. Please state whether any portion of the $6 deducted from membership wages in favor of PACE is disbursed to others who make contributions to federal candidates.

a) If so, to whom is money disbursed in this manner?

8604056404 8

LAW OFFICES
RICHARD, DISANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION

HOWARD RICHARD
ALEXANDER A. DISANTI
THOMAS P. HAMILTON, JR.
JOHN M. GALLAGHER, JR.
MICHAEL A. PAUL*
LYN B. SCHOENFELD
LEONARD V. TENAGLIA
SUE ANN UNGER

PARA-LEGAL ASSOCIATES
RUTH DEVLIN
JAN BUCKLEY

*PA. & DEL. BAR

[illegible] WEST FRONT STREET
MEDIA, PENNSYLVANIA 19063
(215) [illegible]-4000
REPLY TO P.O. BOX [illegible]
MEDIA, PENNSYLVANIA 19063

GCC#5269

October 22, 1984

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 OCT 23 A11:06

Federal Election Commission
Washington, D.C. 20463

Attention: Duane Brown, Esquire
Office of the General Counsel

Re: MUR 1756

Dear Mr. Brown:

Enclosed please find the Affidavit signed by Charles Oakley, President of the Chester-Upland Education Association in the above captioned matter.

Very truly yours,

Lyn Schoenfeld

LYN B. SCHOENFELD

LBS:jm
encls. Affidavit

8604056404

STATE OF PENNSYLVANIA:

:SS

COUNTY OF DELAWARE :

AFFIDAVIT

I, CHARLES OAKLEY, President of the Chester-Upland Education Association, do hereby depose and state that all funds obtained via dues deduction from the Chester-Upland Education Association Members remained in the local association and that none of those funds collected from the dues deduction ever went to the Pennsylvania State Education Association or the National Education Association

CHARLES OAKLEY

Sworn to and Subscribed
before me this 22nd day
of October, 1984.

NOTARY PUBLIC
My Commission Expires:

ANGELA ANDERSEN, Notary Public
Woodlyn, Delaware Co., Pa.
My Commission Expires July 18, 1988

8604056405O

ALL STATE BOND
BAG CONTENT

LAW OFFICES
HARD, DISANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION
110 WEST FRONT STREET
P.O. BOX 900
MEDIA, PENNSYLVANIA 19063

8 6 0 4 0 5 6 4 0 5

Federal Election Commission
Washington, D.C. 20463

Attention Duane Brown, Esquire
Office of the General Counsel

RECEIVED AT THE
HAND DELIVERED
84 OCT 23 AM 10:

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Chester Upland Education Association) MUR 1756
Charles Oakley, President)
)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 23, 1984, do hereby certify that the Commission decided by a vote of 6-0 to find reason to believe the Chester Upland Education Association and Charles Oakley violated 2 U.S.C. § 441b(b)(3)(A) , and to direct the Office of General Counsel to try to establish whether there is jurisdiction because of federal activity.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision.

Attest:

Oct. 24, 1984
Date

Marjorie W. Emmons
Secretary of the Commission

8604056405 2

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ JODY C. RANSON

DATE: OCTOBER 15, 1984

SUBJECT: OBJECTIONS - MUR 1756 First General Counsel's Report signed October 10, 1984

The above-named document was circulated to the Commission on Thursday, October 11, 1984 at 11:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	X
Commissioner Elliott	X
Commissioner Harris	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Reiche	X (comments attached)

This matter will be placed on the Executive Session agenda for Tuesday, October 23, 1984.

8604056400

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: OCTOBER 12, 1984

SUBJECT: OBJECTIONS - MUR 1756 First General Counsel's Report signed October 10, 1984

The above-named document was circulated to the Commission on Thursday, October 11, 1984 at 11:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	X
Commissioner Elliott	X
Commissioner Harris	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Reiche	

This matter will be placed on the Executive Session agenda for Tuesday, October 23, 1984.

8604056405 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: October 10, 1984

SUBJECT: MUR 1756 - First General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[X]	Compliance	[X]
Sensitive	[X]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

8604056400

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

84 OCT 10 P3:47

FIRST GENERAL COUNSEL'S REPORT

MUR # 1756
Date Complaint Received 7/31/84
Date of Notification to Respondent 8/2/84
Staff Duane A. Brown

COMPLAINANTS NAME: Robert D. Smith
RESPONDENTS' NAMES: Chester Upland Education Association
Charles Oakley, President
RELEVANT STATUTE: 2 U.S.C. § 441b(b)(3)(A)
INTERNAL REPORTS CHECKED: Commission Records
FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

On July 31, 1984, Robert Smith ("the complainant") submitted a complaint alleging that the Chester Upland Education Association ("CUEA") and Charles Oakley, its President, violated the Act when dues were deducted from his payroll check in favor of the Political Action Committee for Education ("PACE") against his wishes (Attachment 1). It appears that the complainant is a member of a county education association as a result of being a teacher in the county school district. The education association has a political action committee by the name of ("PACE"). The complainant argues that it was the education association which directed his employer, the county school district, to deduct $6 from his payroll check in favor of PACE. The complainant argues that the deduction was not authorized and was made over his objections. The complainant also filed a supplement

8604056

to his complaint (Attachment II).

On August 13, 1984, Lyn Schoenfeld, Esq., filed a response on behalf of the CUEA and its president, Charles Oakley (Attachment III).

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 441b(b)(3)(A) states that:

> It shall be unlawful for such a fund [union] to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals; or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment... (emphasis added)

The respondents argue that for the past seven (7) years, it has been the practice of the CUEA to deduct dues from each association member for the support of the First National Education Association, CUEA, Pennsylvania State Education Association and PACE. The basis of the complaint relates solely to the $6 deduction made in favor of PACE. The respondents aver that each year the $6 deduction is made in favor of PACE, however, those teachers who decide not to contribute to PACE are refunded the $6 upon request at the end of the school year. The respondents continue by stating that in fact, Mr. Smith has consistently requested and received a refund of his $6 at the end of the school year "for the past six or seven years".

More importantly, it appears that the contributions to PACE are for support of the local level associations and not the national association. Although the practice of making deductions

8604056404057

from payroll checks and subsequently reimbursing those who objected is contrary to law, the activity in question does not appear to fall within the jurisdiction of the Act. See FEC v. NEA, 457 F. Supp. 1102 (D.C. 1978).

Accordingly, it is recommended that the Commission find no reason to believe the CUEA and Charles Oakley violated, 2 U.S.C. § 441b(b)(3)(A).

RECOMMENDATIONS

1. Find no reason to believe the Chester Upland Education Association and Charles Oakley violated 2 U.S.C. § 441b(b)(3)(A).
2. Send attached letters.
3. Close the file.

Charles N. Steele
General Counsel

Oct. 10, 1984
Date

By: Kenneth C. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
I. Complaint
II. Amendment to Complaint
III. Respondent's Reply
IV. Letter to Robert Smith
V. Letter to Lyn Schoenfeld

8604056403

ATTACHMENT I

RECEIVED AT THE FEC

84 JUL 31 P 1:01

402 Ninth Street
Upland, PA 19015
July 27, 1984

MUR 1056

Federal Election Commission
1325 K Street N W
Washington, DC 20463

84 JUL 31 1:01

Ladies and Gentlemen:

I submit the following information and complaint.

During the 1983-84 school year there was an involuntary deduction of six dollars from my pay check for a political action committee. It is my understanding that the CUEA (Chester-Upland Education Association) furnished my employer, the Chester Upland School District, with the amounts of payroll deductions to be made for union purposes. The union that received this money is

Chester Upland Education Association
Charles Oakley, President
25 Eighth Street
Upland, PA 19015.

You will note from the attached copy of a CUEA announcement that the union does not clarify the distribution of union dues collected, but I have been told the distribution is as follows:

National Education Association (NEA)	$57.00
Chester Upland Education Association (CUEA)	42.00
Pennsylvania State Education Association (PSEA)	153.00
PACE (Political Action Committee for Education)	6.00

A copy of one check stub is attached which shows one of the deductions made on behalf of the CUEA.

My complaint is that I object to the six dollar involuntary contribution to PACE.

Sincerely yours,

Robert D. Smith

Robert D. Smith

TO THE BEST OF MY KNOWLEDGE THIS INFORMATION IS TRUE AND CORRECT

SWORN & SUBSCRIBED BEFORE ME THIS
27th DAY OF July 1984

Margaret Flasinski

MARGARET FLASINSKI, NOTARY PUBLIC
PARKSIDE BORO, DELAWARE COUNTY
MY COMMISSION EXPIRES NOV. 15, 1985
Member, Pennsylvania Association of Notaries

8604056405

News and Views

September 6, 1983

SEPTEMBER PAY DATES - The district will issue pay checks on Sept. 14 and Sept. 21. The regular bi-weekly schedule begins with the October 5 pay.

CUEA MEMBERSHIP DUES - Dues for the 1983-84 school year will be $258. The increase is the result of a $14 raise in PSEA dues and a $4 increase in NEA. There is no increase in local dues. Dues deductions will begin on October 5.
(10 pays = $25.80; 20 pays = $12.90).

If you wish to change your union dues payment you may do so by contacting the CUEA office by Sept.16. Call the tape at 876-1669 and leave your message.

INSURANCE REMINDER - If you have changed your marital status or a change has occurred in your family don't forget to change your beneficiary for retirement, life insurance and credit union benefits. This must be done in person at the business office and the credit union office.

ADMINISTRATIVE APPOINTMENTS - At the June 27, meeting, the school board approved the following administrative changes.

Sylvester Pompilii - Principal, Columbus Elementary School
William Jones - Principal, Toby Farms Elementary School
Joseph Ferrara - Principal, Wetherill Elementary School
Frank Kapochus - Principal, Pulaski Middle School
Joseph Madzelan - Vice Principal, Smedley Middle School
Daniel Petino - Vice Principal, Showalter Middle School

WELCOME BACK - CUEA welcomes back the following teachers.

Annette Wallace
Ruth Jones
Denise Ashby
Joan Back
Fannie Stephens
Valerie Harris
Meridith Legette
Patricia Vallot
Barbara Henderson

PUBLISHED BY THE CHESTER UPLAND EDUCATION ASSOCIATION

8 6 0 4 0 5 6 4 0 6 1

ROBERT D SMITH

PERIOD ENDING 1/13/34

054927

SOC.SEC. # 201-07-4836 EMP. # 01317

MARITAL STATUS	EXEMP.	ADDITIONAL FED.WITH.TAX	ADDITIONAL STATE TAX	ACCUM. SICK LEAVE	PERS. DAYS	BANK
M	2			120.0	30.0	02

EARNING DESCRIPTION	CURRENT	YEAR-TO-DATE
REGULAR EARN	1,022.99	2,145.78
TOTAL GROSS	1,022.99	2,145.78

DEDUCTION DESCRIPTION	CURRENT	YEAR-TO-DATE
FEDERAL TAX	151.05	25.12
F.I.C.A. TAX	73.22	146.44
PA STATE TAX	26.74	53.56
LOCAL TAX	10.23	21.36
RETIREMENT	59.31	116.62
PA UNEMP.TAX	1.04	2.18
CREDIT UNION	40.00	80.00
CUBA	12.90	25.80
PURCHASE RETIRE	65.72	131.44
ANNUITY	50.00	100.00

NET PAY 612.97

ATTACHMENT II

84 AUG 27 P2:22

402 Ninth Street
Upland, PA 19015
August 22, 1984

GCC
#4480

Federal Election Commission
ATT: Kenneth A Gross, Associate General Counsel
Washington, D.C. 20463

RE: Additional information to the complaint of Robert D. Smith, dated July 27, 1984

Dear Sir,

I consider the attached copy of a spirit duplicator communication to be evidence that the officers of CUEA realize they have an obligation to return funds obtained from involuntary payroll deductions. I believe the cash return strongly suggests that political action funds have been co-mingled with the union's general fund.

Involuntary payroll deductions have been made in the past even though I indicated in writing that I did not wish to contribute for political action purposes.

All three reimbursements for past involuntary contributions that I can recall have been made in cash, but only once was I asked to provide a receipt for cash received.

Sincerely yours,

Robert D. Smith

Robert D. Smith

SUBSCRIBED AND SWORN
BEFORE ME A NOTARY
FOR THE COUNTY OF DELAWARE
THIS 23rd DAY OF Aug. 1984

Notary Public, Brookhaven, Del. Co., Pa.
My Commission expires May 2nd, 1986

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 AUG 28 A9:51

8604056406 2

4

[illegible] member,

Enclosed is the money you did not wish to contribute to the PACE effort.

Should you decide that you wish you had supported the successful efforts against the Chapter 5 revisions to the school curriculum, or had helped support the lobbying of legislators for bills helpful to education (among others - early retirement++), simply write RETURN TO SENDER on the outside of this envelope with all contents enclosed, place in the inner-school mail, and we will be delighted to accept your show of support.

We teachers must be the voice for good programs, sufficient funding and effective legislators. Please join the 97% of CUEA members who contribute to PACE by writing RETURN TO SENDER as soon as possible.

Yours truly,
Martha Poore
PACE coordinator

++ "30 and out" legislation has been voted out of committee to floor of House & Senate of PA. Write your legislator in support!!

Received $6.00 cash from Mrs. Poore
RPSmith
6-16-83

86040564063

RECEIVED AT THE FEC

84 AUG 13 P12:12

LAW OFFICES

RICHARD, DiSANTI, HAMILTON, GALLAGHER & PAUL

A PROFESSIONAL CORPORATION

HOWARD RICHARD
ALEXANDER A. DiSANTI
THOMAS P. HAMILTON, JR.
JOHN M. GALLAGHER, JR.
MICHAEL A. PAUL*
LYN B. SCHOENFELD
LEONARD V. TENAGLIA
SUE ANN UNGER

PARA-LEGAL ASSOCIATES
RUTH DEVLIN
JAN BUCKLEY

*PA. & DEL. BAR

110 WEST FRONT STREET
MEDIA, PENNSYLVANIA 19063
(215) 565-4800
REPLY TO P.O. BOX 900
MEDIA, PENNSYLVANIA 19063

August 9, 1984

Federal Election Commission
Washington, D.C. 20463

Attention: Duane Brown, Esquire
Office of the General Counsel

Re: MUR 1756

Dear Mr. Brown:

Please be advised that this office represents the Chester-Upland Education Association and its President, Charles Oakley, who were named in a Complaint filed with the Federal Election Commission on July 27, 1984 by Robert D. Smith.

The gist of Mr. Smith's Complaint is that as a part of dues collected from him for membership in the National Education Association, Chester-Upland Education Association and Pennsylvania State Education Association, the sum of $6.00 was also deducted as an "involuntary" contribution to PACE which is the Pennsylvania State Education Association Political Action Committee for Education.

A brief recitation of the history of the Chester-Upland Education Association policy regarding dues deduction makes it clear that Mr. Smith was not forced to contribute any funds to PACE. For at least the past seven years, it has been the practice of the Association to maintain records on those association members who identify themselves as not being interested in making contributions to PACE. The total dues deduction per association member for 1983-84 was $258.00 as follows:

8604056406 4

11:13 P2:40

6

1. First National Education Association -$57.00

2. Chester Upland Education Association -$42.00

3. Pennsylvania State Education Association -$153.00

4. PACE -$6.00

In order to make the system of dues deduction easier for the School District, the Association has in the past followed a course of deducting the full amount of the yearly dues deduction from each teacher, whether or not that particular teacher has indicated a desire to contribute to PACE. Then, based upon the records that are maintained to identify which teacher's have decided not to contribute to PACE, those teachers are refunded their $6.00 at the end of the school year. Mr. Smith, in fact, has himself been consistently receiving back his $6.00 at the end of every school year at least for the past six or seven years. He has never registered a complaint with the Association as regards this particular method of collecting and refunding PACE dues.

A problem arose in the past school years because, for 1983-84, the PACE Chairperson for the Association was out of school on a sabbatical. Ordinarily, at the very end of the school year, it would have been she who would have had the responsibility of returning the $6.00 to each teacher who had indicated a desire not to contribute to PACE. However, because this particular individual was on sabbatical, the actual refunding of the $6.00 for the PACE contributions was not done. Please be assured that the Association has every intention of seeing that the $6.00 refunds are made to those teachers who have indicated a desire not to contribute to PACE. It is expected that these refunds will be made by the beginning of the comming school year.

It is also the Association's position that this Complaint by Mr. Smith, in which he objects to an Association procedure that has gone on for many, many years, is a tactic of harassment and reprisal with regard to a situation that is unrelated to the dues deduction. For about the last six years, Mr. Smith has been involved in at least two lawsuits against a fellow member of the Association. While the substance of that particular lawsuit is irrelevant to this matter, Mr. Smith has

8604056406 5

attempted to solicit the financial aid of the Local Association, the State Association and the National Association to prosecute this lawsuit. Since the lawsuit involves pitting one Association member against another, it is Association policy not to become involved in such a matter so that all of Mr. Smith's requests along those lines have been denied. He has expressed extreme anger at the Association for what he perceives to be its failure to support him in his civil lawsuit. The particular complaint raised in this case over such a de minimis matter as a $6.00 dues deduction, illustrates that Mr. Smith will go to ail lengths to cause embarrassment and trouble for the Chester-Upland Education Association.

Although the Association does not believe that it has violated the Federal Election Laws, it does appreciate Mr. Smith's argument that it might be better to simply not deduct PACE contributions from those persons who do not wish to make them rather than to collect the money and refund it at a later time. This has been difficult to impliment in the past because the School District's payroll operations looked unfavorably upon having to make yearly adjustments in Association members' payroll deductions that would not be uniform for everyone. It is believed, however, that with some effort, a system can be implemented whereby no contributions would be deducted from those people indicating that they do not wish to become contributors. To the extent that this policy will be followed in the future, I submit that any action based upon arrangements made in the past would be totally unwarranted.

I believe that it is important that the Federal Election Commission realize that all of the bookkeeping for PACE contributions was done at the local level so that those persons who indicated that they did not wish to be PACE contributors were never in any manner listed as PACE contributors on any official listing in spite of the fact that dues deductions were made from everyone. In other words, those people indicating that they did not want to be PACE contributors, were never reported to PSEA or to NEA as PACE contributors.

I would be please to discuss this case with you and to

8604056406 6

discuss any additional details that you may require. For your records, I am enclosing a Statement of Designation of Counsel executed by Charles Oakley, President of the Chester-Upland Education Association.

Very truly yours,

Lyn Schoenfeld

LYN B. SCHOENFELD

LBS:jm
cc: Mr. Charles Oakley

8604056440667

ATTACHMENT IV

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert D. Smith
402 - Ninth Street
Upland, Pennsylvania 19015

Re: MUR 1756

Dear Mr. Smith:

The Federal Election Commission has reviewed the allegations of your complaint dated August 22, 1984, and determined that on the basis of the information provided in your complaint and information provided by the Respondent there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure
General Counsel's Report

8604056406 8

10

ATTACHMENT I

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Lyn B. Schoenfeld, Esquire
110 West Front Street
Media, Pennsylvania 19063

Re: MUR 1756
Charles Oakley
Chester Upland Education
Association

Dear Ms. Schoenfeld:

On August 6, 1984, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1984, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

8604056406

LAW OFFICES
RICHARD, DiSANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION

HOWARD RICHARD
ALEXANDER A. DiSANTI
THOMAS P. HAMILTON, JR.
JOHN M. GALLAGHER, JR.
MICHAEL A. PAUL*
LYLE S. SCHOENFELD
LEONARD V. TENAGLIA
SUE ANN UNGER

PARA-LEGAL ASSOCIATES
RUTH DEVLIN
JAN BUCKLEY

*PA. & DEL BAR

110 WEST FRONT STREET
MEDIA, PENNSYLVANIA 19063
[illegible]
REPLY TO P.O. BOX 900
MEDIA, PENNSYLVANIA 19063

August 9, 1984

Federal Election Commission
Washington, D.C. 20463

Attention: Duane Brown, Esquire
Office of the General Counsel

Re: MUR 1756

Dear Mr. Brown:

Please be advised that this office represents the Chester-Upland Education Association and its President, Charles Oakley, who were named in a Complaint filed with the Federal Election Commission on July 27, 1984 by Robert D. Smith.

The gist of Mr. Smith's Complaint is that as a part of dues collected from him for membership in the National Education Association, Chester-Upland Education Association and Pennsylvania State Education Association, the sum of $6.00 was also deducted as an "involuntary" contribution to PACE which is the Pennsylvania State Education Association Political Action Committee for Education.

A brief recitation of the history of the Chester-Upland Education Association policy regarding dues deduction makes it clear that Mr. Smith was not forced to contribute any funds to PACE. For at least the past seven years, it has been the practice of the Association to maintain records on those association members who identify themselves as not being interested in making contributions to PACE. The total dues deduction per association member for 1983-84 was $258.00 as follows:

8 6 0 4 0 5 6 4 0 7 0

AUG 13 2 40 PM '84
FEDERAL ELECTION COMMISSION
SECRETARIAT

1. First National Education Association -$57.00

2. Chester-Upland Education Association -$42.00

3. Pennsylvania State Education Association -$153.00

4. PACE -$6.00

In order to make the system of dues deduction easier for the School District, the Association has in the past followed a course of deducting the full amount of the yearly dues deduction from each teacher, whether or not that particular teacher has indicated a desire to contribute to PACE. Then, based upon the records that are maintained to identify which teacher's have decided not to contribute to PACE, those teachers are refunded their $6.00 at the end of the school year. Mr. Smith, in fact, has himself been consistently receiving back his $6.00 at the end of every school year at least for the past six or seven years. He has never registered a complaint with the Association as regards this particular method of collecting and refunding PACE dues.

A problem arose in the past school years because, for 1983-84, the PACE Chairperson for the Association was out of school on a sabbatical. Ordinarily, at the very end of the school year, it would have been she who would have had the responsibility of returning the $6.00 to each teacher who had indicated a desire not to contribute to PACE. However, because this particular individual was on sabbatical, the actual refunding of the $6.00 for the PACE contributions was not done. Please be assured that the Association has <u>every intention</u> of seeing that the $6.00 refunds are made to those teachers who have indicated a desire not to contribute to PACE. It is expected that these refunds will be made by the beginning of the comming school year.

It is also the Association's position that this Complaint by Mr. Smith, in which he objects to an Association procedure that has gone on for many, many years, is a tactic of harassment and reprisal with regard to a situation that is unrelated to the dues deduction. For about the last six years, Mr. Smith has been involved in at least two lawsuits against a fellow member of the Association. While the substance of that particular lawsuit is irrelevant to this matter, Mr. Smith has

8604056407

attempted to solicit the financial aid of the Local Association, the State Association and the National Association to prosecute this lawsuit. Since the lawsuit involves pitting one Association member against another, it is Association policy not to become involved in such a matter so that all of Mr. Smith's requests along those lines have been denied. He has expressed extreme anger at the Association for what he perceives to be its failure to support him in his civil lawsuit. The particular complaint raised in this case over such a de minimis matter as a $6.00 dues deduction, illustrates that Mr. Smith will go to all lengths to cause embarrassment and trouble for the Chester-Upland Education Association.

Although the Association does not believe that it has violated the Federal Election Laws, it does appreciate Mr. Smith's argument that it might be better to simply not deduct PACE contributions from those persons who do not wish to make them rather than to collect the money and refund it at a later time. This has been difficult to impliment in the past because the School District's payroll operations looked unfavorably upon having to make yearly adjustments in Association members' payroll deductions that would not be uniform for everyone. It is believed, however, that with some effort, a system can be implemented whereby no contributions would be deducted from those people indicating that they do not wish to become contributors. To the extent that this policy will be followed in the future, I submit that any action based upon arrangements made in the past would be totally unwarranted.

I believe that it is important that the Federal Election Commission realize that all of the bookkeeping for PACE contributions was done at the local level so that those persons who indicated that they did not wish to be PACE contributors were never in any manner listed as PACE contributors on any official listing in spite of the fact that dues deductions were made from everyone. In other words, those people indicating that they did not want to be PACE contributors, were never reported to PSEA or to NEA as PACE contributors.

I would be please to discuss this case with you and to

8604056402

discuss any additional details that you may require. For your records, I am enclosing a Statement of Designation of Counsel executed by Charles Oakley, President of the Chester-Upland Education Association.

Very truly yours,

Lyn Schoenfeld

LYN B. SCHOENFELD

LBS:jm
cc: Mr. Charles Oakley

86040056640073

LAW OFFICES

HARD, DISANTI, HAMILTON, GALLAGHER & PAUL

A PROFESSIONAL CORPORATION

110 WEST FRONT STREET

P.O. BOX 900

MEDIA, PENNSYLVANIA 19063

RECEIVED AT THE [illegible]

MEDIA AUG [illegible] PA.

[illegible] AUG [illegible]

3007737

8 4 0 5 6 4 0 7

TENTION:

NE BROWN, ESQ.

ICE OF THE GENERAL COUNSEL

Federal Election Commission
Washington, D. C. 20463

GCC #5132

LAW OFFICES
RICHARD, DiSANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION

HOWARD RICHARD
ALEXANDER A. DiSANTI
THOMAS R. HAMILTON, JR.
JOHN M. GALLAGHER, JR.
MICHAEL A. PAUL*
LYN B. SCHOENFELD
LEONARD V. TENAGLIA
SUE ANN UNGER

PARA-LEGAL ASSOCIATES
BETH DEVLIN
JAN BUCKLEY

*PA. & DEL. BAR

110 WEST FRONT STREET
MEDIA, PENNSYLVANIA 19063
(215) 565-7900
REPLY TO P.O. BOX 900
MEDIA, PENNSYLVANIA 19063

October 12, 1984

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
84 OCT 15 AM 11:12

Federal Election Commission
Washington, D.C. 20463

Attention: Duane Brown, Esquire
Office of the General Counsel

RE: MUR 1756

Dear Mr. Brown:

Pursuant to our telephone conversation of October 12, 1984, I am hereby confirming the fact that all funds obtained via dues deduction from Chester Upland Education Association members remained in the local association. None of those funds collected from the dues deduction ever went to the state association (Pennsylvania State Education Association) or the national association (National Education Association).

I will be forwarding a sworn affidavit to you regarding the above early next week. If there are any further questions regarding Mr. Smith's complaint or if I can provide any further information please do not hesitate to call me.

Very truly yours,

Lyn Schoenfeld

LYN B. SCHOENFELD

LBS:jm
cc: Mr. Charles Oakley
Mr. Robert Strunk

8604056407

LAW OFFICES
HARD, DISANTI, HAMILTON, GALLAGHER & PAUL
A PROFESSIONAL CORPORATION
20 WEST FRONT STREET
P. O. BOX 600
MEDIA, PENNSYLVANIA 19063

PHILADELPHIA, PA. PM 12 OCT 1984
MEDIA OCT 12 '84 PA.
U.S. POSTAGE 20

8 4 0 5 6 4 0 7

ATTENTION:
DUANE BROWN, ESQUIRE
OFFICE OF THE GENERAL COUNSEL

Federal Election Commission
Washington, D.C. 20463

84 OCT 15 PM

402 Ninth Street
Upland, PA 19015
August 22, 1984

Federal Election Commission
ATT: Kenneth A Gross, Associate General Counsel
Washington, D.C. 20463

RE: Additional information to the complaint of Robert D. Smith, dated July 27, 1984

Dear Sir,

I consider the attached copy of a spirit duplicator communication to be evidence that the officers of CUEA realize they have an obligation to return funds obtained from involuntary payroll deductions. I believe the cash return strongly suggests that political action funds have been co-mingled with the union's general fund.

Involuntary payroll deductions have been made in the past even though I indicated in writing that I did not wish to contribute for political action purposes.

All three reimbursements for past involuntary contributions that I can recall have been made in cash, but only once was I asked to provide a receipt for cash received.

Sincerely yours,

Robert D. Smith

Robert D. Smith

SUBSCRIBED AND SWORN
BEFORE ME A NOTARY
FOR THE COUNTY OF DELAWARE
THIS 22nd DAY OF Aug. 1984

Notary Public, Brookhaven, Del. Co., Pa
My Commission expires May 2nd, 1986

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
'84 AUG 23 A9:51

86040540077

Dear CUEA member,

Enclosed is the money you did not wish to contribute to the PACE effort.

Should you decide that you wish you had supported the successful efforts against the Chapter 5 revisions to the school curriculum, or had helped support the lobbying of legislators for bills helpful to education (among others - early retirement++), simply write RETURN TO SENDER on the outside of this envelope with all contents enclosed, place in the inner-school mail, and we will be delighted to accept your show of support.

We teachers must be the voice for good programs, sufficient funding and effective legislators. Please join the 97% of CUEA members who contribute to PACE by writing RETURN TO SENDER as soon as possible.

Yours truly,
Martha Poore
PACE coordinator

++ "30 and out" legislation has been voted out of committee to floor of House & Senate of 84 Write your legislator in support !!

Received $6.00 cash from Mrs. Poore
RPSmith
6-16-83

Robert D. Smith
402 Ninth Street
Upland, PA 19015
PHILADELPHIA, PA 191
PM
23 AUG
1984
84 AUG 27
RETURN RECEIPT
REQUESTED
CERTIFIED
P 376 202 641
MAIL
Federal Election Commission
ATT: Kenneth A. Gross, Associate General Counse
Washington, D.C. 20463

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1756

NAME OF COUNSEL: Lyn B. Schoenfeld, Esquire

ADDRESS: 110 W. Front St. P.O. Box 900
Media, Pennsylvania 19063

TELEPHONE: 215-565-4600

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

August 9, 1984
Date

Signature

RESPONDENT'S NAME: Chester-Upland Education Association

ADDRESS: 25 8th Street
Chester, Pennsylvania 19013

HOME PHONE:

BUSINESS PHONE: 876-1660

8604056408 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 2, 1984

Robert D. Smith
402 Ninth Street
Upland, Pennsylvania 19015

Dear Mr. Smith:

This letter is to acknowledge receipt of your complaint, which we received on July 31, 1984 which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondent will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedure for handling complaints. If you have any questions, please contact Barbara A. Johnson at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure

8604056400

8604054080

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 2, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Charles Oakley, President
Chester Upland Education
Association
25 Eighth Street
Upland, Pennsylvania 19015

Re: MUR 1756

Dear Mr. Oakley:

This letter is to notify you that on July 31, 1984 the Federal Election Commission received a complaint which alleges that the Association, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 1756. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against the Association, in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

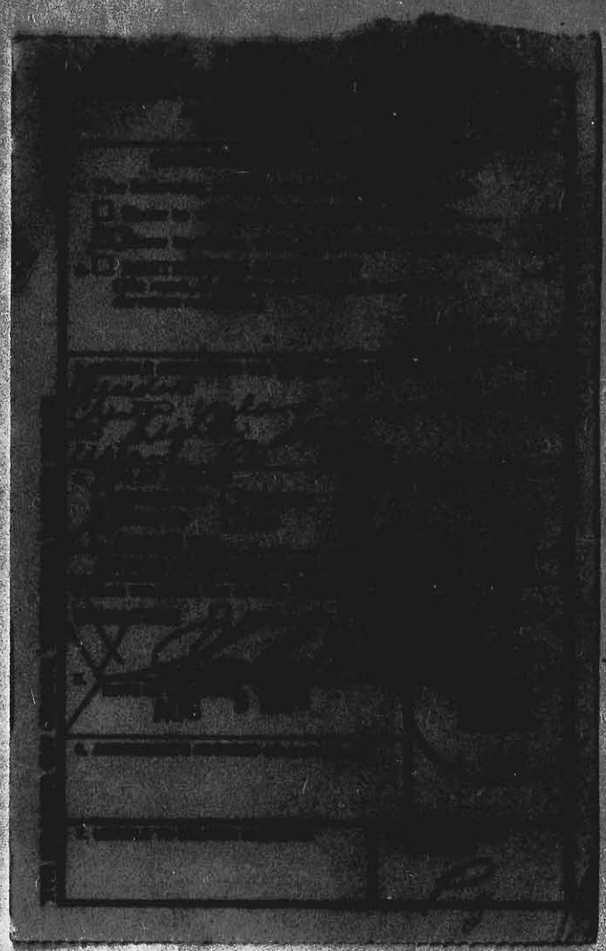
If you have any questions, please contact Duane Brown, the attorney assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement



8604056408 3

RECEIVED AT THE FEC

84 JUL 31 P1:04

402 Ninth Street
Upland, PA 19015
July 27, 1984

Federal Election Commission
1325 K Street N W
Washington, DC 20463

14 JUL 31

OFFICE OF GENERAL COUNSEL

Ladies and Gentlemen:

I submit the following information and complaint.

During the 1983-84 school year there was an involuntary deduction of six dollars from my pay check for a political action committee. It is my understanding that the CUEA (Chester Upland Education Association) furnished my employer, the Chester Upland School District, with the amounts of payroll deductions to be made for union purposes. The union that received this money is

Chester Upland Education Association
Charles Oakley, President
25 Eighth Street
Upland, PA 19015.

You will note from the attached copy of a CUEA announcement that the union does not clarify the distribution of union dues collected, but I have been told the distribution is as follows:

National Education Association (NEA)	$57.00
Chester Upland Education Association (CUEA)	42.00
Pennsylvania State Education Association (PSEA)	153.00
PACE (Political Action Committee for Education)	6.00

A copy of one check stub is attached which shows one of the deductions made on behalf of the CUEA.

My complaint is that I object to the six dollar involuntary contribution to PACE.

Sincerely yours,

Robert D. Smith

Robert D. Smith

TO THE BEST OF MY KNOWLEDGE THIS INFORMATION IS TRUE AND CORRECT

SWORN & SUBSCRIBED BEFORE ME THIS 27th DAY OF July 1984

Margaret Flasinski

MARGARET FLASINSKI, NOTARY PUBLIC
PARKSIDE BORO, DELAWARE COUNTY
MY COMMISSION EXPIRES NOV. 25, 1985
Member, Pennsylvania Association of Notaries

8600405640084

News and Views

September 6, 1983

SEPTEMBER PAY DATES - The district will issue pay checks on Sept. 14 and Sept. 21. The regular bi-weekly schedule begins with the October 5 PAY.

CUEA MEMBERSHIP DUES - Dues for the 1983-84 school year will be $258. The increase is the result of a $1¼ raise in PSEA dues and a $4 increase in NEA. There is no increase in local dues. Dues deductions will begin on October 5. (10 pays = $25.80; 20 pays = $12.90).

If you wish to change your union dues payment you may do so by contacting the CUEA office by Sept.16. Call the tape at 876-1669 and leave your message.

INSURANCE REMINDER - If you have changed your marital status or a change has occurred in your family don't forget to change your beneficiary for retirement, life insurance and credit union benefits. This must be done in person at the business office and the credit union office.

ADMINISTRATIVE APPOINTMENTS - At the June 27, meeting, the school board approved the following administrative changes.

Sylvester Pompilii - Principal, Columbus Elementary School
William Jones - Principal, Toby Farms Elementary School
Joseph Ferrara - Principal, Wetherill Elementary School
Frank Kapochus - Principal, Pulaski Middle School
Joseph Madzelan - Vice Principal, Smedley Middle School
Daniel Petino - Vice Principal, Showalter Middle School

WELCOME BACK - CUEA welcomes back the following teachers.

Annette Wallace
Ruth Jones
Denise Ashby
Joan Back
Fannie Stephens
Valerie Harris
Meridith Legette
Patricia Vallot
Barbara Henderson

PUBLISHED BY THE CHESTER UPLAND EDUCATION ASSOCIATION

ROBERT D SMITH PERIOD ENDING 1/13/84 054927

SOC.SEC. # 201-09-4836 EMP. # 01317

MARITAL STATUS	EXEMP.	ADDITIONAL FED. WITH. TAX	ADDITIONAL STATE TAX	ACCUM. SICK LEAVE	PERS. DAYS	BLDG.
M	2			190.0	30.0	02

EARNING DESCRIPTION	CURRENT	YEAR-TO-DATE
REGULAR EARN	1,092.88	2,135.76
TOTAL GROSS	1,092.88	2,135.76

DEDUCTION DESCRIPTION	CURRENT	YEAR-TO-DATE
FEDERAL TAX	131.06	262.12
F.I.C.A. TAX	73.22	146.44
PA STATE TAX	26.76	53.56
LOCAL TAX	10.93	21.36
RETIREMENT	68.31	136.62
PA UNEMP.TAX	1.09	2.18
CREDIT UNION	40.00	80.00
CUEA	12.90	25.30
PURCHASE RETIRE	65.72	131.44
ANNUITY	50.00	100.00

NET PAY 612.97

8604056408 6

RETURN RECEIPT
REQUESTED
CERTIFIED
P 376 200 997
MAIL
PHILADELPHIA, PA
PM
27 JUL
1984
JUL
27
1984
BROOKHAVEN BR.
Federal Election Commission
1325 K Street NW
Washington, D C 20463

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

8604056408 8

THIS IS THE BEGINNING OF MUR # 1756

Date Filed 4/13/86 Camera No. --- 1

Cameraman AS