

**U.S. Department of Labor**

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July 3, 2008

Ms. Jamila Bush, President  
APWU, AFL-CIO  
Local 5085  
P.O. Box 8  
Carson City, NV 89702

LM File Number: 092-590

Case Number: [REDACTED]

Dear Ms. Bush:

This office has recently completed an audit of APWU Local 5085 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 Pat Angel on March 6, 2008, 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:

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 5085's 2006 records revealed the following recordkeeping violations:

#### Failure to Record Donation

Local 5085 did not maintain records to support that clothing was purchased with union funds and later donated to the Eagle Valley Children's Home.

Based on your assurance that Local 5085 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

#### 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-4) filed by Local 5085 for fiscal year ending December 31, 2006, was deficient in that:

#### Disbursements to Officers

Local 5085 did not include some reimbursements to officers for travel expenses and per diem, totaling at least \$1,278.00 in the amounts reported Item 18 (payments to officers and employees).

The union must report disbursements to Local 5085 officers for such items as gross salaries; lost time pay; monthly, weekly, or daily allowances; and other disbursements for conducting official business of the labor organization as well as disbursements which were essentially for the personal benefit of the officer.

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Local 5085 must file an amended Form LM-4 for fiscal year ending December 31, 2006, to correct the deficient items discussed above. I provided you with a blank form and instructions, and advised you that the reporting forms and instructions are available on the OLMS website ([www.olms.dol.gov](http://www.olms.dol.gov)). The amended Form LM-4 should be submitted to this office at the above address as soon as possible, but not later than July 21, 2008. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

**Other Issues**

The audit disclosed the following other issue:

The union does not maintain a check register or a receipt or disbursement journal. We recommend the union maintain these records to strengthen internal controls.

I want to extend my personal appreciation to APWU Local 5085 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: Pat Angel, Treasurer