



March 5, 2012

Ms. Ann Marie Taliercio, President/Business Manager
Hotel Empls, Restaurant Empls Local 150
[REDACTED]

Case Number: [REDACTED]
LM Number: 028827

Dear Ms. Taliercio:

This office has recently completed an audit of Hotel Employees, Restaurant Employees Local 150 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 (LMRDA). As discussed during the exit interview with you and Financial Secretary Thomas Barkley on March 2, 2012, 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.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report Form LM-3 filed by Local 150 for the fiscal year ended December 31, 2010, was deficient in the following areas:

1. Disbursements to Officers

Local 150 did not include some reimbursements to officers totaling at least \$1,403 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 48 (Office and Administrative Expense).

The union must report most direct disbursements to Local 150 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48.

2. Incorrectly Reported Items

Local 150 incorrectly reported dues in Item 43 (Other Receipts), the purchase of fixed assets in Item 48, contributions in Item 54 (Other Disbursements), and office and administrative expenses in Item 54 (Other Disbursements). It also incorrectly reported total assets in Item 32 (Accounts Payable).

I am not requiring Local 150 to file an amended LM report for 2010 to correct the deficient items, but Local 150 has agreed to properly report the deficient items on all future reports it files with OLMS.

Other Violation

Local 150 filed its annual report for fiscal year ending December 31, 2010 in August 2011. The annual report must be filed within 90 days after the end of the local's fiscal year. The local has agreed to file its annual reports in a timely manner.

I want to extend my personal appreciation to you and Financial Secretary Thomas Barkley for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

cc: Mr. Thomas Barkley, Financial Secretary