



February 28, 2023

Mr. Chuck Lozier, President
Youngstown Diocesan Confederation of Teachers
8090 Market Street, Suite 1
Youngstown, OH 44512

Case Number: 350-6025781()
LM Number: 509479

Dear Mr. Lozier:

This office has recently completed an audit of Youngstown Diocesan Confederation of Teachers 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 Treasurer Mary Ann Morrison on February 27, 2023, 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

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-2 filed by Youngstown Diocesan Confederation of Teachers for the fiscal year ended June 30, 2022, was deficient in the following areas:

1. Statement B – Receipts and Disbursements / Dues Received and Total Disbursements Underreported

Dues received during fiscal year ending June 30, 2022 were underreported on the LM-2 Report by at least \$53,500.00 due to the union's accountant mistakenly netting refunds paid to members during the audit year from dues received. Due to the netting, the refunds paid to members were also not properly reported on the LM-2 Report as disbursements. Per the LM-2 Instructions, since Statement B reports all cash flowing in and out of the labor organization, netting is not permitted.

2. Delta Dental and Scholarship Funds Improperly Reported

Funds collected from union members by the union for dental premiums and scholarship donations were reported in Item 46 – On Behalf of Affiliates for Transmittal to Them. Per the LM-2 Instructions, these funds should be reported in Item 47 – From Members for Disbursement on Their Behalf. The disbursement of these funds must be reported in Item 64 – On Behalf of Individual Members.

Youngstown Diocese Confederation of Teachers must file an amended Form LM-2 for the fiscal year ended June 30, 2022, to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. The amended Form LM-2 must be filed no later than March 15, 2023. Before filing, review the report thoroughly to be sure it is complete and accurate. I want to extend my personal appreciation to Youngstown Diocesan Confederation of Teachers 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,

A solid black rectangular box redacting the signature of the Senior Investigator.

Senior Investigator

cc: Ms. Mary Ann Morrison, Treasurer