



FEDERAL ELECTION COMMISSION

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

#125/24  
file  
MUR  
232

MEMORANDUM

TO: BILL OLDAKER  
FROM: BOB COSTA *R/C*  
DATE: May 23, 1977  
SUBJECT: MURS 232, 233, and 234

This is to recommend that MURS 232 (UFT-COPE), 233 (United Steelworkers PAF), and 234 (VOTE-COPE) which were opened as a result of audits, be closed since the Commission has accepted the audit staff recommendations regarding the matters noted during the audits.

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OFFICE OF GENERAL COUNSEL



BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
United Federation of ) MUR 232 (76)  
Teachers COPE )

GENERAL COUNSEL'S REPORT

770400233  
The audit was started on April 5, 1976, and the field work was completed on April 10, 1976. A letter was sent by the Office of Disclosure and Compliance on May 3, 1976 (attachment 1). No response has been received to date. The report was forwarded to the Assistant Staff Director on June 17, 1976 and to the Staff Director on July 9, 1976. The Staff Director approved the report on August 9, 1976. The Committee was contacted by the Office of Disclosure and Compliance on September 10 with respect to their response to the May 3rd letter and advised that they had not responded.

SUMMARY OF AUDIT

The Committee maintains four separate accounts, two for Federal election purposes and two for State and local election purposes. All activities of the Committee -- i.e., both State and Federal -- are reported. A \$100,000 contribution received from the United Federation of Teachers was deposited in

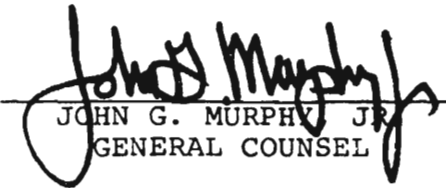
FEDERAL ELECTION COMMISSION  
EXHIBIT FILE COPY

the Committee's local election account. The audit concluded that no portion of this amount was used to support Federal candidates. In addition, a discrepancy was noted in the Committee's opening cash balance. The discrepancy was due to an oversight in reporting refunds and outstanding checks. An attempt was made to correct the oversight.

RECOMMENDATION OF GENERAL COUNSEL

Since \$102.6 of the proposed regulations will prohibit the acceptance of any union treasury funds by a Committee which makes contributions to both State and Federal elections, the recommendation is to notify the Committee of the proposed regulation. The Committee would have two options: (1) establish a separate Federal committee; or (2) maintain a single committee which could not receive treasury funds.

We also recommend the acceptance of the auditor's conclusion that no portion of the \$100,000 was used in connection with a Federal election.

  
JOHN G. MURPHY JR.  
GENERAL COUNSEL

DATE: Sept 14, 1976

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FEDERAL ELECTION COMMISSION

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

May 3, 1976

Ms. Ray Frankel, Treasurer  
United Federation of Teachers  
Committee on Political Education  
260 Park Avenue South  
New York, New York 10010

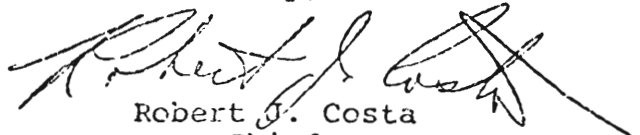
Dear Ms. Frankel:

This is in reference to the recent review of your committee's financial records by staff members of the Federal Election Commission in accordance with the provisions of Section 438(a)(8) of Title 2, United States Code (2 U.S.C. 438(a)(8)).

As was discussed with committee representatives, the only discrepancy noted was a \$333.00 understatement of cash on hand for the period beginning January 1, 1975. Given the minor nature of this discrepancy, an amended report is not required. However, feel free to do so if you wish.

Thank you for your assistance and cooperation. If we can be of assistance to you in the future, please do not hesitate to call Mr. Elmo Allen at (202) 382-6023.

Sincerely,

  
Robert J. Costa  
Chief  
Audit Division

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*Letter mailed  
5/5/76*

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