



November 15, 2011

Mr. David A. Salvatora, Trustee  
Cambria County Rural Letter Carriers' Association  
Local Unit 11  
5522 Bauer Drive  
Gibsonia, PA 15044

Case Number: [REDACTED]  
LM Number: 088646

Dear Mr. Salvatora:

This office has recently completed an audit of Cambria County Rural Letter Carriers' Association, Local Unit 11 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 on November 10, 2011, 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 Local Unit 11's records for January 2004 through June 30, 2011 revealed the following recordkeeping violations:

1. Reimbursed Meal Expenses:

Local Unit 11 did not retain adequate documentation for reimbursed meal expenses totaling at least \$216.44. For example, available records indicate cash was used to pay for member meals at membership meetings from March 2004 through August 2010. Local Unit 11 records lacked necessary meal receipts to support the cash disbursements. Local Unit 11 must maintain itemized meal receipts provided by restaurants to officers and employees.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your local unit, who are required to sign your local unit's LM report, are responsible for properly maintaining unit records.

2. Failure to Record Receipts:

Local Unit 11 did not record in its receipt records some employer dues checks received totaling \$1,094.34. For example, employer dues checks were received on March 17, 2005, April 19, 2007 and May 30, 2008, but were not recorded in local unit records. Local unit receipt records must show the date and amount received, and the source of the money.

Based on your assurance that Local Unit 11 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual reports accurately disclosing their financial conditions and operations. The Labor Organization Report (Form LM-4) filed for the fiscal year ending June 30, 2010, was deficient in the following area:

Cash Reconciliation:

It appears that the cash figures reported in Item 14 (total value of your organization's assets at the end of your reporting period) do not include the \$141.31 in cash and stamps that was on hand at the end of the June 30, 2010 fiscal year.

I am not requiring that Local Unit 11 file an amended report for 2010 to correct the deficient item, but Local Unit 11 has agreed to properly report the deficient item on all future reports it files with OLMS.

I want to extend my personal appreciation to Cambria County Rural Letter Carriers' Association, Local Unit 11 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,

A solid black rectangular box redacting the signature of the investigator.

Investigator

cc: Mr. Frank A. Wozniak, President/Assistant State Steward  
Pennsylvania Rural Letter Carriers' Association