



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2730

DATE FILMED 7/21/89 CAMERA NO. 4

CAMERAMAN AS

89040760103

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSELDATE: July 18, 1988ANALYST: Robyn Jameson

I. COMMITTEE: National Association of Social Workers'
Political Action for Candidate Election
(C00060707)
Betty M. Spencer, Treasurer
7981 Eastern Avenue
Silver Spring, MD 20910

II. RELEVANT STATUTE: 2 U.S.C. §441b(a)

III. BACKGROUND:

Receipt of Funds from Connected Organization

National Association of Social Workers' Political Action for Candidate Election ("PACE") accepted \$16,554 in impermissible funds on December 18, 1987 from its connected organization, National Association of Social Workers, Inc. ("NASW") (Attachment 2). The \$16,554 represents an overpayment of treasury funds by NASW, which was acting as a collecting agent for PACE.

On June 1, 1988, the Reports Analysis Division ("RAD") analyst sent PACE a Request for Additional Information ("RFAI") advising PACE to transfer-out the prohibited funds (Attachment 3).

A response by PACE, dated June 16, 1988, from Paul L. O'Donnell, Associate Director, reiterated the \$16,554 represented an overpayment. He also stated the funds had been transferred-out in response to the RFAI and included a photocopy of a \$16,554 check dated June 17, 1988, to National Association of Social Workers, Inc. (Attachment 4).

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

89040760104

FEDERAL ELECTION COMMISSION
1987-1988
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

Attachment 1

DATE 7JUL88

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
						TYPE OF FILER
NATIONAL ASSOCIATION OF SOCIAL WORKERS' POLITICAL ACTION FOR CANDIDATE ELECTION						ID #C00060707 NON-PARTY QUALIFIED
CONNECTED ORGANIZATION: SOCIAL WORKERS; NAT'L ASS'N OF						
1987 STATEMENT OF ORGANIZATION - AMENDMENT				12AUG87	2	87FEC/482/5492
MID-YEAR REPORT	57,058	9,068		1JAN87 -30JUN87	10	87FEC/479/0232
YEAR-END	97,272	46,008		1JUL87 -31DEC87	12	88FEC/504/2575
YEAR-END - AMENDMENT	97,272	46,008		1JUL87 -31DEC87	12	89FEC/510/4751
YEAR-END - AMENDMENT	65,114	13,851		1JUL87 -31DEC87	14	88FEC/530/3785
REQUEST FOR ADDITIONAL INFORMATION				1JUL87 -31DEC87	3	88FEC/528/2510
1988 APRIL QUARTERLY	17,589	13,947		1JAN88 -31MAR88	9	88FEC/519/1022
APRIL QUARTERLY - AMENDMENT	17,589	13,947		1JAN88 -31MAR88	10	88FEC/530/3999
REQUEST FOR ADDITIONAL INFORMATION				1JAN88 -31MAR88	1	88FEC/525/2514
TOTAL	139,761	0	36,866	0	73	TOTAL PAGES

87040760105

All reports have been reviewed

Cash on hand as of 3/31/88: \$123,696.74

Debts owed to committee as of 3/31/88: \$37,260.93

Debts owed by committee as of 3/31/88: \$16,754.00

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedules for each category of the Detailed Summary Page

PAGE 1 OF 1 FOR LINE NUMBER 17

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

NAME OF COMMITTEE (in Full)

Political Action for Candidate Election (FACE)

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
Merrill Lynch 1111 19th Street Washington D.C. 20036		7/1/87 - 12/31/87	500.31
Receipt For: <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> Dividends on CMA funds	Occupation	Aggregate Year-to-Date	\$ 567.86
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
FACE Account in American Security Bank 2001 Pennsylvania Avenue, N.W. Washington D.C.		8/18/87 10/30/87 12/10/87	9,407.17 1,750.00 21,000.00 32,157.17
Receipt For: <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> Transfer to interest bearing account	Occupation	Aggregate Year-to-Date	\$ 32,157.17
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
MSW, Inc. 7921 Eastern Avenue Silver Spring, MD 20910		12/18/87	16,554.00
Receipt For: <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> Overpayment on transfer of contributions collected from members of MSW	Occupation	Aggregate Year-to-Date	\$
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
Receipt For: <input type="checkbox"/> Other (specify)	Occupation	Aggregate Year-to-Date	\$
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
Receipt For: <input type="checkbox"/> Other (specify)	Occupation	Aggregate Year-to-Date	\$
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
Receipt For: <input type="checkbox"/> Other (specify)	Occupation	Aggregate Year-to-Date	\$
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month day year)	Amount of Each Receipt (this Period)
Receipt For: <input type="checkbox"/> Other (specify)	Occupation	Aggregate Year-to-Date	\$

3899.7.4.37.037900

SUBTOTAL (Receipts This Page) (optional)	69,214.00
TOTAL TO PAGE (all receipts) (optional)	69,214.00

SCHEDULE D
(Revised 2/80)

DEBTS AND OBLIGATIONS
(Excluding Loans)

Page 1 of 1 for
LINE NUMBER 10
(See separate schedule
for each numbered line)

Name of Debtor (in Full)	Outstanding Balance Beginning This Period	Amount Received This Period	Payment This Period	Outstanding Balance at Close of This Period
Political Action for Candidate Election (PAC) A. Full Name, Mailing Address and Zip Code of Debtor or Creditor National Association of Social Workers, Inc. 7961 Eastern Avenue Silver Spring, ND 20910	--	16,554.00	--	16,554.00
Nature of Debt (Purpose):				
In error NASW, Inc. paid on 12/18/87 \$16,554.00 too much for contributions to PAC received from members.				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
1) SUBTOTALS This Period This Page (optional)				16,554.00
2) TOTAL This Period (next page this line only)				16,554.00
3) TOTAL OUTSTANDING LOANS from Schedule C (next page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (next page only)				16,554.00

8 9 3 0 9 4 7 0 5 7 5 6 0 1 1 7 9 1



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

RO-2

JUN 1 1982

Betty M. Spencer, Treasurer
National Association of Social
Workers' Political Action for
Candidate Election
7981 Eastern Avenue
Silver Spring, MD 20910

Identification Number: C00060707

Reference: Year End Report (7/1/80-12/31/80)

Dear Ms. Spencer:

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

-Schedule A of your report discloses the receipt of funds from your connected organization (pertinent portion(s) attached). 2 U.S.C. §441b prohibits the receipt of funds from national banks, corporations, and labor organizations. If you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee, all refunds and transfers-out should be made within thirty (30) days of the treasurer's receipt of the funds. See 11 CFR 103.3(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

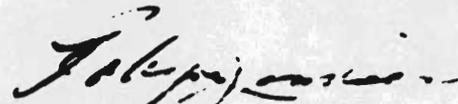
If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

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3

Although the Commission may take further legal steps concerning the acceptance of a prohibited contribution, prompt action by your committee to refund or transfer-out the amount will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Robyn J. Mason
Reports Analyst
Reports Analysis Division

8 3 3 7 3 5 2 9 2 5 1 1
6 0 4 0 7 6 0 1 0 9



National Association of Social Workers, Inc.
2501 Eastern Avenue
Spring, Maryland 20910
(301) 461-0333

June 16, 1988

BOARD OF DIRECTORS

- PRESIDENT 1988
Sandra Howard, Ph.D. ACSW
Anaheim, California
- VICED PRESIDENT 1988
Arlene Adams, ACSW
Evanston, Illinois
- VICED PRESIDENT 1988
Sandra Garcia, Ph.D. ACSW
New York, New York
- SECRETARY 1988
Arlene Adams, ACSW
Evanston, Illinois
- MEMBER 1988
Arlene Adams, ACSW
Evanston, Illinois

Ms. Robyn Jimason
Reports Analyst
Federal Election Commission
Reports Analysis Division
999 E Street, N. W.
Washington, D. C. 20463

Reference: ID #C00060707
Year End Report (7-1-87 to 12-31-87)
April Quarterly Report (1-1-88 to 3-31-88)

Dear Ms. Jimason:

In response to your two letters both dated June 1, 1988, and received by us on June 6 and 8, 1988, please find enclosed the amended reports noted above.

On the Year End Report, Schedule A, Itemized Receipts, item B, line 17, we have changed the total from \$32,157.17 to -0- (zero) since this amount represented transfers between bank accounts in PACE and should not have been reported as receipts.

Schedule A, Itemized Receipts, item C, line 17 in the amount of \$16,554.00, represents an overpayment to PACE on receipts collected by NASW on behalf of PACE.

Regarding the April Quarterly Report, the amended report added Schedule D to record the prior period debt in the amount of \$16,554.00. During that period, an additional amount of \$200.00 for bank security deposits was paid by NASW for PACE, making the total debt to NASW as of March 31, 1988, \$16,754.00.

Because NASW, as the affiliated organization, serves as a collecting agent for the political committee and operates on a fiscal year ending June 30, it was anticipated that the debt would be liquidated at that time. In light of your letter of inquiry, we have acted immediately to repay fully the amount that was transferred in error. No portion of the funds owed to NASW was used for separate segregated fund to contribute to federal candidates or used for any other PACE purpose.

If you have any questions, please feel free to call the undersigned at (301) 495-7286.

Sincerely,

Paul L. O'Donnell
Associate Director
Office of Management and Budget

Enclosure

89040760110
301:330327

NASW PACE CMA TAX-EXEMPT FUND
7901 EASTERN AVE.
SILVER SPRING, MD 20910

217

WCSMA Working Capital
Management Account

6/27 19 99 25-000000

PAY TO THE ORDER OF NATIONAL ASSOCIATION OF SOCIAL WORKERS, INC.

7901 Eastern Avenue, Silver Spring, MD 20910 \$ 16,554.00

*****Sixteen Thousand Five Hundred Fifty Four and 00/100***** DOLLARS

WCS Merrill Lynch

BANK ONE, COLUMBIA RIA Computer One 4377

Repay overpay. of contributions received

from NASW on behalf of PACE

⑆000217⑆ ⑆044000804⑆ 04080021034⑆

Betsy M. Spencer
Joby Warrille

NASW PACE CMA TAX-EXEMPT FUND
7901 EASTERN AVE.
SILVER SPRING, MD 20910

216

WCSMA Working Capital
Management Account

6/27 19 99 25-000000

PAY TO THE ORDER OF NATIONAL ASSOCIATION OF SOCIAL WORKERS, INC.

7901 Eastern Avenue, Silver Spring, MD 20910 \$ 200.00

*****Two Hundred and 00/100***** DOLLARS

WCS Merrill Lynch

BANK ONE, COLUMBIA RIA Computer One 4377

Repay NASW advance for Signet

security deposits

⑆000216⑆ ⑆044000804⑆ 04080021034⑆

Betsy M. Spencer
Joby Warrille

015 (5000)

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

88 SEP 30 PM 3:18

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

RAD Referral: 88L-19
Staff Member: C.L. Jacoby

SOURCE: INTERNALLY GENERATED

RESPONDENTS: National Association of Social Workers'
Political Action for Candidate Election
and Myriam C. Cain, as treasurer
National Association of Social Workers, Inc.

RELEVANT STATUTES: 2 U.S.C. § 441b
11 C.F.R. § 102.6
11 C.F.R. § 103.3(b)
11 C.F.R. §§ 114.1(a)(2)(iii) and (b)
11 C.F.R. § 114.5(b)

INTERNAL REPORTS CHECKED: Reports of Receipts and Disbursements

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

On July 18, 1988, the Reports Analysis Division referred the receipt of certain funds by the National Association of Social Workers' Political Action for Candidate Election ("PACE") to the Office of the General Counsel for its consideration.

II. FACTUAL AND LEGAL ANALYSIS

PACE's connected organization, National Association of Social Workers, Inc. (the "Association"), functions as a collecting agent for PACE. On December 18, 1987, PACE accepted \$16,554 in excess of contributions collected from the Association. This excessive payment was reported in the 1987 Year End Report as an itemized receipt and as a debt owed to the Association. This receipt was described as an "overpayment on transfer of contributions collected." Under the nature of the

EXECUTIVE SESSION
OCT 12 1988

89040760112

debt, PACE stated that the Association in error paid PACE more than the contributions received from members.

PACE was notified that such receipt was apparently impermissible by a notice dated June 1, 1988. On March 31st the Association paid \$200 in bank security deposits on behalf of PACE. That sum was also reported as a receipt and a debt in the amended 1988 April Quarterly Report. On June 17, PACE repaid these sums in full to its connected organization.

Section 441b(a) prohibits the receipt of funds from a corporation in connection with a federal election. That section also prohibits a corporation from making such contribution or expenditure. In December 1987, PACE accepted funds in excess of contributions collected from its corporate sponsor. Those funds were not transferred out until June 17, 1988, substantially more than thirty days after receipt, the suggested period under the Commission's regulations. See 11 C.F.R. § 103.3(b). Therefore, violations of 2 U.S.C. § 441b(a) by PACE and the Association are evident under these facts.

The Association also paid certain bank security deposits for its separate segregated fund. A connected organization may use its treasury funds to pay certain costs incurred in setting up and running its separate segregated fund. 2 U.S.C. § 441b(b)(2)(C). Treasury funds may permissibly be used to pay for office space, salaries, phones, utilities, supplies, legal fees, and accounting fees. 11 C.F.R. § 114.1(a)(2)(iii) and (b); 11 C.F.R. § 114.5(b). Bank charges incurred by a separate segregated fund to set up and maintain a financial account may

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fall within the purview of this exemption. Such charges would generally be, for example, the cost to print checks, fees for overdrafts, minimum balance charges, or stop payment charges. However, these charges of \$200 for "bank security deposits" appear to be a one time fee required for a particular purpose for the protection of the bank, rather than on-going administrative charges for the operation and maintenance of such financial accounts. Presumably, the payment of such sums by the connected organization would be outside the permitted exemption and would constitute a prohibited corporate contribution.

In view of the admitted payment and receipt of \$16,554 in excess of collected contributions and the questionable status of the payment of the security deposit, there is reason to believe that PACE and the Association violated 2 U.S.C. § 441b(a).

III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that National Association of Social Workers' Political Action for Candidate Election and Myriam C. Cain, as treasurer, violated 2 U.S.C. § 441b(a).
3. Find reason to believe that National Association of Social Workers, Inc. violated 2 U.S.C. § 441b(a).
4. Approve the attached letters, questions and Factual and Legal Analyses.

Lawrence M. Noble
General Counsel

89040760114
Date 9/30/88

By: 
Lois G. Lerner
Associate General Counsel

Attachments

1. Referral Materials
2. Proposed letters (2)
3. Proposed Factual and Legal Analyses (2)
4. Proposed Questions



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / JOSHUA MCFADDEN *JM*

DATE: OCTOBER 3, 1988

SUBJECT: OBJECTION TO RAD Ref. 88L-19: FIRST G.C. REPORT
SIGNED SEPTEMBER 30, 1988

The above-captioned document was circulated to the Commission on Monday, October 3, 1988 at 11:00 a.m.

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

Commissioner Aikens _____
Commissioner Elliott _____ X _____
Commissioner Josefiak _____
Commissioner McDonald _____
Commissioner McGarry _____
Commissioner Thomas _____

This matter will be placed on the Executive Session agenda for October 12, 1988.

Please notify us who will represent your Division before the Commission on this matter.

89040760115

BEFORE THE FEDERAL ELECTION COMMISSION

(MUR 2730)

In the Matter of)	
)	
National Association of Social Workers')	
Political Action for Candidate)	
Election and Myriam C. Cain, as)	RAD REFERRAL 88L-19
treasurer)	
National Association of Social)	
Workers, Inc.)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 12, 1988, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions with respect to the above-captioned referral:

1. Open a Matter Under Review (MUR).
2. Find reason to believe that National Association of Social Workers' Political Action for Candidate Election and Myriam C. Cain, as treasurer, violated 2 U.S.C. § 441b(a).
3. Find reason to believe that National Association of Social Workers, Inc. violated 2 U.S.C. § 441b(a).
4. Approve the letters, questions and Factual and Legal Analyses attached to the General Counsel's report dated September 30, 1988, subject to amendment of the Factual and Legal Analyses as agreed during the meeting.

Commissioners Aikens, Elliott, Josefiak, and McGarry voted affirmatively for the decision; Commissioners McDonald and Thomas were not present.

Attest:

Oct. 14, 1988
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

89040760116



FEDERAL ELECTION COMMISSION

WASHINGTON D C 20463

October 19, 1988

National Association of Social Workers, Inc.
7981 Eastern Avenue
Silver Spring, MD 20910

RE: MUR 2730
National Association of
Social Workers, Inc.

Dear Sir or Madam:

On October 12, 1988, the Federal Election Commission found that there is reason to believe National Association of Social Workers, Inc. (the "Association") violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 the Association. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Association, 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 the 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 the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

89040760117

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 the General Counsel ordinarily will not 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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 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 Celia L. Jacoby, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Thomas J. Josefiak
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form

3904076018



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

October 19, 1988

Myriam C. Cain, Treasurer
National Association of Social Workers'
Political Action for Candidate Election
7981 Eastern Avenue
Silver Spring, MD 20910

RE: MUR 2730
National Association of
Social Workers'
Political Action for
Candidate Election and
Myriam C. Cain, as
treasurer

Dear Ms. Cain:

On October 12, 1988, the Federal Election Commission found that there is reason to believe National Association of Social Workers' Political Action for Candidate Election (the "Committee") and you, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials, along with answers to the enclosed questions, to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, 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 the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or

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7/11/88

Myriam C. Cain, Treasurer
Page 2

recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

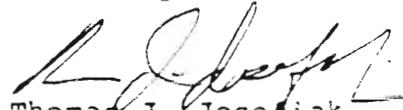
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 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 Celia L. Jacoby, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,


Thomas J. Josephiak
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

39040760120



National Association of Social Workers, Inc.
 7981 Eastern Avenue
 Silver Spring, Maryland 20910
 (301) 565-0333
 Fax (301) 587-1321

RECEIVED
 FEDERAL ELECTION COMMISSION
 MAIL ROOM

OAC# 961

88 NOV -9 AM 8:44

BOARD OF DIRECTORS

- PRESIDENT - 1989**
Suzanne Dworak Peck, ACSW
Los Angeles, California
- PRESIDENT ELECT - 1989**
Richard L. Edwards, DPA, ACSW
Cleveland, Ohio
- FIRST VICE PRESIDENT - 1989**
Allyson Ashley, ACSW
Eagan, Minnesota
- SECOND VICE PRESIDENT - 1990**
Ruth J. Jordan-Cook, ACSW, BCSW
Baton Rouge, Louisiana
- SECRETARY - 1990**
Susan S. Bailis, ACSW
Boston, Massachusetts
- TREASURER - 1989**
Wilburn Hayden, Jr., MSW
Cullowhee, North Carolina
- STUDENT MEMBER BSW**
Nancy J. Hartzell - 1989
College Place, Washington
- YOUTH MEMBER MSW**
John E. Roush - 1990
Denver, Colorado

November 3, 1988

Celia L. Jacoby, Esq.
Office of General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 2730
National Association of Social
Workers Political Action for
Candidate Election; National
Association of Social
Workers, Inc.

NOV -9 PM 12:50

RECEIVED
 FEDERAL ELECTION COMMISSION

MEMBERS-AT-LARGE

- Frederick L. Ahearn, DSW, ACSW - 1989
Washington, District of Columbia
- Rhacelle R. Whittington, DSW, ACSW - 1991
Kailua, Hawaii
- Myriam Centeno Cain, ACSW - 1990
Long Island, New York
- Margaret Feiler, BSW - 1989
Pappewa Falls, Wisconsin

REGIONAL MEMBERS

- Bernadette P. Pelczar, ACSW - 1990
Gascord, New Hampshire
- Alma T. Young, Ed.D., ACSW - 1990
New York, New York
- Stephene A.V. Allen, Ph.D. - 1991
Ithaca, New York
- Ben A. Abbott, Ph.D., ACSW - 1991
Villanova, Pennsylvania
- Frances B. Thomas, ACSW - 1989
Chington, Virginia
- Gwendolyn S. Prater, DSW, ACSW - 1989
Jackson, Mississippi
- Griddle L. Ivory, ACSW - 1991
South Bend, Indiana
- Bert A. Franklin-Hammonds, MSW - 1991
Madison, Wisconsin
- Jay J. Cayner, ACSW - 1991
Iowa City, Iowa
- Carole Mae Olson, ACSW - 1990
Saint Paul, Minnesota
- Anstern Roanhorse, Jr., MSW - 1989
Window Rock, Arizona
- Martha M. Lemke, ACSW - 1989
Portland, Oregon
- Eleanor Belser, ACSW - 1990
Los Angeles, California

EXECUTIVE DIRECTOR

Mark G. Battle, ACSW

ASSOCIATE EXECUTIVE DIRECTOR

Isidore Kaye Pettiford, ACSW

GENERAL COUNSEL

Robert H. Cohen, J.D., ACSW

Dear Ms. Jacoby:

This is in response to the FEC's two letters of October 19, 1988, (received by us October 21, 1988, and October 27, 1988) from Thomas J. Josefiak, Chairman, to Myriam C. Cain, Treasurer of NASW Political Action for Candidate Election (PACE), and to the National Association of Social Workers, Inc. (Association) regarding possible violation of 2 U.S.C. § 441b(a).

We have reviewed FEC's Factual and Legal Analysis and aver that no action should be taken against the Association (the collecting agent for PACE), PACE, and/or its treasurer for the reasons set forth below:

1. The \$16,554 PACE is alleged to have "accepted" from the Association, represented an overpayment to PACE on receipts collected on its behalf by the Association, and which had been transferred to PACE in error by the Association's business office. [See letter of June 16, 1988 from Paul O'Donnell, Associate Director, Office of Management and Budget, NASW, to Robyn Jameson, Reports Analyst, Federal Election Commission.] This error had previously been acknowledged by us.

2. The \$16,554 in fact never constituted a contribution by the Association to PACE or an expenditure by the Association on behalf of PACE.
3. No portion of these funds was contributed to federal candidates or used for any other PACE purpose. In fact, throughout the period that the \$16,554 overpayment remained in the PACE account, said account, exclusive of that amount, never fell below \$86,817.
4. The \$16,554 which had been transferred in error was reported by PACE in its December 31, 1987 Year End Report and in its April 1988 Quarterly Report. There was no attempt or intent to conceal the error and certainly no intent on the part of PACE to accept a contribution from the Association, and no intent on the part of the Association to make a contribution to PACE.
5. The \$16,554 was immediately repaid in full in response to the FEC's letter(s) of inquiry of June 1, 1988.
6. Neither PACE nor the Association knowingly and willfully violated 2 U.S.C. § 441b(a).

In view of the questions raised by the FEC regarding the "bank security deposit" paid by the Association on March 31, 1988 to PACE, we have reviewed this matter internally and have also asked for clarification from the bank [see attached letter of November 2, 1988 from Todd W. Sigety, Assistant Vice President, Signet Bank/Virginia, to Milton Grady, Director, Office of Management and Budget, NASW]. The account was not in fact a "security deposit" but rather an amount in the nature of a bank charge required for purposes of opening a holding account for credit card receipts of contributions to PACE.

89040760122

Celia Jacoby, Esq.
November 3, 1988
Page Three

In response to the specific questions posed by FEC we note the following:

1. The identification number for the PACE Credit Card account is
This is not a banking or checking account, but rather a general transaction account that allows the association to flow through Master and Visa charges. The \$200 deposit in question is not a security deposit, it is a balance that enabled us to open the account and that allows the account to remain active even when all other funds are transferred to the operating PACE account. Such accrual cannot remain on the computer system with a "zero balance."
2. Again, the purpose of the \$200 is to simply establish a permanent "balance" for the credit card accounts mentioned above. This is an ordinary and routine banking procedure.
3. Signet bank does not require "security deposits" for such accounts although it does require a deposit for purpose of opening the account.
4. As mentioned above, this is not a "security deposit" as such. The procedures in question are routine and ordinary banking procedures, and are established as a matter of keeping such accounts active even with a negative balance.

In summary, as permitted by 2 U.S.C. §441b(b)(2)(C) the Association used its treasury funds to pay certain costs incurred in running its separate segregated fund. The \$200 represents bank charges incurred by a separate segregated fund to set up and maintain a financial account and as such falls within the purview of 11 C.F.R. §114.1(a)(2)(ii) and (b); 11 C.F.R. §114.5(b).

89040760123

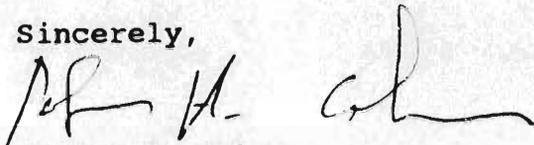
Celia Jacoby, Esq.
November 3, 1988
Page Four

PACE and the Association would be pleased to provide any additional information to the FEC on the Matter Under Review and respectfully requests pre-probable cause conciliation.

Please direct your response and further correspondence to my attention.

Thank you.

Sincerely,



Robert H. Cohen
General Counsel

RHC:mls

Attachment

cc: Thomas J. Josefiak, Chairman, FEC

Myriam C. Cain, Treasurer
NASW Political Action for Candidate Election

Betty Proctor, Chair
NASW Political Action for Candidate Election

Toby Weismiller, Director
NASW Political Action for Candidate Election

Mark G. Battle, Executive Director
NASW

89040760124

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2730

NAME OF COUNSEL: Robert Cohen

ADDRESS: National Association of Social Workers

7981 Eastern Avenue

Silver Spring, Maryland 20910

TELEPHONE: (301) 565-0333

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.

October 29, 1988
Date

Myriam C. Cain
Signature

RESPONDENT'S NAME: Myriam C. Cain, Treasurer

ADDRESS: National Association of Social Workers

Political Action for Candidate Election

7981 Eastern Avenue, Silver Spring, MD 20910

HOME PHONE: (516) 747-0707

BUSINESS PHONE: (516) 627-6671

89040760125

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2730
NAME OF COUNSEL: Robert H. Cohen
ADDRESS: NASW
7981 Eastern Avenue
Silver Spring, MD 20910
TELEPHONE: (301) 565-0333

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.

11-3-88
Date


Signature

RESPONDENT'S NAME: Mark G. Battle, Executive Director
ADDRESS: NASW
7981 Eastern Avenue
Silver Spring, MD 20910
HOME PHONE: (301) 949-0933
BUSINESS PHONE: (301) 565-0333

89040760126

Signet Bank
PO Box 711
Springfield Virginia 22150

Penn Daw Office
6300 Richmond Hwy
Alexandria, VA 22306
(703) 768-0047

SIGNET

November 2, 1988

Mr. Milton Grady, Director, OMB
National Association of Social Workers
7981 Eastern Avenue
Silver Spring, MD 20910

Dear Mr. Grady:

On March 16, 1988 The National Association of Social Workers opened checking account designated as your PACE account, using Tax ID . The account was opened to accomodate contributions from your members by means of using Visa and MasterCard. In order for Signet Bank to open an account an initial deposit (normally \$200.00) is required. The account was opened with your check #03942 in the amount of \$200.00. This \$200.00 is not a security deposit or funds held by Signet Bank, it only represents the amount of money you decided to start your account with. These funds may be withdrawn at any time by any authorized signer from NASW. I hope this letter clarifies the initial \$200.00 opening deposit, and if you have any further questions please feel free to contact me at the above listed address or telephone number.

Sincerely,



Todd W. Sigety
Assistant Vice President

89040760127

88 DEC -6 AM 10:10

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
National Association of Social)	MUR 2730
Workers Political Action for)	
Candidate Election and)	
Myriam C. Cain, as treasurer;)	
National Association of Social)	
Workers, Inc.)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On October 12, 1988, the Federal Election Commission determined that there is reason to believe that the National Association of Social Workers, Inc. (the "Association") and the National Association of Social Workers Political Action for Candidate Election and Myriam C. Cain, as treasurer ("PACE"), violated 2 U.S.C. § 441b(a). PACE and the Association requested the Commission to conciliate this matter prior to a determination of probable cause on November 3, 1988.

II. ANALYSIS

In December 1987, PACE received \$16,554 from the Association. That sum represented an overpayment to PACE on the receipts collected by the Association as the collecting agent for PACE. On March 31, 1988, the Association paid a "bank security deposit" for PACE. These transfers and receipts of corporate treasury funds apparently violated 2 U.S.C. § 441b(a). Following the reason to believe finding, this Office sent questions concerning the bank security deposit to PACE.

In response to those questions, PACE produced a letter from Signet Bank to explain the purpose of the \$200 payment.

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According to the bank, the \$200 is not a security deposit or funds held by the bank. The Association paid the initial deposit to open a holding account to accommodate credit card contributions to PACE. Accordingly, those funds represent bank charges incurred by a separate segregated fund to establish and maintain a financial account. Payment of such bank charges by the connected corporation in connection with the solicitation of contributions is permissible under the Commission's regulations. 11 C.F.R. §§ 114.1(a)(2)(iii) and (b) and 11 C.F.R. § 114.5(b).

With regard to the Association's overpayment to PACE, counsel argues that no action should be taken against PACE and the Association. Counsel sets forth several rationales for his argument. Counsel argues that (1) the overpayment occurred in error, not willfully or deliberately, (2) the erroneous payment was at all times reported by PACE, (3) none of the overpayment was contributed to any federal candidate, (4) at all relevant times PACE had positive account balances, exclusive of the overpayment, (5) there was no intent to make or receive this overpayment as a contribution, and (6) the overpayment was refunded in full. Each of these points tends to mitigate the determined violation. However, that violation occurred when the Association transferred its treasury funds to PACE and PACE deposited those corporate funds in its account. Although the funds may not have been used in federal campaign activity, those funds were available to PACE from December 18, 1987 until

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June 17, 1988, a period substantially longer than the 30-day period suggested by the Commission's regulations. See 11 C.F.R. § 103.3(b).

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

IV. RECOMMENDATIONS

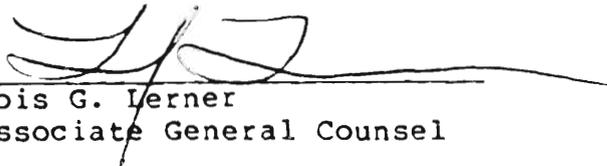
1. Enter into conciliation with National Association of Social Workers Political Action for Candidate Election and Myriam C. Cain, as treasurer, and National Association of Social Workers, Inc. prior to a finding of probable cause to believe.
2. Approve the attached proposed conciliation agreement and letter.

Lawrence M. Noble
General Counsel

Date

12-5-88

By:


Lois G. Lerner
Associate General Counsel

Attachments

1. Request for conciliation
2. Proposed conciliation agreement
3. Proposed letter

Staff assigned: C.L. Jacoby

39040760130

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
National Association of Social)	
Workers Political Action for)	MUR 2730
Candidate Election and)	
Myriam C. Cain, as treasurer;)	
National Association of Social)	
Workers, Inc.)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 8, 1988, the Commission decided by a vote of 4-0 to take the following actions in MUR 2730:

1. Enter into conciliation with National Association of Social Workers Political Action for Candidate Election and Myriam C. Cain, as treasurer, and National Association of Social Workers, Inc. prior to a finding of probable cause to believe.
3. Approve the proposed conciliation agreement and letter, as recommended in the General Counsel's report signed December 5, 1988.

Commissioners Aikens, Elliott, McDonald and McGarry voted affirmatively for the decision; Commissioners Josefiak and Thomas did not vote.

Attest:

12/9/88
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Tues.,	12-6-88,	10:10
Circulated on 48 hour tally basis:	Tues.,	12-6-88,	4:00
Deadline for vote:	Thurs.,	12-8-88,	4:00

39040760131



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

December 15, 1988

Robert H. Cohen, Esq.
National Association of Social Workers, Inc.
7981 Eastern Avenue
Silver Spring, Maryland 20910

RE: MUR 2730
National Association of Social Workers
Political Action for Candidate Election and
Myriam C. Cain, as treasurer; National
Association of Social Workers, Inc.

Dear Mr. Cohen:

On October 12, 1988, the Federal Election Commission found reason to believe that your clients, the National Association of Social Workers, Inc. and the National Association of Social Workers Political Action for Candidate Election and Myriam C. Cain, as treasurer, violated 2 U.S.C. § 441b(a). At your request, on December 8, 1988, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Celia Jacoby, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

89040760132

flm

NSW

National Association of Social Workers, Inc.
7981 Eastern Avenue
Silver Spring, Maryland 20910
(301) 565-0333
Fax (301) 587-1321

December 27, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

06C 1504

89 JAN -5 AM 9:36
900026

Celia L. Jacoby, Esq.
Office of General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 2730
National Association of Social
Workers Political Action for
Candidate Election; National
Association of Social
Workers, Inc.

Dear Ms. Jacoby:

This is in response to your December 15, 1988 letter (received by us on 12/22/88) regarding the above matter. As per last Friday's phone conversation, this will confirm our desire to meet with you to discuss a mutually satisfactory conciliation agreement.

In view of year-end vacation schedules it will not be possible for me to confirm our tentative meeting date--Thursday, January 5, 1989 at 2:00 p.m.--until Ms. Weismiller returns to the office on January 3rd. However, I will call you prior to the 5th either to confirm that date or to set up a mutually convenient alternative.

Sincerely,

Montrena L. Staples FOR

Robert H. Cohen
General Counsel

RHC:mls

cc: Thomas J. Josefiak, Chairman, FEC

Myriam C. Cain, Treasurer
NASW Political Action for Candidate Election

Betty Proctor, Chair
NASW Political Action for Candidate Election

Toby Weismiller, Director
NASW Political Action for Candidate Election

Mark G. Battle, Executive Director
NASW

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- YOUTH MEMBER/MSW
John L. Hays - 1990
Denver, Colorado

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- Myriam Centeno Cain, ACSW - 1990
Lanham, New York
- Margaret Feiler, BSW - 1989
Chippewa Falls, Wisconsin

REGIONAL MEMBERS

- Bethelene P. Pezzano, ACSW - 1990
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- Lowell S. Prater, DSW, ACSW - 1989
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- Leslie L. Ivory, ACSW - 1991
South Bend, Indiana
- Betsy A. Franklin-Hammonds, MSW - 1991
Madison, Wisconsin
- Jay F. Casner, ACSW - 1991
Iowa City, Iowa
- Carole Mae Olson, ACSW - 1990
St. Paul, Minnesota
- Arleen R. Switzer, Jr., MSW - 1989
Window Rock, Arizona
- Marta M. Lemke, ACSW - 1989
Portland, Oregon
- Eleanor Belser, ACSW - 1990
Los Angeles, California

EXECUTIVE DIRECTOR

Mark G. Battle, ACSW

ASSOCIATE EXECUTIVE DIRECTOR

Eric W. Kay, Portland, ACSW

GENERAL COUNSEL

Robert H. Cohen, J.D., ACSW

89 JAN -5 PM 3:24
FEDERAL ELECTION COMMISSION

89 JAN 18 PM 12:11

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)	
)	
National Association of Social Workers, Inc.)	
National Association of Social Workers Political Action for Candidate Election and Myriam C. Cain, as treasurer)	MUR 2730

COMPREHENSIVE INVESTIGATIVE REPORT # 1

On December 6, 1988, the Commission agreed to enter into pre-probable cause negotiations to resolve this matter with the National Association of Social Workers Political Action for Candidate Election and the National Association of Social Workers, Inc. (the "Respondents"). During a telephone conversation on December 23, Robert Cohen, counsel for the Respondents, requested a meeting to discuss a mutually satisfactory conciliation agreement. That request and meeting (tentatively scheduled for January 5, 1989) were confirmed by letters (Attachment).

Since that conversation Mr. Cohen has experienced health reversals which necessitate by-pass surgery. His staff has requested that the meeting be postponed until other counsel is available. In view of the circumstances, this Office will continue the pre-probable cause conciliation period to

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accommodate the Respondents' need to secure other counsel. This Office will advise the Commission of any further progress achieved in this matter.

Lawrence M. Noble
General Counsel

1-18-89
Date

By:


Lois G. Lerner
Associate General Counsel

Attachment
Letters from Respondents

Staff Assigned: C.L. Jacoby

89040760135



National Association of Social Workers, Inc.
 7981 Eastern Avenue
 Silver Spring, Maryland 20910
 (301) 565-0333
 Fax (301) 587-1321

RECEIVED
 FEDERAL ELECTION COMMISSION
 MAIL ROOM

1620

89 JAN 23 AM 11:52

BOARD OF DIRECTORS

- PRESIDENT - 1989
Suzanne Dworak Peck, ACSW
Los Angeles, California
- PRESIDENT ELECT - 1989
Richard L. Edwards, DPA, ACSW
Cleveland, Ohio
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Allison Ashley, ACSW
Eagan, Minnesota
- SECOND VICE PRESIDENT - 1990
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Baton Rouge, Louisiana
- SECRETARY - 1990
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Boston, Massachusetts
- TREASURER - 1989
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Calloway, North Carolina
- STUDENT MEMBER BSW
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College Place, Washington
- STUDENT MEMBER MSW
John E. Roush - 1990
Denver, Colorado

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- Fredrick L. Ahearn, DSW, ACSW - 1989
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Kailua, Hawaii
- William Centeno Cain, ACSW - 1990
Long Island, New York
- Margaret Feller, BSW - 1989
Maggewau Falls, Wisconsin

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- Alta T. Young, Ed.D., ACSW - 1990
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- Quinn A.V. Allen, Ph.D. - 1991
Ithaca, New York
- A. A. Abbot, Ph.D., ACSW - 1991
Pittsboro, Pennsylvania
- Frances B. Thomas, ACSW - 1989
Fayetteville, Virginia
- Gwendolyn S. Prater, DSW, ACSW - 1989
Jackson, Mississippi
- Goldie L. Ivory, ACSW - 1991
South Bend, Indiana
- Betty A. Franklin-Hammonds, MSW - 1991
Madison, Wisconsin
- Jay J. Cayner, ACSW - 1991
Iowa City, Iowa
- Carole Mae Olson, ACSW - 1990
Saint Paul, Minnesota
- Arden Rounhorse, Jr., MSW - 1989
Window Rock, Arizona
- Martha M. Lemke, ACSW - 1989
Portland, Oregon
- Eleanor Belser, ACSW - 1990
Los Angeles, California

EXECUTIVE DIRECTOR

Mark G. Battle, ACSW

ASSOCIATE EXECUTIVE DIRECTOR

Evelyn Kays Penfold, ACSW

GENERAL COUNSEL

Robert H. Cohen, J.D., ACSW

January 19, 1989

Celia L. Jacoby, Esquire
 Office of General Counsel
 Federal Election Commission
 999 E Street, N. W.
 Washington, D. C. 20463

RE: MUR 2730
 National Association of
 Social Workers Political
 Action for Candidate Election;
 National Association of Social Workers

Dear Ms. Jacoby:

This is to confirm our discussion today that we are requesting your consideration to defer action on the proposed conciliation agreement. Our counsel, Robert Cohen, has been scheduled for surgery on January 20, and will be unable to return to work for four to five weeks.

It is our intention to reach a mutually satisfactory conciliation agreement as soon as possible, but we wish to have our counsel assist us in this matter.

Sincerely yours,

Toby Weismiller
 Staff Associate
 for Political Affairs

cc: Danny L. McDonald, Chairman, FEC
 Myriam C. Cain, Treasurer-
 NASW Political Action for Candidate Election
 Mark G. Battle, Executive Director, NASW

RECEIVED
 FEDERAL ELECTION COMMISSION
 89 JAN 23 PM 1:58

BEFORE THE FEDERAL ELECTION COMMISSION

89 FEB 23 PM 12:01

In the Matter of)
)
National Association)
of Social Workers, Inc.)
National Association)
of Social Workers Political)
Action for Candidate Election)
and Myriam C. Cain, as treasurer)

SENSITIVE

MUR 2730

COMPREHENSIVE INVESTIGATIVE REPORT # 2

The conciliation negotiations in this matter have been postponed due to the ill health of Robert Cohen, counsel for the respondents. The particulars of this postponement were enumerated in the report to the Commission dated January 18, 1989. Mr. Cohen is now recuperating after surgery and anticipates resuming his duties within the next two weeks. These negotiations, according to his office, will be accorded priority at that time. Should there be any further delay, substitute counsel will be retained. This Office will advise the Commission of any further progress in this matter.

89040760137

Lawrence M. Noble
General Counsel

2-22-89
Date

BY: 
Lois G. Lerner
Associate General Counsel

Staff Assigned: C.L. Jacoby



National Association of Social Workers, Inc. April 4, 1989
 7981 Eastern Avenue
 Silver Spring, Maryland 20910
 (301) 565-0333
 Fax (301) 587-1321

RECEIVED
 FEDERAL ELECTION COMMISSION
 ADMINISTRATION CENTER

89 APR 10 AM 9:41

CGC 241

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- STUDENT MEMBER/MSW**
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- Anslem Ruanhorse, Jr., MSW - 1989
 Window Rock, Arizona
- Martha M. Lemke, ACSW - 1989
 Portland, Oregon
- Eleanor Betser, ACSW - 1990
 Los Angeles, California

EXECUTIVE DIRECTOR

Mark G. Battle, ACSW

ASSOCIATE EXECUTIVE DIRECTOR

Emlyn Kays Pettiford, ACSW

GENERAL COUNSEL

Robert H. Cohen, J.D., ACSW

Keith Morgan, Esq.
 Office of General Counsel
 Federal Election Commission
 Washington, DC 20463

Re: MUR 2730

National Association of Social
 Workers Political Action For
 Candidate Election; National
 Association of Social
 Workers, Inc.

CGC 241

Dear Mr. Morgan:

Toby Weismiller and I appreciated the opportunity to exchange views with you and Mr. Bernstein in the course of our March 15 meeting. As a consequence of that discussion and of our further internal review of pertinent facts and applicable law, we are submitting the enclosed conciliation agreement in an effort to resolve this matter in a fair and expeditious manner.

Although it is our contention that the \$16,554 in question did not constitute a contribution in violation of 2 U.S.C. 441b(a) nor was the \$16,554 a "contribution" as defined at 11 CFR 100.7, we would be prepared to forego contesting this issue in the interest of reaching agreement without undue further expenditure of time and resources.

As discussed at our March 15th meeting, we became aware of certain mitigating circumstances subsequent to our November 3, 1988 response to the FEC. We have not deemed it appropriate to detail the following facts in our proposed conciliation agreement, but we hope you would concur that they are highly relevant to the circumstances of the



Keith Morgan, Esq.
April 4, 1989
Page 2

inadvertent account transfer, and to the subsequent actions taken in our accounting division to rectify the error.

When the overpayment to PACE was discovered, the \$16,554 was, in effect, "frozen" with the intent to liquidate that debt fully by June 30, 1988 through ongoing contributions to PACE which were collected by NASW. NASW collected the following amounts on behalf of PACE and held them, during the months subsequent to December 31, 1987, for the purpose of liquidating the overpayment:

<u>MONTH</u>	<u>AMOUNT COLLECTED AND HELD BY NASW</u>
January 1988	\$2,231
February 1988	\$2,157
March 1988	\$5,299
April 1988	\$1,425
May 1988	\$1,666
	\$12,778 Total

The issue was brought to our attention by the FEC in letters both dated June 1, 1988, and received by us on June 6, and 8, 1988. Consideration was initially given to repaying the remaining net balance of \$3,776, but we believed it would be less confusing to repay the entire \$16,554 and to transfer to PACE the amount collected and held by NASW for the January - March, 1988 quarter. Accordingly, PACE promptly repaid the full amount of the overpayment, \$16,554; simultaneously, NASW transferred to PACE \$9,687, which was the amount collected by the Association on behalf of PACE for the months of January, February, and March. As stated in the conciliation agreement, PACE maintained a positive account balance, exclusive of the \$16,554 throughout the time period in question.

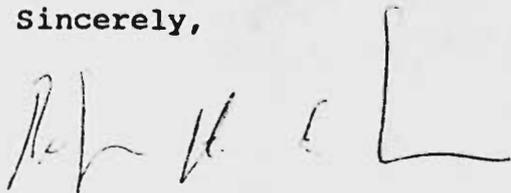
Upon your request, we will provide the Commission xerox copies of the general ledger which document the transactions and support our contention that the Dec. 31, 1987, \$16,554 balance was in fact progressively reduced during the ensuing months by having NASW hold the amounts owed to PACE and collected by it on behalf of PACE from January thru May 1988.

89040760139

Keith Morgan, Esq.
April 4, 1989
Page 3

We hope you will take these additional facts into account and trust that our proposed modifications will provide the basis for a mutually satisfactory conciliation agreement.

Sincerely,



Robert H. Cohen
General Counsel

RHC:sjp

cc: Danny L. McDonald, Chairman, FEC

Jonathan Bernstein
Acting Assistant General Counsel

Myriam C. Cain, Treasurer
NASW Political Action for Candidate Election

Betty Proctor, Chair
NASW Political Action for Candidate Election

Toby Weismiller, Director
NASW Political Action for Candidate Election

Mark G. Battle, Executive Director
NASW

89040760140



National Association of Social Workers, Inc.
 7981 Eastern Avenue
 Silver Spring, Maryland 20910
 (301) 565-0333
 Fax (301) 587-1321

HAND DELIVERED

06C2573

RECEIVED
 FEDERAL ELECTION COMMISSION

89 APR 26 AM 10:14

April 25, 1989

BOARD OF DIRECTORS

- PRESIDENT - 1989**
Suzanne Dworak-Peck, ACSW
Los Angeles, California
- PRESIDENT-ELECT - 1989**
Richard L. Edwards, DPA, ACSW
Cleveland, Ohio
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Allyson Ashley, ACSW
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Ruall J. Jordan-Cook, ACSW, BCSW
Baton Rouge, Louisiana
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Susan S. Bailis, ACSW
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Wilburn Hayden, Jr., MSW
Cullowhee, North Carolina
- STUDENT MEMBER BSW**
Nancy J. Hartzell - 1989
College Place, Washington
- STUDENT MEMBER MSW**
John E. Roush - 1988
Denver, Colorado

Mr. Keith Morgan, Esq.
Office of General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 2730
 National Association of Social
 Workers Political Action For
 Candidate Election; National
 Association of Social
 Workers, Inc.

APR 25 11:30 AM '89

Dear Mr. Morgan:

As per your request of April 21, enclosed please find a xerox copy of the general ledger which documents the transactions referred to in our letter to you of April 4, 1989. The ledger supports our contention that the December 31, 1987 balance of \$16,554 was progressively reduced during the ensuing months by having NASW hold the amounts owed to PACE and collected by it on behalf of PACE from January thru May 1988.

The enclosed ledger sheets reflect the transactions between the NASW and PACE accounts. The DEBIT column represents payments by NASW to PACE. The CREDIT column represents the amount collected and held by NASW on behalf of PACE. The MONTHLY BALANCE column reflects a monthly total of transactions.

In December 1987, \$24,281 (highlighted on ledger sheet) was transferred by NASW to PACE. This figure represents an overpayment of the actual amount owed to PACE by \$16,554. The latter total is the amount that is shown as a debt owed to NASW in the 1987 Year-End Report. We have also highlighted the amounts collected on behalf of PACE and held by NASW for the months of January thru May 1988. (Please reference my letter to you of 4/4/89 which reflects these same figures and total collections for the above months.) The repayment in June 1988 of the \$16,554 and the transfer to PACE of the \$9,687 which was the amount collected by NASW on behalf of PACE for the months of January, February and March are also highlighted.

MEMBERS-AT-LARGE

- Frederick L. Ahearn, DSW, ACSW - 1989
Washington, District of Columbia
- Genele R. Whittington, DSW, ACSW - 1991
Kailua, Hawaii
- Ortam Centeno Cain, ACSW - 1990
Long Island, New York
- Margaret Feiler, BSW - 1989
Chippewa Falls, Wisconsin

REGIONAL MEMBERS

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Concord, New Hampshire
- Alma T. Young, Ed.D., ACSW - 1990
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- Stephine A.V. Allen, Ph.D. - 1991
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- John A. Abbot, Ph.D., ACSW - 1991
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- Frances B. Thomas, ACSW - 1989
Springton, Virginia
- Gwendolyn S. Prater, DSW, ACSW - 1989
Jackson, Mississippi
- Goldie L. Ivory, ACSW - 1991
South Bend, Indiana
- Betty A. Franklin-Hammonds, MSW - 1991
Madison, Wisconsin
- Jay J. Cayner, ACSW - 1991
Iowa City, Iowa
- Carole Mae Olson, ACSW - 1990
Saint Paul, Minnesota
- Anslem Rounhorse, Jr., MSW - 1989
Window Rock, Arizona
- Martha M. Lemke, ACSW - 1989
Portland, Oregon
- Eleanor Belser, ACSW - 1990
Los Angeles, California

EXECUTIVE DIRECTOR

Mark G. Battle, ACSW

ASSOCIATE EXECUTIVE DIRECTOR

Evelyn Kays Pettiford, ACSW

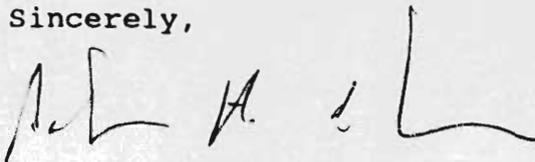
GENERAL COUNSEL

Robert H. Cohen, J.D., ACSW

Keith Morgan Letter
April 25, 1989
Page 3

I hope this information clarifies the nature of the error and the approach that was taken to rectify it. If you have any questions about the enclosed materials or if you require any further information, please let us know.

Sincerely,



Robert H. Cohen
General Counsel

RHC:sjp

enclosure

cc: Toby Weismiller, Director
NASW Political Action for Candidate Election

89040760142

10/05/83

NATIONAL ASSOCIATION OF SOCIAL WORKERS
GENERAL LEDGER THRU DATA PROCESSING RUN 10-5-88

PAGE 312

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REFERENCES	DEBIT	CREDIT	MONTHLY BALANCE
101-00-0000-2704	DUE TO PACE				
87-11-734	PACE - LOCKBOX	11/06/87 CR 00-034-		80.00	
87-11-738	PACE - LOCKBOX	11/09/87 CR 00-035-		118.00	
87-11-745	PACE	11/12/87 CR 00-045-		20.00	
87-11-749	PACE	11/12/87 CR 00-049-		5.00	
87-11-751	PACE - LOCKBOX	11/10/87 CR 00-051-		72.00	
87-11-752	PACE - LOCKBOX	11/12/87 CR 00-052-		75.00	
87-11-753	PACE	11/13/87 CR 00-053-		5.00	
87-11-756	PACE - LOCKBOX	11/13/87 CR 00-056-		70.00	
87-11-764	PACE - LOCKBOX	11/16/87 CR 00-064-		80.00	
87-11-767	PACE	11/17/87 CR 00-067-		15.00	
87-11-773	PACE - LOCKBOX	11/17/87 CR 00-073-		108.00	
87-11-779	PACE	11/19/87 CR 00-079-		15.00	
87-11-786	PACE - LOCKBOX	11/18/87 CR 00-086-		225.00	
87-11-787	PACE	11/20/87 CR 00-087-		5.00	
87-11-789	PACE - LOCKBOX	11/19/87 CR 00-089-		245.00	
87-11-793	PACE - LOCKBOX	11/20/87 CR 00-093-		108.00	
87-11-801	PACE - LOCKBOX	11/23/87 CR 00-101-		115.00	
87-11-806	PACE - LOCKBOX	11/24/87 CR 00-106-		125.00	
87-11-809	PACE - LOCKBOX	11/25/87 CR 00-109-		45.00	
87-11-810	PACE - LOCKBOX	11/27/87 CR 00-110-		118.00	
87-11-811	PACE - LOCKBOX	11/30/87 CR 00-111-		90.00	
87-11-819	PACE	11/30/87 CR 00-119-		5.00	
	NOVEMBER				2,054.00CR
87-12-411	PACE	12/31/87 JE JVO29 -	24,281.00		
87-12-412	CAROLE SMITH	12/31/87 JE JVO09 -	5.00		
87-12-414	T.J. HESSMILLER 12/9	12/31/87 JE JVO98 -	5.00		
87-12-414	MULLY BRUNICK 12/7	12/31/87 JE JVO78 -	5.00		
87-12-703	PACE - LOCKBOX	12/01/87 CR 00-003-		43.00	
87-12-706	PACE	12/03/87 CR 00-006-		45.00	
87-12-713	PACE - LOCKBOX	12/04/87 CR 00-010-		50.00	
87-12-711	PACE	12/03/87 CR 00-011-		84.00	
87-12-717	PACE - LOCKBOX	12/03/87 CR 00-017-		80.00	
87-12-721	PACE - LOCKBOX	12/04/87 CR 00-021-		60.00	
87-12-727	PACE	12/08/87 CR 00-027-		20.00	
87-12-735	PACE - LOCKBOX	12/07/87 CR 00-035-		162.00	
87-12-736	PACE - LOCKBOX	12/08/87 CR 00-036-		15.00	
87-12-744	PACE	12/10/87 CR 00-044-		25.00	
87-12-748	PACE - LOCKBOX	12/09/87 CR 00-048-		50.00	
87-12-749	PACE - LOCKBOX	12/10/87 CR 00-049-		70.00	
87-12-757	PACE	12/14/87 CR 00-057-		5.00	
87-12-758	PACE - LOCKBOX	12/11/87 CR 00-058-		35.00	
87-12-760	PACE - LOCKBOX	12/14/87 CR 00-060-		40.00	
87-12-764	PACE	12/16/87 CR 00-064-		50.00	
87-12-766	PACE - LOCKBOX	12/15/87 CR 00-066-		35.00	
87-12-775	PACE - LOCKBOX	12/16/87 CR 00-075-		55.00	
87-12-778	PACE - LOCKBOX	12/17/87 CR 00-078-		42.00	
87-12-780	PACE	12/18/87 CR 00-080-		5.00	
87-12-783	PACE - LOCKBOX	12/18/87 CR 00-083-		45.00	
87-12-784	PACE	12/18/87 CR 00-084-		30.00	
87-12-790	PACE	12/21/87 CR 00090 -		103.00	
87-12-799	PACE	12/22/87 CR 00099 -		75.00	
87-12-800	PACE	12/24/87 CR 00100 -		10.00	
87-12-804	PACE	12/24/87 CR 00104 -		10.00	
87-12-810	PACE	12/31/87 CR 00110 -		5.00	

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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REFERENCES	DEBIT	CREDIT	MONTHLY BALANCE
101-03-0000-2704	DUE TO PACE				
87-12-813	PAGE	12/23/87 CR 00113 -		113.00	
87-12-821	PAGE	12/24/87 CR 00121 -		160.00	
87-12-829	PAGE	12/28/87 CR 00129 -		250.00	
87-12-933	PAGE	12/29/87 CR 00130 -		125.00	
87-12-831	PAGE	12/30/87 CR 00131 -		55.00	
87-12-832	PAGE	12/31/87 CR 00132 -		130.00	
87-12-833	PAGE	12/31/87 CR 00133 -		45.00	
87-12-834	PAGE	12/31/87 CR 00134 -		70.00	
	DECEMBER				22,079.00
88-01-427	SUSAN JUDA 1/28	1/31/88 JE JV084 -	5.00		
88-01-424	J. STRAUSS 1/11	1/31/88 JE JV094 -	5.00		
88-01-428	P. HOWAN 1/11	1/31/88 JE JV09A -	5.00		
88-01-428	R. ALLEN 1/11	1/31/88 JE JV09A -	5.00		
88-01-428	M. BRUDNICK 1/13	1/31/88 JE JV09A -	5.00		
88-01-705	PAGE	1/11/88 CR 00005 -		45.00	
88-01-708	PAGE	1/11/88 CR 00008 -		110.00	
88-01-709	PAGE	1/05/88 CR 00007 -		156.00	
88-01-710	PAGE	1/06/88 CR 00010 -		140.00	
88-01-711	PAGE	1/12/88 CR 00-011 -		34.00	
88-01-713	PAGE - LOCKBOX	1/07/88 CR 00-013 -		135.00	
88-01-714	PAGE - LOCKBOX	1/08/88 CR 00-014 -		36.00	
88-01-715	PAGE - LOCKBOX	1/11/88 CR 00-015 -		205.00	
88-01-716	PAGE - LOCKBOX	1/12/88 CR 00-016 -		104.00	
88-01-724	PAGE - LOCKBOX	1/13/88 CR 00-024 -		45.00	
88-01-730	PAGE - LOCKBOX	1/14/88 CR 00-030 -		35.00	
88-01-731	PAGE	1/15/88 CR 00-031 -		15.00	
88-01-735	PAGE	1/15/88 CR 00-035 -		40.00	
88-01-739	PAGE - LOCKBOX	1/15/88 CR 00-039 -		50.00	
88-01-746	PAGE - LOCKBOX	1/19/88 CR 00-046 -		215.00	
88-01-747	PAGE - LOCKBOX	1/20/88 CR 00-047 -		20.00	
88-01-752	PAGE	1/22/88 CR 00-052 -		25.00	
88-01-753	PAGE - LOCKBOX	1/21/88 CR 00-053 -		50.00	
88-01-765	PAGE	1/26/88 CR 00-065 -		5.00	
88-01-770	PAGE - LOCKBOX	1/22/88 CR 00-070 -		35.00	
88-01-771	PAGE - LOCKBOX	1/25/88 CR 00-071 -		206.00	
88-01-773	PAGE - LOCKBOX	1/26/88 CR 00-073 -		40.00	
88-01-779	PAGE - LOCKBOX	1/27/88 CR 00-079 -		145.00	
88-01-790	PAGE	1/29/88 CR 00-090 -		90.00	
88-01-792	PAGE - LOCKBOX	1/29/88 CR 00-092 -		233.00	
88-01-798	PAGE - LOCKBOX	1/29/88 CR 00-098 -		42.00	
	JANUARY				2,231.00CR
88-02-411	SILVLRTHORNE, J. 2/12	2/29/88 JE JV009 -	5.00		
88-02-424	P.J. KEKSTAD 2/88 RECLASS	2/29/88 JE JV23A -		10.00	
88-02-703	PAGE - LOCKBOX	2/01/88 CR 00-003 -		175.00	
88-02-704	PAGE - LOCKBOX	2/02/88 CR 00-004 -		133.00	
88-02-705	PAGE - LOCKBOX	2/03/88 CR 00-005 -		60.00	
88-02-711	PAGE	2/04/88 CR 00-011 -		5.00	
88-02-721	PAGE	2/05/88 CR 00-021 -		65.00	
88-02-722	PAGE - LOCKBOX	2/04/88 CR 00-022 -		115.00	
88-02-728	PAGE - LOCKBOX	2/05/88 CR 00-028 -		110.00	
88-02-736	PAGE - LOCKBOX	2/08/88 CR 00-036 -		130.00	
88-02-737	PAGE	2/11/88 CR 00-037 -		5.00	
88-02-740	PAGE - LOCKBOX	2/09/88 CR 00-040 -		40.00	
88-02-741	PAGE - LOCKBOX	2/10/88 CR 00-041 -		60.00	

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REFERENCES	DEBIT	CREDIT	MONTHLY BALANCE
101-00-0000-2704	DUE TO PACE				
88-02-742	PACE	2/11/88 CR 00-042-		55.00	
88-02-749	PACE - LOCKBOX	2/12/88 CR 00-049-		50.00	
88-02-751	PACE	2/12/88 CR 00-051-		5.00	
88-02-760	PACE	2/16/88 CR 00-060-		10.00	
88-02-762	PACE - LOCKBOX	2/12/88 CR 00-062-		65.00	
88-02-763	PACE - LOCKBOX	2/16/88 CR 00-063-		67.00	
88-02-766	PACE	2/18/88 CR 00-066-		45.00	
88-02-769	PACE - LOCKBOX	2/17/88 CR 00-069-		170.00	
88-02-770	PACE	2/19/88 CR 00-070-		5.00	
88-02-773	PACE - LOCKBOX	2/19/88 CR 00-073-		113.00	
88-02-786	PACE - LOCKBOX	2/18/88 CR 00-086-		175.00	
88-02-794	PACE - LOCKBOX	2/22/88 CR 00-094-		128.00	
88-02-795	PACE	2/24/88 CR 00-095-		25.00	
88-02-796	PACE - LOCKBOX	2/23/88 CR 00-096-		95.00	
88-02-797	PACE - LOCKBOX	2/24/88 CR 00-097-		55.00	
88-02-799	PACE - LOCKBOX	2/25/88 CR 00-099-		80.00	
88-02-803	PACE - LOCKBOX	2/26/88 CR 00-103-		44.00	
88-02-808	PACE - LOCKBOX	2/29/88 CR 00-108-		67.00	
	FEBRUARY				
88-03-434	D. TURSKI 3/21	3/31/88 JE JV09A -	5.00		2,157.00CR
88-03-439	E.H. SCHNEEWIND ADJ	3/31/88 JE JV035 -		8.00	
88-03-444	E. ZIMMAN	3/31/88 JE JV760 -		5.00	
88-03-701	PACE - LOCKBOX	3/31/88 CR 00-101-		35.00	
88-03-716	PACE - LOCKBOX	3/01/88 CR 00-016-		105.00	
88-03-723	PACE - LOCKBOX	3/02/88 CR 00-023-		60.00	
88-03-730	PACE - LOCKBOX	3/03/88 CR 00-030-		30.00	
88-03-735	PACE - LOCKBOX	3/04/88 CR 00-035-		60.00	
88-03-738	PACE - LOCKBOX	3/07/88 CR 00-038-		85.00	
88-03-741	PACE - LOCKBOX	3/09/88 CR 00-041-		15.00	
88-03-747	PACE - LOCKBOX	3/09/88 CR 00-047-		30.00	
88-03-748	PACE	3/10/88 CR 00-048-		5.00	
88-03-756	PACE - LOCKBOX	3/10/88 CR 00-056-		65.00	
88-03-758	PACE - LOCKBOX	3/11/88 CR 00-058-		40.00	
88-03-759	PACE - LOCKBOX	3/14/88 CR 00-059-		140.00	
88-03-769	PACE - LOCKBOX	3/15/88 CR 00-069-		75.00	
88-03-770	PACE - LOCKBOX	3/16/88 CR 00-070-		60.00	
88-03-772	PACE - LOCKBOX	3/17/88 CR 00-072-		102.00	
88-03-773	PACE	3/21/88 CR 00-073-		5.00	
88-03-776	PACE - LOCKBOX	3/18/88 CR 00-076-		85.00	
88-03-779	PACE - LOCKBOX	3/21/88 CR 00-079-		147.00	
88-03-780	PACE - LOCKBOX	3/22/88 CR 00-080-		95.00	
88-03-783	PACE - LOCKBOX	3/23/88 CR 00-083-		55.00	
88-03-786	PACE - LOCKBOX	3/24/88 CR 00-086-		95.00	
88-03-790	PACE	3/23/88 CR 00-090-		3,399.00	
88-03-791	PACE - LOCKBOX	3/25/88 CR 00-091-		86.00	
88-03-792	PACE	3/29/88 CR 00-092-		5.00	
88-03-797	PACE - LOCKBOX	3/28/88 CR 00-097-		65.00	
88-03-798	PACE - LOCKBOX	3/29/88 CR 00-098-		50.00	
88-03-799	PACE - LOCKBOX	3/30/88 CR 00-099-		15.00	
88-03-809	PACE	3/03/88 CR 00-009-		87.00	
88-03-811	PACE	3/03/88 CR 00-011-		25.00	
88-03-826	PACE	3/16/88 CR 00-026-		60.00	
88-03-844	PACE	3/24/88 CR 00-044-		50.00	
88-03-857	PACE	3/30/88 CR 00-057-		45.00	

89040760145

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REFERENCES	DEBIT	CREDIT	MONTHLY BALANCE
101-00-0000-2704	DUE TO PACE				
88-03-862	PACE	3/31/88 CR 50-062-		15.00	
	MARCH				5,299.00CR
88-04-409	WILLGOOSE	4/30/88 JE JV009 -	5.00		
88-04-420	E.PLESENT	4/30/88 JE JV23A -		5.00	
88-04-423	NICHOLSON 4/25	4/30/88 JE JV23D -		5.00	
88-04-423	FRANK 4/25	4/30/88 JE JV23D -		5.00	
88-04-423	PHILIPP 4/30	4/30/88 JE JV23D -		5.00	
88-04-703	PACE - LOCKBOX	4/01/88 CR 00-003-		90.00	
88-04-705	PACE - LOCKBOX	4/04/88 CR 00-005-		75.00	
88-04-706	PACE - LOCKBOX	4/05/88 CR 00-006-		70.00	
88-04-713	PACE	4/08/88 CR 00-013-		10.00	
88-04-714	00014	4/06/88 CR -		15.00	
88-04-715	00015	4/07/88 CR -		65.00	
88-04-718	00018	4/08/88 CR -		20.00	
88-04-730	00030	4/11/88 CR -		80.00	
88-04-731	00031	4/12/88 CR -		15.00	
88-04-732	00032	4/13/88 CR -		5.00	
88-04-733	00033	4/14/88 CR -		15.00	
88-04-734	00034	4/15/88 CR -		45.00	
88-04-737	00037	4/13/88 CR -		55.00	
88-04-745	00045	4/18/88 CR -		35.00	
88-04-746	00046	4/19/88 CR -		30.00	
88-04-747	00047	4/14/88 CR -		50.00	
88-04-757	00057	4/20/88 CR -		10.00	
88-04-760	00060	4/25/88 CR -		5.00	
88-04-761	00061	4/21/88 CR -		120.00	
88-04-762	00062	4/22/88 CR -		60.00	
88-04-763	00063 H.L. SERIES	4/25/88 CR -		25.00	
88-04-767	00067	4/25/88 CR -		105.00	
88-04-776	00076	4/26/88 CR -		155.00	
88-04-777	00077	4/27/88 CR -		70.00	
88-04-779	00079	4/28/88 CR -		45.00	
88-04-781	00081	4/30/88 CR -		10.00	
88-04-786	00086	4/29/88 CR -		25.00	
88-04-805	S8005	4/07/88 CR -		5.00	
88-04-816	S8016	4/14/88 CR -		10.00	
88-04-817	S8017	4/14/88 CR -		10.00	
88-04-822	S8022	4/20/88 CR -		10.00	
88-04-831	S8031	4/27/88 CR -		40.00	
88-04-841	S8041	4/29/88 CR -		10.00	
	APRIL				1,425.00CR
88-05-401	K.ANDOLF	5/31/88 JE JV09A -	5.00		
88-05-401	E.BANGE	5/31/88 JE JV09A -	5.00		
88-05-701	00001	5/02/88 CR -		70.00	
88-05-705	00005	5/05/88 CR -		5.00	
88-05-706	00006	5/03/88 CR -		33.00	
88-05-707	00007	5/04/88 CR -		30.00	
88-05-708	00008	5/05/88 CR -		35.00	
88-05-709	00009	5/06/88 CR -		5.00	
88-05-713	00013	5/06/88 CR -		45.00	
88-05-716	00016	5/09/88 CR -		105.00	
88-05-718	00018	5/10/88 CR -		11.00	
88-05-721	00021	5/09/88 CR -		115.00	
88-05-725	00025	5/10/88 CR -		50.00	

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REFERENCES	DEBIT	CREDIT	MONTHLY BALANCE
101-00-0000-2704	DUE TO PACE				
88-05-726	00026	5/11/88 CR	-	20.00	
88-05-729	00029	5/12/88 JE	-	10.00	
88-05-732	00032	5/12/88 CR	-	15.00	
88-05-737	00037	5/15/88 CR	-	5.00	
88-05-738	00038	5/13/88 CR	-	142.00	
88-05-740	00040	5/16/88 CR	-	150.00	
88-05-748	00048	5/17/88 CR	-	50.00	
88-05-754	00054	5/18/88 CR	-	25.00	
88-05-764	00064	5/19/88 CR	-	108.00	
88-05-755	00065	5/20/88 CR	-	45.00	
88-05-770	00070	5/23/88 CR	-	95.00	
88-05-773	00073	5/24/88 CR	-	30.00	
88-05-778	00078	5/25/88 CR	-	56.00	
88-05-782	00082	5/26/88 CR	-	40.00	
88-05-783	00083	5/27/88 CR	-	60.00	
88-05-793	00093	5/31/88 CR	-	25.00	
88-05-794	00094	5/31/88 CR	-	125.00	
88-05-810	SB010	5/09/88 CR	-	46.00	
88-05-813	SB013	5/16/88 CR	-	30.00	
88-05-838	SB038	5/23/88 CR	-	25.00	
88-05-845	SB045	5/27/88 CR	-	30.00	
88-05-854	SB054	5/31/88 CR	-	40.00	
	MAY				
88-06-108	P A C E	6/16/88 AP 007093-003639P A C E	9,687.00		1,666.00CR
88-06-437	R.LCWE	6/30/88 JE JV009	5.00		
88-06-437	M.PRUDHOMME	6/30/88 JE JV009	5.00		
88-06-437	J.EPSTEIN	6/30/88 JE JV009	5.00		
88-06-438	M.MCDONALD 6/17	6/30/88 JE JV009A	5.00		
88-06-701	00001	6/01/88 CR	-	15.00	
88-06-705	00005	6/02/88 CR	-	40.00	
88-06-707	00007	6/03/88 CR	-	10.00	
88-06-716	00016	6/06/88 CR	-	70.00	
88-06-717	00017	6/07/88 CR	-	20.00	
88-06-720	00020	6/08/88 CR	-	15.00	
88-06-722	00022	6/09/88 CR	-	5.00	
88-06-730	00030	6/09/88 CR	-	55.00	
88-06-735	00035	6/10/88 CR	-	40.00	
88-06-736	00036	6/13/88 CR	-	50.00	
88-06-748	00048	6/14/88 CR	-	20.00	
88-06-753	00053	6/16/88 CR	-	20.00	
88-06-766	00066	6/17/88 CR	-	15.00	
88-06-767	00067	5/20/88 CR	-	5.00	
88-06-770	00070 NASH PACE CMA TAX EXEMPT	6/21/88 CR	-	16,554.00	
88-06-790	00090	6/21/88 CR	-	50.00	
88-06-791	00091	5/22/88 CR	-	80.00	
88-06-792	00092	5/23/88 CR	-	5.00	
88-06-794	00094	6/23/88 CR	-	83.00	
88-06-802	00102	6/24/88 CR	-	75.00	
88-06-803	00103	6/27/88 CR	-	5.00	
88-06-805	00105	6/27/88 CR	-	120.00	
88-06-806	00106	6/28/88 CR	-	55.00	
88-06-810	00110	6/28/88 CR	-	55.00	
88-06-815	00115	5/29/88 CR	-	35.00	
88-06-818	00118	5/30/88 CR	-	50.00	

8 2 0 4 0 7 6 0 1 4 7

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REFERENCES	DEBIT	CREDIT	MONTHLY BALANCE
101-00-0000-2704	DUE TO PACE				
85-06-624	PACE - LOCKBOX	5/20/88 CR 00-124-		83.00	
88-06-907	SBJ027	5/09/88 CR -		20.00	
88-06-923	SBJ023	6/23/88 CR -		65.00	
88-06-943	SBJ043	5/30/88 CR -		42.00	
	JUNE				
101-00-0000-2704	ACCOUNT TOTAL				8,050.00CR 4,274.00CR **
<hr/>					
101-00-0000-2705	DUE TO CAMPAIGN FUNDS				
87-07-000	BALANCE FORWARD	11/04/87 BF -		7,838.00	
87-07-424	BLF	7/31/87 JE JV06A -		85.00	
87-07-424	CSP	7/31/87 JE JV06A -		5.00	
87-07-424	UDF	7/31/87 JE JV06A -		139.00	
87-07-425	BLF	7/31/87 JE JV06A -		65.00	
87-07-425	CSP	7/31/87 JE JV06B -		5.00	
87-07-425	UDF	7/31/87 JE JV06A -		139.00	
87-07-428	BLF	7/31/87 JE JV019 -		85.00	
87-07-428	CSP	7/31/87 JE JV019 -		5.00	
87-07-428	UDF	7/31/87 JE JV019 -		161.00	
87-07-442	RECJDE 00-064	7/09/87 JE -		20.00	
87-07-442	RECJDE 00-059	7/09/87 JE -		25.00	
	JULY				
87-08-410	BLF	8/31/87 JE JV006 -		65.00	8,572.00CR
87-08-410	CSP	8/31/87 JE JV006 -		5.00	
87-08-410	UDF	8/31/87 JE JV006 -		139.00	
87-08-411	BLF	8/31/87 JE JV006 -		65.00	
87-08-411	CSP	8/31/87 JE JV06A -		5.00	
87-08-411	UDF	8/31/87 JE JV06A -		139.00	
87-08-720	BATTLE - NEW BLDG FUND-LOCKBOX	8/04/87 CR 00-020-		50.00	
	AUGUST				
87-09-426	BLF	9/10/87 JE JV006 -		65.00	468.00CR
87-09-426	CSP	9/10/87 JE JV006 -		5.00	
87-09-426	UDF	9/10/87 JE JV006 -		136.00	
87-09-428	BLF	9/00/87 JE -		65.00	
87-09-428	CSP	9/00/87 JE -		5.00	
87-09-428	UDF	9/00/87 JE -		139.00	
	SEPTEMBER				
87-10-405	BLF	10/31/87 JE JV06A -		65.00	415.00CR
87-10-405	CSP	10/31/87 JE JV06A -		5.00	
87-10-405	UDF	10/31/87 JE JV06A -		139.00	
87-10-425	BLF	10/31/87 JE JV06A -		65.00	
87-10-425	CSP	10/31/87 JE JV006 -		5.00	
87-10-425	UDF	10/31/87 JE JV006 -		139.00	
87-10-776	CENTER SOCIAL POLICY	10/26/87 CR 00-075-		25.00	
87-10-801	R & E TRIBUTE/CLACKY/LOCKBOX	10/28/87 CR 00101 -		50.00	
	OCTOBER				
87-11-400	PAYROLL DISTRIBUTION 11/5/87	11/05/87 JE JV006 -		45.00	493.00CR
87-11-400	CSP	11/05/87 JE JV006 -		5.00	
87-11-400	UDF	11/05/87 JE JV006 -		139.00	
87-11-401	BLF	11/19/87 JE JV06A -		65.00	
87-11-401	CSP	11/19/87 JE JV06A -		5.00	
87-11-401	UDF	11/19/87 JE JV06A -		139.00	
	NOVEMBER				
87-12-428	BLF	12/17/87 JE JV06A -		65.00	418.00CR
87-12-428	CSP	12/17/87 JE JV06A -		5.00	

BEFORE THE FEDERAL ELECTION COMMISSION 13 AM 9:40

In the Matter of)

National Association of Social)
Workers Political Action for)
Candidate Election and)
Myriam C. Cain, as treasurer;)
National Association of Social)
Workers, Inc.)

MUR 2730

GENERAL COUNSEL'S REPORT

I. BACKGROUND

II. DISCUSSION OF CONCILIATION PROVISIONS

89040760149

III. RECOMMENDATIONS

1. Accept the counteroffer of the National Association of Social Workers Political Action for Candidate Election, Myriam C. Cain, as treasurer, and the National Association of Social Workers, Inc.
2. Approve the attached letter.

Lawrence M. Noble
General Counsel

Date

6-12-89

BY:



 Lois G. Lerner
 Associate General Counsel

Attachments

1. Respondents' letter and counteroffer
2. Proposed Letter.

Staff Assigned: Keith V. Morgan

89040760150

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
National Association of Social Workers Political Action for Candidate Election and Myriam C. Cain, as treasurer;)	MUR 2730
National Association of Social Workers, Inc.)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 16, 1989, the Commission decided by a vote of 6-0 to take the following actions in MUR 2730:

1. Accept the counteroffer of the National Association of Social Workers Political Action for Candidate Election, Myriam C. Cain, as treasurer, and the National Association of Social Workers, Inc., as recommended in the General Counsel's report signed June 12, 1989.
2. Approve the letter, as recommended in the General Counsel's report signed June 12, 1989.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

June 16, 1989
Date

Helda Arnold
for Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Tues.,	6-13-89,	9:40
Circulated on 48 hour tally basis:	Tues.,	6-13-89,	4:00
Deadline for vote:	Fri.,	6-16-89,	4:00

89040760151



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 22, 1989

Robert Cohen, Esquire
General Counsel
National Association of
Social Workers, Inc.
7981 Eastern Avenue
Silver Spring, Maryland 20910

RE: MUR 2730
National Association of Social
Workers Political Action for
Candidate Election and
Myriam C. Cain, as treasurer
National Association of Social
Workers, Inc.

Dear Mr. Cohen:

On June 16, 1989, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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Robert Cohen, Esquire
Page 2

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Keith V. Morgan, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel


BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

09040760153

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. National Association of Social Workers Political Action for Candidate Election is a political committee within the meaning of 2 U.S.C. 431(4).

2. Myriam C. Cain is the treasurer of National Association of Social Workers Political Action for Candidate Election.

3. National Association of Social Workers, Inc. is a corporation organized and existing under the laws of the State of Maryland.

4. Section 441b(a) of Title 2, United States Code, prohibits a corporation's making a contribution in connection with a federal election and a political committee's receipt of such contribution.

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5. NASW acts as a collecting agent for its separate segregated fund, PACE.

6. On December 18, 1987, NASW transferred \$16,554 in excess of the contributions collected to PACE. PACE reported that transfer as an itemized receipt and as a debt owed to NASW in the 1987 Year-End Report.

7. On June 17, 1988, PACE repaid that sum in full to NASW in response to the Commission's letter of inquiry of June 1, 1988.

8. Respondents contend that none of the \$16,554 was expended in connection with any federal election and that at all relevant times PACE had a positive account balance, exclusive of this sum.

9. Respondents contend that the \$16,554 was transferred to PACE in error by NASW's business office and that this error was openly and promptly reported.

10. Respondents contend that neither PACE nor the Association knowingly and willfully violated 2 U.S.C. 441b(a).

V. PACE accepted a \$16,554 contribution from NASW, and NASW made a \$16,554 contribution in violation of 2 U.S.C. 441b(a).

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VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of One Thousand dollars (\$1,000), pursuant to 2 U.S.C. 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or

89040760157

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

89 JUN 27 AM 11:07



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

June 27, 1989

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner *LL*
Associate General Counsel

SUBJECT: MUR-2730--Recommendation to close the file

On June 16, 1989, the Commission accepted the counteroffer of the National Association of Social Workers Political Action for Candidate Election, Myriam C. Cain, as treasurer, and the National Association of Social Workers, Inc. in settlement of MUR 2730. A recommendation to close the file was inadvertently omitted from the General Counsel's Report. Since there are no other outstanding issues involved in this matter, this Office recommends that the Commission close the file in this matter.

RECOMMENDATION

1. Close the file.

89040760159

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

National Association of Social Workers)
Political Action for Candidate Election,)
Myriam C. Cain, as treasurer, and the)
National Association of Social Workers,)
Inc.)

MUR 2730

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 29, 1989, the Commission decided by a vote of 6-0 to close the file in MUR 2730, as recommended in the General Counsel's memorandum to the Commission dated June 27, 1989.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

6-29-89

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Tues.,	6-27-89,	11:07
Circulated on 48 hour tally basis:	Tues.,	6-27-89,	4:00
Deadline for vote:	Thurs.,	6-29-89,	4:00

89040760150



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2730

DATE FILMED 7/21/89 CAMERA NO. 4

CAMERAMAN AS

89040760161



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE
PUBLIC RECORD IN (CLOSED) MUR 2730

33040764087

CLOSED

CGC 3363

MEMORANDUM

TO: DEBRA A. TRIMIEW

TO: CHERYL T WILLIAMS

FROM: CHERYL T WILLIAMS

FROM: DEBRA A. TRIMIEW

CHECK NO. MD0561 { A COPY OF WHICH IS ATTACHED } RELATING TO

MUR 2730 AND NAME National Association of Social Workers

^(Morgan) WAS RECEIVED ON 7/10/89. PLEASE INDICATE THE ACCOUNT INTO

WHICH IT SHOULD BE DEPOSITED:

- / / BUDGET CLEARING ACCOUNT { 95F3875.16 }
- / / CIVIL PENALTIES ACCOUNT { 95-1099.160 }
- / / OTHER _____

SIGNATURE Debra A. Trimiew

DATE 7/11/89

3 2 0 4 2 7 6 4 0 4 7