



February 1, 2023

Ms. Maria Moniz, President
United Nurses and Allied Professionals (UNAP)
Local 5067
501 Great Road, Unit 204
North Smithfield, RI 02896-6833

Case Number: 110-6025206()
LM Number: 516623

Dear Ms. Moniz:

This office has recently completed an audit of UNAP Local 5067 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, Accountant [REDACTED], UNAP Field Representative [REDACTED], and Vice President Tina Rose on January 13, 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

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 5067's 2022 records revealed the following recordkeeping violations:

1. Receipt Dates Not Recorded

Entries in Local 5067's receipts journal reflects the date the union deposited money, but not the date money was received. For example, an employer dues checkoff check for \$7,416.82 is recorded as being received on July 8, 2021, which is the date the check was deposited not when the union received it. Union receipts records must show the date of receipt. The date of receipt is required to verify, explain, or clarify amounts required to be reported in Statement B (Receipts and Disbursements) of the LM-3.

The LM-3 instructions for Statement B state that the labor organization must record receipts when it actually receives money and disbursements when it actually pays out money. Failure to record the date money was received could result in the union reporting some receipts for a different year than when it actually received them.

2. General Disbursements by Check

Local 5067 did not retain adequate documentation for general disbursements by check totaling at least \$3,465. For example, first quarter taxes for the union's office space totaling \$872.32 did not have a corresponding invoice supporting the expense. Additionally, labor charges associated with moving union office furniture totaling \$125 had no supportive invoice or other union record.

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.

3. Information not Recorded in Meeting Minutes

During the audit, Vice President Tina Rose advised OLMS that she recalled meetings where officer compensation had been discussed and specifically remembered in 2006 there was a discussion about increasing officer compensation. Article VI, Section 7 of Local 5067 bylaws states the Executive Council shall report its activities at each regular membership meeting. Local 5067 maintained no minutes of that meeting, and minutes of the Executive Council during the audit do not reference officer compensation.

4. Lack of Salary Authorization

Local 5067 did not maintain records to verify that the salaries reported in Item 24 (All Officer and Disbursements to Officers) of the LM-3 was the authorized amount and therefore was correctly reported. During the opening interview, President Maria Moniz and UNAP Field Representative [REDACTED] advised OLMS that there is no documentation authorizing officer compensation but that it has been in practice for many years. 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 Local 5067 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 LM-3 filed by Local 5067 for the fiscal year ended June 30, 2022, was deficient in the following areas:

1. Fixed Assets

Local 5067 did not report in Item 29 (Fixed Assets) the value of the condo space owned by the union. The book value at the start and end of the reporting period of all fixed assets, such as land, buildings, automobiles, and office furniture and equipment owned by your organization. This would include the condo owned by Local 5067.

In the event of a sale of the condo, the net amount received by your organization for all fixed assets sold, should be reported in Item 42 (Sale of Investments and Fixed Assets). Additional Information should be provided in Item 56, as applicable.

2. Failure to File Bylaws

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 5067 amended its constitution and bylaws in 2019, but did not file a copy with its LM report for that year.

As agreed, Local 5067 will file a copy of its current constitution and bylaws with OLMS as soon as possible but not later than February 14, 2023.

Local 5067 must file an amended Form LM-3 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-3 must be filed no later than February 14, 2023. Before filing, review the report thoroughly to be sure it is complete and accurate.

I want to extend my personal appreciation to UNAP, Local 5067 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,

[REDACTED]

Investigator

cc: [REDACTED], Accountant
[REDACTED], UNAP Field Representative