

U.S. Department of Labor

Office of Labor-Management Standards
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October 31, 2022

Mr. Mark Hardter, Business Agent
Stage & Picture Operators, AFL-CIO, Local Union 835
7091 Grand National Drive
Suite #108
Orlando, FL 32819

Case Number: 410-6023726()
LM Number: 541515

Dear Mr. Hardter:

This office has recently completed an audit of Stage & Picture Operators, AFL-CIO (I.A.T.S.E.), Local Union 835 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 Herman Dagner, Treasurer Nancy Luna, and Bookkeeper () on September 14, 2022, 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 I.A.T.S.E., Local Union 835's records revealed the following recordkeeping violation:

1. Lack of Salary Authorization

Local Union 835 did not maintain records to verify that the salaries reported in Schedules 11 (All Officers and Disbursements to Officers) and 12 (Disbursements to Employees) of the LM-2 was the authorized amount and therefore was correctly reported. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

Based on your assurance that I.A.T.S.E., Local Union 835 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 835 amended its constitution and bylaws in 2021 but did not file a copy with its LM report for that year.

As agreed, I.A.T.S.E., Local Union 835, will file a copy of its current constitution and bylaws with OLMS as soon as possible, but not later than September 30, 2022.

Other Issue

1. Signature Stamp

During the audit, President Hardter and [REDACTED] the local's bookkeeper, advised that it is Local 835's practice for Business Agent Mark Hardter to sign all union checks and to stamp the signature of President Herman Dagner. The two-signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, the use of a signature stamp for the second signer does not attest to the authenticity of the completed check and negates the purpose of the two-signature requirement. OLMS recommends that I.A.T.S.E., Local Union 835, review these procedures to improve internal control of union funds.

Mr. Mark Hardter

October 31, 2022

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I want to extend my personal appreciation to Stage & Picture Operators, AFL-CIO, Local Union 835 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,



Senior Investigator

cc:  Bookkeeper
Mr. Herman Dagner, President