

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
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May 12, 2005

Roger Burrill, President / Secretary-Treasurer / General Chairman  
SEIU System Council 15  
Firement & Oilers  
9009 East Euclid Avenue  
Spokane, Washington 99212

Re: **2**

Dear Mr. Burrill:

This office has recently completed an audit of SEIU System Council 15 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959, as Amended (LMRDA). As discussed during the exit interview with you on May 5, 2005, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

The CAP disclosed a violation of LMRDA section 201(a) which requires that unions submit a copy of their current constitution and bylaws with its LM report when bylaw changes are made. System Council 15 amended its constitution and bylaws in 2002, but a copy of the constitution and bylaws was not filed with System Council 15's LM-2 report for that year. Two copies of System Council 15's constitution and bylaws have now been filed.

Title II of the LMRDA establishes certain reporting and record keeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least five years by which each receipt and disbursement of funds, as well as all account balances can be verified, explained, and clarified. As a general rule, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipients of the goods or services.

The following record keeping deficiencies were revealed during the audit of System Council 15's 2003 records:

The system council failed to record as a receipt a refund in the amount of \$64.52 and a reimbursement for \$391.57. Union receipts records must include an adequate identification of each receipt of money. The records should show the exact date that the money was received, the identity of the source of the money, and the individual amount received from each source.

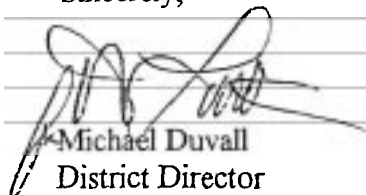
President Roger Burrill failed to retain adequate documentation for expenses charged to the union Visa assigned to him. The date, amount, and business purpose of every expense must be recorded on at least one union record. In addition, the names of individuals present for meal expenses paid for by the union and the locations (names of restaurants) where meal expenses were incurred must also be recorded.

With respect to documentation retained in support of specific disbursements (including those in payment of credit card charges), the record retention requirement includes not only the retention of original bills, invoices, receipts, and vouchers, but also additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and all the recipients of the goods or services. In most instances, this documentation requirement can be most easily satisfied with a sufficiently descriptive receipt. If a receipt is not sufficiently descriptive, a note can be written on it providing the additional information. An exception may be made only in those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.

As agreed, provided that System Council 15 maintains adequate documentation for its receipts and disbursements in the future, no additional enforcement action will be taken regarding this violation.

I want to extend my personal appreciation for your and your entire staff's cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,



Michael Duvall  
District Director

cc: Robert Daniels, Vice President