



June 19, 2013

Mr. Robert Gid, President  
Musicians Local 24

Case Number: 360-16365-  
LM Number: 029-154

Dear Mr. Gid:

This office has recently completed an audit of Musicians Local 24 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 Secretary-Treasurer Todd Jelen on May 13, 2013, 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

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 24's 2011 records revealed the following recordkeeping violations:

1. Failure to Maintain Disbursements Documentation

Local 24 did not retain adequate documentation for union disbursements totaling at least \$1,165.60. For example, no invoice documentation was available for a disbursement for \$910.00 to RU Moving for moving services when the local relocated the office to another

location. In addition, several invoices were missing for the monthly rental of a storage unit with Redi Storage, Inc.

As noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. 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.

## 2. Union Officer Benefits and Expenses

Adequate documentation supporting former Secretary-Treasurer [REDACTED] vacation, holiday, and sick benefits were not properly maintained to determine the actual balance of benefits due.

In addition, documentation supporting mileage reimbursement paid to Madsen was not properly maintained with a detailed log for the actual mileage and the union purpose.

The union must maintain records which identify the dates of travel, locations traveled to and from, and number of miles driven. The record must also show the business purpose of each use of a personal vehicle for business travel by an officer or employee who was reimbursed for mileage expenses.

Based on your assurance that Local 24 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Musicians Local 24 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,

[REDACTED]  
Investigator

cc: Mr. Todd Jelen, Secretary-Treasurer