



June 25, 2012

Ms. Julie Kelly, President  
Workers United  
New York/New Jersey Regional JB  
18 Washington Place  
Newark, NJ 07102

Case Number: [REDACTED]  
LM Number: 048-899

Dear Ms. Kelly:

This office has recently completed an audit of Workers United, SEIU, NY/NJ Joint Board (WUJB) 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 on June 18, 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 Violation

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 WUJB's 2010 records revealed the following recordkeeping violation:

American Express Statements:

Former union president [REDACTED] used his personal American Express (AMEX) charge account for union related expenses from January through March of 2010. The union did not retain any of [REDACTED] AMEX statements for that period. The AMEX statements were obtained during the audit when the union contacted [REDACTED] for the missing records.

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.

Other 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 audit disclosed the following violation of this requirement:

During the audit period, it was discovered that approximately \$300.00 of AMEX charges were for personal use. This amount was not reported on Form LM-2, Schedule 11, (G) Other Disbursements (D) thru (F). The union was reimbursed at the time of the expenditure and has issued a written policy regarding the business use of the AMEX card.

I want to extend my personal appreciation to Workers United, SEIU, NY/NJ Joint Board 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: Mr. Fred Kaplan, Secretary/Treasurer