

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor Management Standards  
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January 18, 2005

Sherwin Carroll, Executive Director  
Service Employees (SEIU), AFL-CIO  
Local Union 96

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Dear Mr. Carroll:

This office has recently completed an audit of SEIU Local Union 96 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 on January 11, 2005, the following problems were disclosed. The matters listed below are not an exhaustive list since the CAP was limited in scope.


1. The CAP disclosed that the bonding coverage maintained by the local for fiscal year ending June 30, 2004, did not meet the minimum amount required by LMRDA Section 502. Section 502 requires that the bonding coverage must be of a sufficient amount to cover 10 percent of the amount of funds on hands at the beginning of the last fully completed fiscal year plus the total receipts for that fiscal year.
2. The CAP disclosed the local failed to submit copies of its current constitution and bylaws, in violation of LMRDA Section 201 (a). Section 201 (a) requires a labor organization to attach two dated copies of its constitution and bylaws to the LM Report it submits to OLMS, whenever the constitution and bylaws are changed (other than rates of dues and fees),
3. The CAP disclosed the local filed a deficient LM-2 Report for fiscal year ending June 30, 2003, in violation of LMRDA Section 201 (b). Specifically: Schedule 9 does not list all the officers and does not report all the payments to them; Item 25 and Item 28 (Cash and US Treasury Securities) are overstated; and Item 29 (Investments) are understated. These deficiencies were corrected on the LM-2 Report filed for fiscal year ending June 30, 2004.

Since the local terminated on September 1, 2004, no further action on these issues is anticipated.

I want to extend my appreciation for your cooperation and courtesy during the CAP. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,

Dennis L. Eckert  
District Director

By:   
Investigator

cc: Nancy Cross, SEIU Vice President  
Thomas Caplice, CPA