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10/17/2005 16 : 00

October 17, 2005

Karen E. Trainer
Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Mid-Year Report (01/01/05-06/30/05)

Dear Ms. Trainer:

This firm represents Local 32BJ SEIU American Dream Political Action Fund ("the Fund"). I write in response to your letter dated September 16, 2005, addressed to Hector Figueroa. Your letter inquired as to the nature of receipts reported on Schedule A of the Fund's above-referenced report. Specifically, your letter notes that the Fund reported misdeposits of funds in the amount of \$41,110.35, as well as transfers-out on Schedule B totaling \$18,697.51. Your letter asks for clarification on the remaining misdeposited funds totaling \$22,412.84.

First, as a matter of clarification, the Fund is unclear with respect to the \$18,697.51 total in your letter. By our accounting, the Fund issued checks totaling \$20,571.55 to the connected organization, as well as to the Building Service 32BJ Benefit Fund, for misdeposited funds. The remaining misdeposited money (\$20,538.80) was correctly allocated to the connected organization and the Building Service 32BJ Benefit Fund, after the deadline for the above-referenced report. Specifically, the Fund issued checks and/or executed online transfers on the following dates for the following amounts:

Building Service 32BJ Benefit Fund: \$2835.00 on 7/28/05; \$2,225.00 on 7/28/05; \$26.00 on 7/18/05; and \$4,870.00 on 7/18/05.

Connected Organization (Local 32BJ): \$8777.32 on 7/18/05; 1328.42 on 7/15/05; 10.00 on 7/18/05; 470.98 on 7/25/05; and a transfer from the connected organization to the Fund to correct a lockbox error for \$4.00 on 7/18/05.

As you can see, these checks and online transfers total \$20,538.72. The Fund has subsequently learned that the check reported on the above-reference report in the amount of \$846.44 should have been issued for \$846.52, thus accounting for the remaining \$.08. The Fund is in the process of correcting this error.

Thus, the Fund has corrected the lockbox deposit errors—i.e., funds that were incorrectly deposited into the Fund, but through no error of the Fund. As explained below, these were errors of the financial institution and/or the employer in transmitting check off contributions to the Fund. These were not errors of the Fund, and once the Fund became aware of these errors, the Fund corrected those errors as soon as possible.

To further explain, the Fund, the connected organization and the Building Service 32BJ Benefit Fund ("the Benefit Fund") each have their own lockbox. A lockbox is essentially a P.O. Box where money is deposited. The financial institution picks up money every day from each of the aforementioned lockboxes.

At times, employers in implementing dues and PAC checkoff provisions, as well as making required contributions to the Benefit Fund, have incorrectly sent money to the Fund, when that money should have been sent to either the connected organization or the Benefit Fund. The bank subsequently deposited that money into the Fund and the Fund only received data from the bank after money was deposited. We have asked the bank not to deposit money into the Fund account when

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the check is made out to either the connected organization or the Benefit Fund. Unfortunately, the bank does not always catch this error and has misdeposited funds.

Likewise, employers at times have sent money to the wrong lockbox or made out to the wrong entity. When that has occurred, the Fund has remedied the misdeposited money and made those errors known to employers to minimize future reoccurrences. Additionally, employers have also sent a single check that is meant to cover all three entities to the Fund lockbox. If it is made out to the Fund, the bank will deposit that check into the Fund, and it will not be until after the bank has reported the data to the Fund, and the Fund has had the opportunity to perform a reconciliation that the deposit error will be uncovered. Again, as set forth above, as soon as the Fund has become aware of any error, it has taken every step to remedy the error and to minimize such errors from occurring in the future.

I trust this letter satisfactorily responds to your inquiry. Should you have any further questions on this matter, please contact me.

Very truly yours,

LEVY RATNER, P.C.

Adam Rhynard
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