

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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January 30, 2008

Ms. Deborah Voccio, Treasurer
Stage and Picture Operators (IATSE) Local 830
200 Goldfinch Drive
Apartment 208
Coventry, RI 02816

LM File Number: 011-485
Case Number: [REDACTED]

Dear Ms. Voccio:

This office has recently completed an audit of IATSE Local 830 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, President Helen Ferreira, Business Agent Frances Howe, and Recording Secretary Jacqueline Keegan on January 28, 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.

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 830's 2006 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local 830 did not retain adequate documentation for reimbursed expenses incurred by Treasurer Deborah Voccio totaling at least \$1,221.19. For example, union meeting minutes from May 7, 2006 indicated and union executive board members advised that union funds were to be disbursed for the purposes of attending a district convention, funding a summer picnic and end of year dinner, and for a petty cash fund. Check [REDACTED] dated 05/26/06 payable to Ms. Voccio for \$1,500 was marked as reimbursement for the above mentioned activities. Complete documentation to verify these expenditures, however, was not maintained.

As previously 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. Failure to Maintain Adequate Receipts Records

Local 830 did not keep sufficient records to verify the receipt of some working assessments received from non-union members totaling at least \$1,945.35. For example, on February 3, 2006, the union deposited \$1,757.85 into its savings account and \$187.50 into its checking account attributable to assessments. 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. Records should also include sufficient information to clarify how assessment amounts are determined.

Based on your assurance that Local 830 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-4 filed by Local 830 for fiscal year ending December 31, 2006, was deficient in the following areas:

1. Disbursements to Officers

Local 830 did not include some reimbursements to officers totaling at least \$1,960.10 in the amounts reported in Item 18 (Total Payments to Officers and Employees). For example, \$1,710.10 in reimbursements made to Treasurer Deborah Voccio and \$250 worth of dues payments for Ms. Voccio paid by the local on her behalf must be reported in this item.

The union must report the total of all payments to officers and employees made by your organization during the reporting period. Form LM-4 instructions indicate that the amount should include "gross salaries, lost time pay, monthly, weekly or daily allowances, and disbursements for conducting official business of the organization as well as disbursements which were essentially for the personal benefit of the officer or employee."

2. Cash Reconciliation

It appears that the cash figures reported in Item 14 (Total Assets) and Item 16 (Total Receipts) are not the cash figures according to the union's books after reconciliation to the bank statements. The instructions for Item 14 explain that the total value of the organization's assets at the end of the reporting period should include "cash on hand and in banks, property, loans owed to your organization, investments, office furniture, automobiles, and anything else owned by your organization." The instructions also state that Item 16 should include the "total amount of all receipts of your organization during the reporting period including, for example, dues, fees, fines, assessments, interest, dividends, rent, money from the sale of assets, and loans received by your organization."

Local 830 must file an amended Form LM-4 for fiscal year ending December 31, 2006, to correct the deficient items discussed above. OLMS 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). The amended Form LM-4 should be submitted to this office at the above address as soon as possible, but not later than February 19, 2008. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

Other Violations

The audit disclosed the following other violation:

Inadequate Bonding

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

Local 830's officers and employees are currently not bonded, but they must be bonded for at least \$710.39, based on a calculation of total funds handled for the fiscal year ending 12/31/07. Local 830 should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than February 19, 2008.

Other Issues

Expense Policy and Payment of Officer's Dues

As was discussed during the exit interview, the audit revealed that Local 830 does not have a clear policy regarding the types of expenses personnel may claim for reimbursement. Additionally, the local does not have a clear policy regarding the practice of paying the secretary treasurer's dues. OLMS recommends that unions adopt written guidelines concerning such matters.

I want to extend my personal appreciation to Stage and Picture Operators (IATSE) Local 830 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,

Mark Letizi
District Director

cc: Helen Ferreira, President