ETEXT ATTACHMENT

11/06/2006 11 : 47

November 6, 2006

Christopher J. Morse
Senior Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Request for Additional Information from NEA Fund for Children and Public Education, The NEA Fund for Children and Public Education, Amended August 2006 Report, (FEC Committee ID No. C00003251)

Dear Mr. Morse:

I am responding to your October 6, 2006 request for additional information (RFAI) from The NEA Fund for Children and Public Education (The NEA Fund) in connection with that committee s Amended August 2006 Monthly Report. In that RFAI, you note that The NEA Fund s amended August Monthly report, which the Commission received on September 20, 2006, fails to disclose receipts previously itemized on its initial report that was received on August 18, 2006. You request that The NEA Fund resubmit [its] report to include any omitted activity or provide clarifying information as to why this activity was omitted from this amended report. This letter will provide such clarifying information.

By way of background, The NEA Fund maintains not only a federal account, the activity of which it reports to the Commission, but also non-federal accounts in several states as required by the laws of those states. One such state is North Carolina, where the committee maintains The NEA Fund for Children and Public Education NFI-North Carolina. The contributions deposited in the North Carolina account are itemized in accordance with North Carolina law.

All the contributions contained in Schedule A of The NEA Fund s initial August Monthly report were collected and deposited in compliance with FEC regulations. Between the time that The NEA Fund submitted its initial August Monthly report and time it submitted its Amended August Monthly report to the Commission, the committee decided to make a non-federal contribution in the state of North Carolina in the amount of $265,000. In order to accomplish this, the committee needed to have enough funds in its North Carolina Non-federal Itemized account to cover the amount of the contribution. Contributions received by The NEA Fund that it deposits into its federal account and itemizes on its FEC monthly reports can also be used for North Carolina election campaign activity. Rather than transferring funds from its federal account to the North Carolina Non-federal Itemized account, The NEA Fund simply took receipts that it had reported as federal account contributions on its initial August Monthly report in a sufficient amount to cover the contribution in question and re-coded them for use in the North Carolina Non-federal Itemized account. The contributions that were re-coded not only satisfied FEC regulations, but also applicable North Carolina law.

If you have any additional questions regarding this matter, please feel free to contact me at (202) 822-7041.