



June 23, 2023

Ms. Amanda Pitrelli, Treasurer
Treasury Employees Union, NTEU
Chapter 58
525 Lein Rd
West Seneca, NY 14224

Case Number: 110-6026112()
LM Number: 503112

Dear Ms. Pitrelli:

This office has recently completed an audit of Treasury Employees Union, NTEU Chapter 58 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Civil Service Reform Act of 1978 (CSRA), 5 U.S.C. 7120, and the Department's regulations, 29 CFR 458. As discussed during the exit interview with you and President Jill Toliver on June 21, 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

Pursuant to 29 C.F.R., Section 458.3, the reporting requirement under 29 C.F.R. Section 403.2 (see Section 201(b) of the Labor-Management Reporting and Disclosure Act (LMRDA)) is made applicable to labor organizations subject to the requirements of the CSRA. This provision requires labor organizations to file annual financial reports that accurately disclose their financial condition and operations. The audit disclosed a violation of this requirement. The Labor Organization Annual Report Form LM-3 filed by Chapter 58 for the fiscal year ended September 30, 2022, was deficient in the following areas:

1. Disbursements to Officers

Chapter 58 did not report the total amounts of payments to some officers or on their behalf in Item 24 (All Officers and Disbursements to Officers) totaling at least \$500. The union must report in Item 24 all persons who held office during the year, regardless of whether they received any payments from the union.

The union must report most direct disbursements to Chapter 58 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect

disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

2. Disbursements to Employees

Chapter 58 did not include some reimbursements to employees totaling at least \$1,400 in Item 46 (To Employees). It appears that the chapter erroneously reported these payments in Item 54 (Other Disbursements).

3. Per Capita Tax

Chapter 58 improperly included disbursements in Item 47 (Per Capita Tax) which should be reported in Item 54 (Other Disbursements). These disbursements, totaling \$980, were not payments to an intermediate or parent body, but rather for payroll taxes withheld and paid to the U.S Treasury. The LM-3 Instructions state to enter in Item 54 all disbursements made by your organization not reported in Items 45 through 53, including disbursements such as fees, fines, transmittals of funds collected for third parties, withholding taxes, and payments for the account of affiliates and other third parties.

4. Failure to File Bylaws

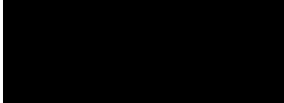
Pursuant to 29 C.F.R. Section 458.3, the requirement under 29 C.F.R. Section 402.4 implementing LMRDA Section 201(a) is made applicable to labor organizations subject to the requirements of the CSRA. This provision requires labor organizations to file copies of any revised constitution and bylaws when it files its annual financial report. The audit disclosed a violation of this requirement. Chapter 58 amended its constitution and bylaws in 2007, but did not file the required copies with its LM report for that year.

As agreed, Chapter 58 will file a copy of its current constitution and bylaws with OLMS as soon as possible but not later than July 7, 2023.

I am not requiring that Chapter 58 file an amended LM report for 2022 to correct the deficient items, but Chapter 58 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to NTEU Chapter 58 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: Jill Toliver, Chapter 58 President