

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
New Haven Resident Investigative Office  
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August 29,2008

Mr. Russell Hebert, Financial Secretary  
United Government Security Officers of America  
Local 19  
572 Fire Street  
Oakdale, CT 06370

LM File Number 543-302  
Case Number: [REDACTED]

Dear Mr. Hebert:

This office has recently completed an audit of Government Security Officers Local 19 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 President Earl Aker and yourself on August 5,2008, 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-3 filed by Local 19 for fiscal year ending December 31,2007, was deficient in that:

Local 19 did not include some reimbursements to officers totaling at least \$1,139.56 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 54, Other Disbursements.

The union must report most direct disbursements to Local 19 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).

I am not requiring that Local 19 file an amended LM report for 2007 to correct the deficient items, but Local 19 has agreed to properly report the deficient items on all future reports it files with OLMS.

#### Other Violations

The audit disclosed the following other violation:

##### Inadequate Bonding

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

The audit revealed that Local 19's officers and employees were not bonded at the time of the audit. The union obtained adequate bonding coverage and provided evidence of this to OLMS during the audit. However, the bond secured contains a deductible which is not permitted; a deductible is considered self-insurance and

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fails to meet the bonding requirements of the LMRDA. Please provide proof of bonding coverage without a deductible to this office as soon as possible, but not later than September 26, 2008.

I want to extend my personal appreciation to Government Security Officers Local 19 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,

  
Supervisory Investigator

cc: Earl Aker, President