



May 30, 2012

Ms. Carolyn Stafford, President  
OPEIU Local 19  
2300 Ashland Avenue  
Room 224A  
Toledo, OH 43620

Case Number: [REDACTED]  
LM Number: 025644

Dear Ms. Stafford:

This office has recently completed an audit of OPEIU Local 19 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, Secretary-Treasurer Cindy Morse, and Office Secretary Kelly McGill on May 10, 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.

#### Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records 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, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 19's 2010 records revealed the following recordkeeping violation:

#### General Receipts and Disbursement Records

OPEIU Local 19 was missing certain records and/or receipts and invoices for some of its receipts and disbursements. Two lost time vouchers for President Jane Ridenour were not in

the union's records. The union must maintain itemized receipts and/or invoices provided by merchants and vendors. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received, and the source of the money. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

Based on your assurance that Local 19 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

#### 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 19 for the fiscal year ended January 31, 2011, was deficient in the following areas:

##### 1. Disbursements to Officers

Local 19 did not report the names of some officers and the total amounts of payments to them or on their behalf in Item 24 (All Officers and Disbursements to Officers). Sergeant-at-Arms Greg Snyder and Members-at-Large Dorothy Bliss, Steve Brown and Doug Kigar are not listed on the local's 2010 LM-3 report. The union must report in Item 24 all persons who held office during the year, regardless of whether they received any payments from the union.

The union must report most direct disbursements to Local 19 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 (Office and Administrative Expense).

##### 2. Fiscal Year Change – Reporting Period Omission

Local 19 changed its fiscal year between its 2009 and 2010 LM-3 reports. The local's 2009 LM-3 report covers the period from January 1, 2009 to December 31, 2009, while its 2010 report covers the period from February 1, 2010 to January 31, 2011. The period of January 1, 2010 to January 31, 2010 has not been covered by either report, and an LM-3 report must therefore be filed for that one month period.

I am not requiring that Local 19 file an amended LM report for 2010 to correct the deficient items, but Local 19 has agreed to properly report the deficient items on all future reports it files with OLMS. Local 19 has also agreed to file an LM report for the omitted one month period of January 1, 2010 to January 31, 2010.

I want to extend my personal appreciation to OPEIU Local 19 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,



Senior Investigator

cc: Ms. Cindy Morse, Secretary-Treasurer