



August 8, 2013

Mr. Anthony Rizzo, Jr., President
Nuclear Power Plant Security Officers of America - Local 1
P.O Box 382
Glassboro, NJ 08028-0382

Case Number: 130-15350-
LM Number: 540095

Dear Mr. Rizzo, Jr.:

This office has recently completed an audit of Nuclear Power Plant Security Officers of America - Local 1 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 Patricia Hickman and you on August 7, 2013, 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 1's 2011 records revealed the following recordkeeping violations:

The union failed to maintain adequate records to verify, explain or clarify, or use in checking the accuracy or completeness of reports required to be filed with the Secretary of Labor, in violation of 29 U.S.C. 436. Specifically, the union did not maintain adequate records regarding the distribution of annual gift cards to the membership during fiscal year 2011. A random survey of

members was conducted to verify that the annual gift cards were properly distributed to the membership. A review of the October 2011 general membership minutes revealed the 2011 gift card distribution was discussed amongst the membership.

I want to extend my personal appreciation to Local 1 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 used to redact the signature of the investigator.

Investigator

cc: Patricia Hickman, Treasurer
Terry Snyder, Vice President
Jeffrey Ousey, Trustee