



May 12, 2022

Ms. Jaqueline D. Wolford, President  
Ohio Nurses Association - Ashtabula County  
[REDACTED]

Case Number: 350-6023068( [REDACTED] )  
LM Number: 541-070

Dear Ms. Wolford:

This office has recently completed an audit of Ohio Nurses Association (ONA) - Ashtabula County 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 Treasurer Joseph Chike on April 12, 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 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 ONA – Ashtabula County's 2020 records revealed the following recordkeeping violations:

#### 1. Gift Cards to Membership

ONA – Ashtabula County did not maintain an inventory listing of gift cards purchased and distributed to the membership during the audit year. The union must maintain the value of

any union property on hand at the beginning and end of each year in the records. In addition, in the case of gift cards given away to members, the union must retain records that identify the date the items were given away and the recipients of the gift cards.

## 2. Information not Recorded in Meeting Minutes

During the audit year, no membership or executive board meeting minutes were available for review. The union's secretary is required to record all union discussions made at the meetings. In addition, minutes of all membership or executive board meetings must report any disbursement authorizations made during those meetings.

Based on your assurance that ONA – Ashtabula County 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 ONA – Ashtabula County for the fiscal year ended December 31, 2020, was deficient in the following area:

#### Disbursements to Officers

ONA – Ashtabula County did not include any reimbursements to officers totaling at least \$5,482.74 in the amount reported in Item 18. Question 18 on the LM-4 report states “Enter the total payments to officers and employees made by your organization during the reporting period (gross salaries, lost time payments, allowances, expenses, etc.)”

The union's officers are reimbursed all or a portion of their dues at the end of the year. In addition, two union officers were each reimbursed \$1,350.00 for the purchase of gift cards distributed to the membership. The union must report direct disbursements to ONA – Ashtabula County officers for the dues reimbursements and the reimbursements for the purchase of gift cards given to the members.

I am not requiring that ONA – Ashtabula County file an amended LM report for 2020 to correct the deficient item, but Local ONA – Ashtabula County has agreed to properly report the deficient items on all future reports it files with OLMS.

### Other Violation

The audit disclosed the following other violation:

#### Inadequate Bonding

The audit revealed that the amount of ONA – Ashtabula County's bond is sufficient. However, the bond includes a deductible, which is a form of self-insurance that fails to meet the bonding requirements of the LMRDA. ONA – Ashtabula County should obtain a bond without a deductible. Please provide proof of bonding coverage without a deductible to this office as soon as possible, but not later than May 31, 2022.

I want to extend my personal appreciation to Ohio Nurses Association - Ashtabula County 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. Joseph P. Chike, Treasurer