

AFGE Financial Training

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John Lund, Director
Office of Labor-Management Standards
Department of Labor

www.dol.gov/olms

www.dol.gov/olms/afge_3-8-12.htm

1. Using the OLMS web site

Office of Labor-Management Standards (OLMS)

About OLMS

The Office of Labor-Management Standards (OLMS) of the U.S. Department of Labor administers and enforces most provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). The LMRDA primarily promotes union democracy and financial integrity in private sector labor unions through standards for union officer elections and union trusteeships and safeguards for union assets. Additionally, the LMRDA promotes labor union and labor-management transparency through reporting and disclosure requirements for labor unions and their officials, employers, labor relations consultants, and surety companies.

- [OLMS Mission Statement](#)

Resources

- [Online Public Disclosure Room](#)
- [Forms and Instructions](#)
- [LMRDA Enforcement](#)
- [Publications](#)
- [Posters](#)
- [Compliance Tips](#)
- [Compliance Audit Program \(CAP\)](#)
- [International Compliance Audit Program \(I-CAP\)](#)
- [eLaws OLMS Union Elections Advisor](#)
- [OLMS Annual Reports](#)
- [OLMS Mailing List Messages](#)
- [OLMS en Espanol](#)

How to Get Help

- Call OLMS: (202) 693-0123
- E-mail OLMS at olms-public@dol.gov

Highlights

- [Form LM-30 Webinar](#) 
- [Final Rule: Form LM-30](#)
- [OLMS Electronic Forms System for LM-2, LM-3, and LM-4 Filers](#)
- [Proposed Rulemaking: Employer-Consultant Reporting](#)
- [RFI: Electronic Voting in Union Officer Elections](#)
- [Executive Order 13496: Notification of Employee Rights Under Federal Labor Laws](#)
- [Final Rule: Rescission of Form T-1 and Revised Interpretation Regarding LMRDA Coverage of Intermediate Unions](#)
- [Online Public Disclosure Room: LMRDA Reports and Collective Bargaining Agreements](#)

Laws & Related Materials

- [Labor-Management Reporting and Disclosure Act \(LMRDA\)](#)
- [Civil Service Reform Act \(CSRA\)](#)
- [Executive Order 13496: Notice of Employee Rights Under Federal Labor Laws](#)
- [Transit Employee Protections](#)

General Guidance

- [How to File a Complaint With OLMS](#)
- [Reporting & Disclosure](#)
- [Employer-Consultant Reporting](#)
- [Elections of Union Officers](#)
- [Financial Safeguards for Union Funds](#)
- [Trusteeships](#)
- [Union Member Rights](#)
- [Transit Employee Protections](#)
- [Freedom of Information Act \(FOIA\) Information and Reading](#)

Highlights

- [Form LM-30 Webinar](#) 
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- [OLMS Electronic Forms System for LM-2, LM-3, and LM-4 Filers](#)
- [Proposed Rulemaking: Employer-Consultant Reporting](#)
- [RFI: Electronic Voting in Union Officer Elections](#)
- [Executive Order 13496: Notification of Employee Rights Under Federal Labor Laws](#)
- [Final Rule: Rescission of Form T-1 and Revised Interpretation Regarding LMRDA Coverage of Intermediate Unions](#)
- [Online Public Disclosure Room: LMRDA Reports and Collective Bargaining Agreements](#)

The *Highlights* section is frequently updated to direct you to topics of current interest, including rulemaking and annual reports.

Office of Labor-Management Standards (OLMS)

Welcome to UnionReports.gov

Union Reports, Other Reports, and Collective Bargaining Agreements

- [Union Reports and Constitutions and Bylaws](#)
- [Other Reports](#)
- [Collective Bargaining Agreements \(CBA\)](#)

From this site you can:

- search the union annual financial reports for the year 2000 and after.
- view and print reports filed by unions, union officers and employees, employers, and labor relations consultants for the year 2000 and after, and
- order copies of reports for the year 1999 and prior.

You can display and print facsimiles of labor organization financial reports, and retrieve other union and financial data. You can select results you wish to save and generate a number of reports comparing data saved from multiple searches.



[How to Search for a Union](#) (Flash Video FLV – 14.6 MB).

This tutorial shows you how to locate any union's LM report

Union Reports and Constitutions and Bylaws

- [Union Search](#)- find specific labor organizations to view their annual financial report (LM-2, LM-3, or LM-4) and Constitutions and Bylaws.
- [Payer/Payee Search](#)- find information about payers and payees and generate user-defined reports.
- [Officer/Employee Search](#)- find information about officers and employees and generate user-defined reports.
- [Download Yearly Data](#)- download raw data in pipe delimited format of union and financial information as reported for public disclosure under provisions of the LMRDA.

Collective Bargaining Agreements (CBA)

- [View/Print Collective Bargaining Agreements](#)

Other Reports

- [LM-10 Employer Reports](#)
- [LM-20 Agreement and Activities Reports](#)
- [LM-21 Receipts and Disbursements Reports](#)
- [LM-30 Labor Organization Officer and Employee Reports](#)

www.unionreports.gov allows you to search for union financial reports, officer, employer and labor relations consultant reports, as well as collective bargaining agreements.

Resources

- [Online Public Disclosure Room](#)
- [Forms and Instructions](#)
- [LMRDA Enforcement](#)
- [Publications](#)
- [Posters](#)
- [Compliance Tips](#)
- [Compliance Audit Program \(CAP\)](#)
- [International Compliance Audit Program \(I-CAP\)](#)
- [eLaws OLMS Union Elections Advisor](#)
- [OLMS Mailing List Messages](#)
- [OLMS en Espanol](#)

Under *Resources*, it's also possible to access the OLMS *Online Public Disclosure Room*, obtain copies of all our report forms and the instructions, get information about OLMS enforcement activities (next slide) and publications, including our new *Compliance Tips* and copies of our Employee Rights Poster, in multiple languages.

The "Resources" section allows you to pull up all our forms and instructions, most recent enforcement activities (by year), publications, compliance tips and audit reports (by year)

Compliance audit closing letters can also be accessed here (by year, in alphabetical order by union)

Also, our eLaws election adviser and our mailing list can also be accessed

How to Get Help

- Call OLMS: (202) 693-0123
- E-mail OLMS at olms-public@dol.gov
- [Attend a Local Seminar or Workshop](#)
- Call LM Software Support Desk 1-866-401-1109
- [OLMS Field Offices](#)
- [OLMS Mailing List - Subscribe and Read Sent Messages](#)

Finally, you can call OLMS for help, or send an email, find out about seminars or workshops, look up the nearest OLMS field office or get on our mailing list. If you have questions about electronic filing, you can call our software support desk

2. Internal financial controls and segregation of duties

Office of Labor-Management Standards (OLMS)

Compliance Tip — Internal Financial Controls

Section 501 of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), outlines general fiduciary responsibility for officers and employees of labor organizations. Union officials occupy positions of trust and, therefore, must ensure that the union's funds and other assets are used solely for the benefit of the union and its members. Unfortunately, if a union or other organization does not have an adequate system of internal financial controls, some individuals may use, or be tempted to use, some of the organization's funds for their own purposes or become careless and mix the organization's money with their own.

To prevent, or at least inhibit, the misuse or embezzlement of their funds, most organizations including corporations, banks, international unions, etc., install internal controls over the handling of their finances. Adequate and effective internal controls require a separation of functions and responsibilities among a number of individuals who are actively involved in the financial process and who provide a system of "checks and balances" over each other's activities. An entirely adequate system of internal controls is not always possible in small local unions which employ, at most, one full- or part-time officer or employee to handle the union's financial affairs and cannot afford the services of an independent accountant. However, some effective internal controls can be established even in one-person operations. For example, local union executive boards or other governing bodies should consider taking the following actions to safeguard union funds:

- Require that the union's financial officers issue receipts to members for all amounts collected from them and maintain records showing the dues payment status of each member.
- Require that union financial officers maintain receipts and disbursement journals (or similar records) to record all monies received and spent by the union.
- Require that the union's financial officer make regular, frequent deposits of dues and other union funds to the union's bank account and identify each deposit with a specific set or time period of receipts in the union's receipts journal to make the relationship between receipts and bank deposits perfectly clear and easily verifiable.
- Ensure that there is a full understanding, in the form of membership or executive board authorizations recorded in meeting minutes, about the level of salary, allowances, and expenses (if any) to which the union's officers are entitled.
- Require that all checks drawn on the union's bank account have a second signature and ensure that the cosigner fully understands that his/her fiduciary responsibilities require that the checks be signed only after they are completely filled out and the cosigner knows the purpose and legitimacy of each transaction.

- Require that the financial officer give a full report of the union's finances at each membership or executive board meeting and that prior authorization be obtained for large or unusual transactions.
- Establish internal local union audit committees (or trustees).
- Ensure that the internal audit committee (or trustees) conduct regular, periodic examinations of the union's books and records, including:
 - reconciling the union's record of bank account balances with bank statements
 - conducting a spot-check reconciliation of receipts with deposits
 - spot-checking for possible unrecorded receipts by tracing dues and fees payment entries on membership dues payment records back to duplicate receipts and receipts journal entries.
 - ensuring that all cancelled checks that cleared the bank, per the bank statement, have been provided to the audit committee for examination.
 - examining cancelled checks for consistency of payee and endorsements and comparing the amount and payee on each check with the information recorded on check stubs and in the disbursement journal.
 - ensuring that adequate backup documentation (bills, sales invoices, etc.) is maintained for all union expenditures.
 - verifying for purpose and legitimacy of check transactions by referring to check stub and journal entries, back-up documentation, and the membership or executive board authorizations recorded in meeting minutes.
- Review established internal controls periodically and change operating procedures as necessary to ensure that the union's funds are being properly handled and adequately safeguarded.

Although establishment of internal financial controls will not absolutely prevent misuse or embezzlement of union funds, internal controls such as those listed above will surely inhibit some individuals from misusing union funds. Union officers and audit committee members (or trustees) who have further questions about internal financial controls should seek advice of their national or international union or the nearest [OLMS field office](#).

Use of signature stamp (from Compliance Audit closing letters)

- Again, although neither a specific recordkeeping nor reporting violation, a number of affiliates reported using a signature stamp in lieu of a second signature. Here is an excerpt from an actual closing letter:
 - *During the audit, _____ advised that it is Local ____ practice for her to sign all union checks and to stamp the signature of President _____ on union checks. _____ indicated that she is the only officer who reviews the checks before they are issued. Local ____ bylaws require that checks be signed by the president and treasurer. The two-signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, the use of a signature stamp for the second signer does not attest to the authenticity of the completed check and negates the purpose of the two-signature requirement. OLMS recommends that Local ____ review these procedures to improve internal control of union funds.*

No counter-signature, signing blank checks or signatory problems

- While these are neither recordkeeping nor reporting violations, they certainly are recognized internal controls:
 - Requiring all union checks be counter-signed by at least one other authorized union officer
 - Not signing blank checks under any circumstance
 - Keeping all signatories on all union accounts, including checking accounts, up to date
- Here are two samples from actual closing letters:
 - *According to the (local union's) constitution, the local's president and secretary-treasurer are required to counter-sign all checks. Currently, Local ____ is not requiring all checks to be counter-signed. The two signature requirement is an effective internal control on union funds. Its purpose is to attest to the authenticity of a document."*
 - *During the audit, you learned that the bank had a former president listed as a signatory on your checking account instead of your current president.*

No written policy for expenses (or lost wages)

- Although neither a recordkeeping nor reporting violation, many CAP closing letters noted a lack of a written policy for expense reimbursement (and lost wages). Below is an excerpt from one of the closing letters:
 - *As I discussed with you during the exit interview, the audit revealed that the _____ does not have a clear policy regarding the types of expenses that can be charged to union credit cards. OLMS recommends that unions adopt written guidelines concerning such matters.*

Segregation of duties: overview

- *Segregation of duties* is an internal control intended to ensure that no one individual has exclusive control over any aspect of the finances, such as receipts or disbursements (*think of “checks and balances”*).
- *Segregation of duties* helps prevent and detect the misuse and/or embezzlement of funds.
- When duties are not properly or completely segregated, it increases the likelihood that individuals handling funds will become careless and even perhaps commingle their own funds with those of the organization.

Segregation of duties: Typical constitutional requirements

- While it may seem difficult for a small local union to segregate duties, most union constitutions already require this. Here are some sample excerpts:
 - The Financial Secretary shall “receive all monies and funds paid to the local union” and then to transmit these funds to the Treasurer “upon receiving the Treasurer’s receipt therefore”.
 - The Treasurer is required to “receive and hold all funds collected by the FS and to give the FS a receipt for moneys delivered to him”.
 - The Recording-Corresponding Secretary is required “to sign all orders on the Treasurer for disposition of funds authorized by the Local Union”.
 - The Treasurer cannot make any “disbursements without approval of the local union and only upon written order of the President and Recording-Corresponding Secretary”.

Segregation of duties: Receipts

- OLMS recommendation for handling receipts:
 - *One staff member (or officer) lists all incoming receipts;*
 - *a second staff member (or officer) records all receipts to the general ledger;*
 - *a third staff member (or officer) prepares deposit slips and makes bank deposits; and*
 - *the first staff member (or officer) reconciles receipts to the cancelled bank deposit slips.”*
- In very rare circumstances, such as when there are no part-time or full-time office employees:
 - *One officer receives and lists the receipts;*
 - *A second officer records the receipts in the ledger or journal*
 - *The first officer then prepares the deposit slips and makes the deposits*
 - *Using the deposit slips from the bank, the second officer reconciles the deposits from the bank statement each month.*

Segregation of duties: Disbursements

- OLMS recommendations for handling disbursements:
 - Someone *other than* the person preparing or recording the checks should distribute the checks for signature and then disburse the signed checks to the appropriate payee.
 - Someone *other than* the person who prepares the payroll should actually submit it for processing.

Segregation of duties: Written policy, training and accountability

- The union should adopt a written policy which spells out segregation of duties.
- The very best possible policy on segregation of duties, however, will not work unless all officers and employees are trained in the policy and held accountable for it.
- These policies must be monitored regularly to ensure that they are strictly adhered to.

3. Delinquent LM reports

AFGE receives quarterly delinquency (DARS) reports from OLMS. The Delinquent Affiliates Report System (DARS) report is shown in the next slide.

Delinquency reporting (DARS)

GOVERNMENT EMPLOYEES AFGE AFL-CIO - DELINQUENT AFFILIATES

| LM File Number | Designation Name/Number Unit Name | Mailing Name and Address | Enter Change of Address Here | Last Report | Receipts | Fiscal Year Ending Month | Reporting Status |
|----------------|--------------------------------------|--------------------------|------------------------------|-------------|-----------|--------------------------|------------------------------------|
| 518-091 | | | | LM-4 | \$1,007 | 8 | 2011 Not Filed? 2010 Filed Late |
| 501-748 | | | | LM-3 | \$92,534 | 12 | 2010 Not Filed? 2009 Filed Late |
| 502-026 | | | | LM-4 | \$6,123 | 6 | 2011 Not Filed? 2010 Filed Late |
| 541-664 | | | | LM-4 | \$5,149 | 12 | 2010 Not Filed? 2009 Not Filed? |
| 501-858 | | | | LM-2 | \$265,711 | 12 | 2010 Not Filed? 2009 Filed Late |
| 501-023 | | | | LM-3 | \$11,538 | 3 | 2011 Not Filed? 2010 Filed Late |
| 543-005 | | | | LM-3 | \$18,288 | 9 | 2011 Not Filed? 2010 Filed Late |
| 503-685 | | | | LM-4 | \$3,221 | 12 | 2010 Not Filed? 2009 Not Filed? |
| 501-445 | | | | LM-4 | \$3,832 | 6 | 2011 Not Filed? 2010 Filed Late |
| 502-785 | | | | LM-3 | \$54,836 | 12 | 2010 Not Filed? 2009 Filed Late |
| 502-328 | | | | LM-3 | \$186,173 | 6 | 2011 Not Filed? 2010 Filed Late |

4. Bonding

Bonding

- The minimum bonding amount for each covered officer or employee is 10 percent of the funds handled by the official and his or her predecessor, if any, during the preceding fiscal year. For a new union, the bond must be at least \$1,000 for a local union and not less than \$10,000 for other unions or for a trust.
- A worksheet is found on the OLMS website at <http://www.dol.gov/olms/regs/compliance//bonding.htm#appendixa>
- The maximum bond required for any one person in any one union or trust is \$500,000. However, a person who handles funds for more than one union or trust may be required to be bonded for up to \$500,000 for each union or trust.
- A quick formula (this is more suited to LM-4 and LM-3 filers) for computing the approximate amount of required bonding coverage is:
 - Liquid Assets + Total Receipts x 10%
equals
Amount of Coverage Required
- The amount of bonding coverage must be computed at the start of each fiscal year and any necessary increase in coverage should be promptly obtained. Any lapse of adequate coverage is a violation of the LMRDA. To prevent a lapse in coverage, national and international unions that purchase bonding coverage for their affiliates should examine the timetables established for affiliates to report the funds handled during the fiscal year.
- While your International provides blanket bonding, frequently local unions do not use the amount of coverage that the international provides. You should check with the ST's office each year before you file your LM and you can also use the above formula to check the adequacy of your bonding coverage.

| Bond Difference | MAXIMUM_BOND REPORTED | Min Bond Req'd | AdjustedAssetsFor Bonding | DESIG_NAME | DESIG_NUM |
|------------------------|------------------------------|-----------------------|----------------------------------|-------------------|------------------|
| \$ 18,264 | \$ 20,000 | \$ 38,264 | \$ 382,636 | LU | 3615 |
| \$ 22,113 | \$ 5,000 | \$ 27,113 | \$ 271,127 | LU | 589 |
| \$ 22,637 | \$ 10,000 | \$ 32,637 | \$ 326,366 | LU | 548 |
| \$ 22,994 | \$ - | \$ 22,994 | \$ 229,943 | LU | 644 |
| \$ 23,417 | \$ 5,000 | \$ 28,417 | \$ 284,174 | LU | 2554 |
| \$ 24,752 | \$ 40,000 | \$ 64,752 | \$ 647,517 | LU | 1148 |
| \$ 27,442 | \$ 30,000 | \$ 57,442 | \$ 574,420 | LU | 2607 |
| \$ 29,689 | \$ 250,000 | \$ 279,689 | \$ 2,796,888 | LU | 987 |
| \$ 32,574 | \$ 5,000 | \$ 37,574 | \$ 375,736 | LU | 3627 |
| \$ 32,947 | \$ 20,000 | \$ 52,947 | \$ 529,470 | LU | 2109 |
| \$ 33,443 | \$ 25,000 | \$ 58,443 | \$ 584,427 | LU | 1546 |
| \$ 54,414 | \$ 50,000 | \$ 104,414 | \$ 1,044,140 | LU | 2437 |
| \$ 63,471 | \$ 150,000 | \$ 213,471 | \$ 2,134,708 | LU | 1613 |

This is a partial listing of AFGE locals, who, based upon their 2010 LM reports, appear to be under-bonded. The next slides show the bonding calculations for locals 1613 and 2437.

ITEMS 10 THROUGH 21

| | |
|--|-----------|
| 10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? | No |
| 11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? | No |
| 11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions? | No |
| 12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? | No |
| 13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) | No |
| 14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds? | \$150,000 |
| 15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale? | No |
| 16. Were any of the labor organization's assets pledged as security or encumbered in any way at the end of the reporting period? | No |
| 17. Did the labor organization have any contingent liabilities at the end of the reporting period? | No |
| 18. During the reporting period did the labor organization have any changes in its constitution or bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions? | No |
| 19. What is the date of the labor organization's next regular election of officers? | 11/2012 |

Maximum Reported Bond (item 14 of LM-2) is \$150,000.

Minimum Required Bond is calculated on the next two pages and compared with item 14.

STATEMENT A - ASSETS AND LIABILITIES

| ASSETS | ASSETS | Schedule Number | Start of Reporting Period (A) |
|------------------------------|----------|-----------------|-------------------------------|
| | 22. Cash | | |
| 23. Accounts Receivable | | 1 | \$0 |
| 24. Loans Receivable | | 2 | \$0 |
| 25. U.S. Treasury Securities | | | \$0 |
| 26. Investments | | 5 | \$0 |
| 27. Fixed Assets | | 6 | \$8,441 |
| 28. Other Assets | | 7 | \$0 |
| 29. TOTAL ASSETS | | | \$475,548 |

For the Form LM-2, Minimum Required Bond (MRB) is the sum of items 22 – 26 plus 28 for the beginning of the year (start of reporting period) in column A plus total receipts (item 49) less any receipts from the sale of investments held at the start of the reporting period (Schedule 3). This entire amount is multiplied by 10% to obtain the MRB.

Sum of items 22 – 26 plus 28 = \$467,107

STATEMENT B - RECEIPTS AND DISBURSEMENTS

| CASH RECEIPTS | SCH | AMOUNT |
|---|-----|--------------------|
| 36. Dues and Agency Fees | | \$1,522,769 |
| 37. Per Capita Tax | | \$0 |
| 38. Fees, Fines, Assessments, Work Permits | | \$0 |
| 39. Sale of Supplies | | \$0 |
| 40. Interest | | \$849 |
| 41. Dividends | | \$0 |
| 42. Rents | | \$0 |
| 43. Sale of Investments and Fixed Assets | 3 | |
| 44. Loans Obtained | 9 | |
| 45. Repayments of Loans Made | 2 | |
| 46. On Behalf of Affiliates for Transmittal to Them | | \$0 |
| 47. From Members for Disbursement on Their Behalf | | \$0 |
| 48. Other Receipts | 14 | \$143,983 |
| 49. TOTAL RECEIPTS | | \$1,667,601 |

Total receipts are \$1,667,601 – \$0 (Schedule 3) Sale of investments from the start of the reporting period.

To this we add the adjusted assets from the previous slide (\$467,107)

Adding the two together, we get $\$1,667,601 + \$467,107 = \$2,134,708$

Multiplying this amount by 10%, we get a minimum required bond of \$213,471.

Compared to the maximum reported bond, they are under-bonded.

ITEMS 10 THROUGH 21

| | |
|--|--------------|
| 10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? | No |
| 11. During the reporting period did the labor organization have a Political Action Committee (PAC) fund? | No |
| 12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? | Yes |
| 13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) | No |
| 14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds? | \$50,000 |
| 15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale? | No |
| 16. Were any of the labor organization's assets pledged as security or encumbered in any way at the end of the reporting period? | No |
| 17. Did the labor organization have any contingent liabilities at the end of the reporting period? | No |
| 18. During the reporting period did the labor organization have any changes in its constitution or bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions? | No |
| 19. What is the date of the labor organization's next regular election of officers? | MAY 24, 2013 |

Form LM-2 (Revised 2003)

Maximum Reported Bond
(item 14 of LM-2) is \$50,000.

Minimum Required Bond is
calculated on the next two
pages and compared with
item 14.

STATEMENT A - ASSETS AND LIABILITIES

| ASSETS | ASSETS | Schedule Number | Start of Reporting Period (A) |
|------------------------------|----------|-----------------|-------------------------------|
| | 22. Cash | | |
| 23. Accounts Receivable | | 1 | \$0 |
| 24. Loans Receivable | | 2 | \$0 |
| 25. U.S. Treasury Securities | | | \$0 |
| 26. Investments | | 5 | \$0 |
| 27. Fixed Assets | | 6 | \$0 |
| 28. Other Assets | | 7 | \$21,893 |
| 29. TOTAL ASSETS | | | \$103,367 |

For the Form LM-2, Minimum Required Bond (MRB) is the sum of items 22 – 26 plus 28 for the beginning of the year (start of reporting period) in column A plus total receipts (item 49) less any receipts from the sale of investments held at the start of the reporting period (Schedule 3). This entire amount is multiplied by 10% to obtain the MRB.

Sum of items 22 – 26 plus 28 = \$81,474 + \$21,893 = \$103,367

STATEMENT B - RECEIPTS AND DISBURSEMENTS

| CASH RECEIPTS | SCH | AMOUNT |
|---|-----|------------------|
| 36. Dues and Agency Fees | | \$417,032 |
| 37. Per Capita Tax | | \$523,504 |
| 38. Fees, Fines, Assessments, Work Permits | | \$0 |
| 39. Sale of Supplies | | \$0 |
| 40. Interest | | \$237 |
| 41. Dividends | | \$0 |
| 42. Rents | | \$0 |
| 43. Sale of Investments and Fixed Assets | 3 | \$0 |
| 44. Loans Obtained | 9 | \$0 |
| 45. Repayments of Loans Made | 2 | \$0 |
| 46. On Behalf of Affiliates for Transmittal to Them | | \$0 |
| 47. From Members for Disbursement on Their Behalf | | \$0 |
| 48. Other Receipts | 14 | \$0 |
| 49. TOTAL RECEIPTS | | \$940,773 |

Total receipts are \$940,773 – 0 (Schedule 3) Sales of investments at the start of the reporting period.

To this we add the adjusted assets from the previous slide (\$103,367)

Adding the two together, we get $\$940,773 + \$103,367 = \$1,044,140$

Multiplying this amount by 10%, we get a minimum required bond of \$104,414.

Compared to the maximum reported bond, they are under-bonded.

5. Recordkeeping best practices (from Compliance Audit closing letters for AFGE)

Officer/employee reimbursed and credit card expenses

- Generally, this type of recordkeeping violation relates to the lack of (or inadequate) supporting documentation for reimbursed or credit card expenses (other than meal expenses) submitted by officers or employees.
- Below is a sample excerpt from a CAP closing letter:
 - *“ _____ Workers _____ did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by union officers and employees totaling at least \$835.51. For example, President _____ had reimbursed expenses for tolls, faxes and check fees that did not include any back up documentation. Recording Secretary _____ had reimbursed expenses for transportation to and from the airport that did not include any receipts. Additionally, several credit card charges failed to have receipts attached. President _____ failed to provide a receipt for a rental car in November 2006. Treasurer _____ and Recording Secretary _____ also had charges on the union credit card but did not provide receipts as supporting documentation. As noted previous 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.”*

Officer/employee meal expenses

- Inadequate or missing documentation in support of officer or employee claims for meal expenses are involved here. You must retain the original, itemized meal receipt and record the names and titles of those included in the meal as well as the specific union business purpose of the meal, as the following excerpt from a CAP closing letter demonstrates:
 - *Local ___ did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$4,475. The union must maintained itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirements of LMRDA Section 206. Local ___ records of meal expenses did not always include written explanations of union business conducted or the names and titles of the persons incurring the restaurant charges. For example, meal expenses incurred by union officers and employees while in attendance at the National Convention and while on other union business did not include written explanations. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.*

Items sold or given away

- Unions giving away (or even selling) union T-shirts, hats and other supplies, selling raffle tickets or giving away door prizes such as gift cards at union meetings or other events need to keep records of all items purchased and maintained by the union and records of all items sold or given away (i.e., all who purchased tickets, who received prizes or even free T-shirts, hats or other supplies). This is necessary to establish that the funds were spent for their authorized purpose.
- Here is a sample excerpt from an actual CAP closing letter:
 - *“Local ___ did not record in its receipts records some payments received for the sale of raffle tickets and tickets to the union’s picnic totaling as much as \$3,099. Moreover, the Treasurer’s Report list each check paid to the union for picnic tickets, and there is a receipt in the union’s records for those payments, but the union did not list individual cash payments in the Treasurer’s Report, nor did it maintain a receipt for each cash payment. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received and the source of the money.”*

Lost wages

- This type of recordkeeping violation involves incomplete or inadequate documentation for lost wage claims by officers or employees. Claims for lost wages must be supported by, at a minimum, the following:
 - The date(s) wage loss actually occurred
 - The number of hours of wage loss on each day claimed
 - The rate of pay the applies to each incident of wage loss
 - The specific union business purpose involved in each claim of wage loss. It is not sufficient to record “union business”; more specificity is required.
- The following is a sample excerpt:
 - *Local ___ did not retain adequate documentation for lost wage reimbursement payments to Treasurer _____ and Vice President _____ totaling at least 53 times. The union must retain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that Local ___ officers did not identify on the lost wage vouchers the union business conducted. Local ___ must describe the reason for lost wage reimbursements both for LWOP and the “hour for hour” lost time claims. During the exit interview, you provided a sample of an updated lost time voucher that Local ___ will use to satisfy this requirement. The revised voucher now allows for the identification of the business conducted while receiving lost wages.*

General receipt records

- For all income received (“receipts”), the affiliate must record at least three things:
 - The amount received
 - The date it was received
 - The source of the funds received.
- Frequently, unions forget to record receipts such as employer payroll deduction dues check-off, rental income, sale of supplies, as the following excerpt demonstrates:
 - *“Local ___ failed to record receipts. Union receipts records must include an adequate identification of all money the union receives. The records should show the actual date and amount received and the source of each amount received. Additionally, entries in Local ___’s general ledger reflect the date the union deposited money, but not the date money was received. Union receipts records must show the date of receipt.”*

Salary authorization and meeting minutes

- When the union pays officers or employees a salary (other than lost wages), it needs to maintain documentation or records, such as minutes of meetings, in which the level of salaries were actually authorized.
- Here is a sample excerpt:
 - *Local ____ did not maintain records to verify that the salaries reported in Item 24 of the LM-3 were the authorized amount and therefore were correctly reported. 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.*
- Minutes must also be maintained to verify disbursement authorizations. Here is another sample excerpt:
 - *“Local ____ did not maintain its 2006 fourth quarter local meeting minutes. Minutes of all membership or executive board meetings must be maintained to verify disbursement authorizations made at those meetings.”*

OLMS Compliance tips

Go to <http://www.dol.gov/olms/regs/compliance/compltips.htm> to find them

- [Lost time payments](#)
- [Credit card policies](#)
- [Updating by-laws](#)
- [Travel expense reimbursement](#)
- [Salary and paid leave authorization](#)

6. Reporting violations for Form LM-3 and LM-2 filers

LM-3 Payments to officers

- Item 24 of Form LM-3 reports payments made to officers. Generally, there are at least two types of reporting violations here:
 - Failing to list all individuals who held office during the reporting year, even if only for a very short period of time, and regardless of whether they received any payments or not.
 - Incorrectly reporting payments or reimbursements to officers under items 48 or 54 instead of reporting them in item 24.
- Here is a sample of the latter problem from a closing letter:
 - *Local ___ did not include some salary or reimbursement payments to officers totaling at least \$8,295 in the amounts reported in Item 24 (All Officers and Disbursements to Officers). It appears that the union erroneously reported these payments in Item 46 (Employees) and Item 48 (Office and Administrative Expenses).*
 - *Also, Local ___ did not report the names and total amounts of payments to or on behalf of the local's five installation stewards in Item 24. According to the union's constitution, the local officers include one steward from each installation within the area local with at least five people. 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 and some direct disbursements made on behalf of its officers in Item 24. A "direct disbursements" to an officer is a payment made to an officer in the form of cash, property, goods, services or other things of value. 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.*

Failure to file updated bylaws and constitution

- When changes are made in their constitution and bylaws (other than rates of dues and fees), the affiliate is required to submit a copy of its revised constitution and bylaws along with its LM report.
- Here is an excerpt from an actual closing letter:
 - *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 ____ amended its constitution and bylaws in 2002, but did not file a copy with its LM report for that year. Local ____ has now filed a copy of its 2002 constitution and bylaws.*
- Instructions on when you are required to send in amended (and approved) by-laws and Form LM-1 can be found at:

http://www.dol.gov/olms/regs/compliance/GPEA_Forms/LM-1_instructions.pdf

Inadequate bonding

- All labor organizations covered by the LMRDA are required to be bonded for a minimum of 10% of the total funds handled by union officers and employees during the preceding fiscal year.
- Here is an excerpt from an actual closing letter:
 - *The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10% of the total funds those individuals or their predecessors handled during the preceding fiscal year. Local ____'s officers and employees are currently bonded for \$45,000, but they must be bonded for at least \$64,213. Local ____ should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible.*
- OLMS has a bonding worksheet to help you determine the amount of bonding coverage required:
<http://www.dol.gov/olms/regs/compliance//bonding.htm>
- You should check your bonding coverage after you've completed each year's Form LM but before you sign and send it in.

Acquiring or disposing of assets

- This is the reporting side equivalent of failing to adequately keep records regarding the disposition of union T-shirts, hats and other items, as well as gift cards, door prizes and lottery tickets. In other words, if you fail to keep adequate records (or no records at all), then you will obviously be deficient on the reporting side.
- Here is an excerpt from an actual closing letter:
 - *“Item 13 (During the reporting period, did your organization acquire or dispose of any assets in any manner other than by purchase or sale?) should have been answered “Yes”, because the union gave away door prizes at the annual union picnic. Records show that Local _____ disbursed approximately \$625 for door prizes that were given away at the union picnic. The type and value of any property received or given away in the additional information section of the LM report along with the identity of the recipient(s) or donor(s) of such property must be identified. Every recipient of such giveaways need not be itemized by name. The recipients can be described by broad categories if appropriate such as “members” or “new retirees”.*

Cash reconciliation (LM-3 only)

- When the LM-3 is filed electronically, the software automatically verifies that the ending cash balance reconciles with the previous year's ending cash balance plus the current year's receipts minus current year disbursements.
- When the LM-3 is not filed electronically, it is up to the filer to manually reconcile the cash balance. A number of affiliates' Form LM-3 did not balance.
- In addition, the union should obtain account balances from its books after making sure these balances have been reconciled to the balances shown on its bank statements, as the following excerpt from an actual closing letter demonstrates:
 - *It appears that the cash figures reported in Item 25 are not the cash figures according to the union's books after reconciliation to the bank statements. Specifically, the ending cash figure according to the 2007 LM report was \$27,168 more than the ending cash figure on the December bank statement.*

Enter Amounts in Dollars Only – Do Not Enter Cents

| STATEMENT A ASSETS AND LIABILITIES | ASSETS | | LIABILITIES | | | |
|---------------------------------------|------------------------------|-------------------------------|-----------------------------|--|-------------------------------|-----------------------------|
| | Item | Start of Reporting Period (A) | End of Reporting Period (B) | Item | Start of Reporting Period (C) | End of Reporting Period (D) |
| | 25. Cash | \$32,300 | \$36,484 | 32. Accounts Payable | \$0 | \$0 |
| | 26. Loans Receivable | \$0 | \$0 | 33. Loans Payable | \$0 | \$0 |
| | 27. U.S. Treasury Securities | \$0 | \$0 | 34. Mortgages Payable | \$0 | \$0 |
| | 28. Investments | \$0 | \$0 | 35. Other Liabilities | \$0 | \$0 |
| | 29. Fixed Assets | \$0 | \$0 | 36. TOTAL LIABILITIES | \$0 | \$0 |
| | 30. Other Assets | \$0 | \$0 | | | |
| | 31. TOTAL ASSETS | \$32,300 | \$36,484 | 37. NET ASSETS (Item 31 less Item 36) | \$32,300 | \$36,484 |

| STATEMENT B RECEIPTS AND DISBURSEMENTS | CASH RECEIPTS | | CASH DISBURSEMENTS | |
|---|--|----------|--|---------|
| | Item | AMOUNT | Item | AMOUNT |
| | 38. Dues | \$10,884 | 45. To Officers (from Item 24) | \$0 |
| | 39. Per Capita Tax | \$0 | 46. To Employees (less deductions) | \$0 |
| | 40. Fees, Fines, Assessments & Work Permits | \$0 | 47. Per Capita Tax | \$0 |
| | 41. Interest & Dividends | \$34 | 48. Office & Administrative Expense | \$487 |
| | 42. Sale of Investments & Fixed Assets | \$0 | 49. Professional Fees | \$0 |
| | 43. Other Receipts | \$0 | 50. Benefits | \$0 |
| | 44. TOTAL RECEIPTS | \$10,918 | 51. Contributions, Gifts & Grants | \$0 |
| | If total receipts reported in Item 44 are \$250,000 or more, your organization must file Form LM-2 instead of this form. | | 52. Purchase of Investments & Fixed Assets | \$0 |
| | | | 53. Loans Made | \$0 |
| | | | 54. Other Disbursements | \$6,248 |
| | | | 55. TOTAL DISBURSEMENTS | \$6,735 |

Cash on hand at BOY = \$32,300
 Total receipts \$10,918
 Subtotal \$43,218

Subtotal \$43,218
 Total disbursements (\$ 6,735)
 Cash on hand EOY \$36,483

Has this local reconciled its cash on hand (note the rounding effect)?

CDs (or mutual funds) reported as investments

- Notwithstanding the instructions for the LM forms, a number of unions mistakenly report certificates of deposit (CDs) or even mutual funds as investments. Here is a sample excerpt from an actual CAP closing letter:
 - *Local _____ improperly included the value of certificates of deposit as investments in Statement A (Assets and Liabilities). For LM reporting purposes, OLMS considers a certificate of deposit to be cash. The purchase or redemption of a certificate of deposit is a transfer of cash from one account to another and, therefore, the local should not report these transactions as receipts or disbursements.*

Frequent LM-2 reporting error: Incomplete itemization pages for Schedules 14 - 19

Itemization pages contain incomplete descriptions of either the purpose (column C), the type/classification (column B) or have been incorrectly completed

Itemization sheets: key facts to remember

- Note that an Itemization page must be completed for Schedule 14 if Other Receipts from a single payer equal or exceed \$5,000 or more per reporting year; likewise, an Itemization page for Schedule 15 through 19 must be completed if a disbursement is made to a single vendor of \$5,000 or more within that functional activity category.
- If no single receipt (in the case of Schedule 14) or no single disbursement (in the case of Schedules 15 – 19) within the appropriate functional activity category equals or exceeds \$5,000, then columns A (Name and Address), B (Type or Classification) and “Total of All Non-itemized Transactions with this Payee/Payer” line must be completed.
- If there is one or more receipt (in the case of Schedule 14) or disbursement within a functional activity category of \$5,000 or more, then in addition to columns A and B, items C (Purpose), D (Date) and E (Amount) must also be completed for each transaction of \$5,000 or more.

| Name and Address (A) | Purpose (C) |
|-------------------------|----------------------------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | (B) Type or Classification |
| | |
| | |
| | |

Itemization sheets: key facts to remember

- Here are a few things to keep in mind when you complete columns B and C of an Itemization page:
 - The “Type or Classification” section (item B) does not refer to your chart of accounts, but rather the payer (in the case of Schedule 14) or the vendor (in the case of Schedules 15-19). The instructions require that you describe the type or classification of the vendor or payer that you’re preparing the itemization page for. For example, if you have received a rebate or refund from a conference hotel, your entry in item B should be “Hotel”. If your disbursement was for legal representation in an arbitration hearing to your law firm, your entry in item B could be “Law Firm” or “Legal Counsel”.
 - The rule of thumb to follow is that the “Purpose” section (item C) must be sufficiently descriptive so any reader can confirm that you have properly placed the receipt or disbursement in the correct functional activity category. If the rebate is from a conference hotel, the item C entry needs only to say “Rebate from Hotel.” If the disbursement is to outside legal counsel for representation in an arbitration hearing, the item C could be “representation in arbitration case.”

SCHEDULE 18 - GENERAL OVERHEAD

| Name and Address (A) | Purpose (C) | Date (D) | Amount (E) |
|---|---------------------------------|-------------|---------------|
| 4400 Broadway Tower Sixth Floor 4400 Broadway Blvd Tucson AZ 85716 | January Rent | 01/01/2010 | \$600 |
| | February Rent | 02/01/2010 | \$600 |
| | March Rent | 03/01/2010 | \$600 |
| | April Rent | 04/01/2010 | \$600 |
| | May Rent | 05/01/2010 | \$600 |
| | June Rent | 06/01/2010 | \$600 |
| | July Rent | 07/01/2010 | \$600 |
| | August Rent | 08/01/2010 | \$600 |
| | September Rent | 09/01/2010 | \$600 |
| | October Rent | 10/01/2010 | \$600 |
| | November Rent | 11/01/2010 | \$600 |
| | December Rent | 12/01/2010 | \$600 |
| Type or Classification (B) Proper Management LLC | Total Itemized Transactions | | \$7,200 |
| | Total Non-Itemized Transactions | | |
| | Total of All Transactions | | \$7,200 |

Form LM-2 (Revised 2010)

- Note that the threshold for itemized transactions is \$5,000. None of the individual transactions neither equal nor exceed this amount. However, transactions with this vendor aggregate to more than \$5,000, so the “Total Non-itemized transactions” line should reflect the \$7,200 total.
- The name of the vendor isn’t clear; is “4400 Broadway Tower” the landlord or agent’s name or simply an address?

SCHEDULE 15 - REPRESENTATIONAL ACTIVITIES

| Name and Address (A) | Purpose (C) | Date (D) | Amount (E) |
|---|----------------------------------|-------------|-----------------|
| DELTA AIRLINES P.O. BOX 20706 ATLANTA GA 30320 | Total Itemized Transactions | | |
| | Total Non-Itemized Transactions | | \$12,079 |
| | Total of All Transactions | | \$12,079 |
| | Type or Classification (B) | | |
| TRAVEL | | | |
| Name and Address (A) | Purpose (C) | Date (D) | Amount (E) |
| HERTZ CAR RENTAL 4445 SELMA HIGHWAY MONTGOMERY AL 36108 | Total Itemized Transactions | | |
| | Total Non-Itemized Transactions | | \$5,341 |
| | Total of All Transactions | | \$5,341 |
| | Type or Classification (B) | | |
| TRAVEL | | | |

The term "Travel" is not sufficiently descriptive of the "Type or Classification".

SCHEDULE 15 - REPRESENTATIONAL ACTIVITIES

| Name and Address (A) | Purpose (C) | Date (D) | Amount (E) |
|---|----------------------------------|-------------|-----------------|
| Barbara Deckard 750 Weber Rd. Apt. 220-East O'Fallon IL 62269 | Total Itemized Transactions | | |
| | Total Non-Itemized Transactions | | \$12,675 |
| | Total of All Transactions | | \$12,675 |
| Type or Classification (B) | | | |
| Typist | | | |

Is this a payment to an employee? If so, it should be included in Schedule 12, not as an itemization sheet under Schedule 15.

SCHEDULE 17 - CONTRIBUTIONS, GIFTS & GRANTS

| Name and Address (A) | Purpose (C) | Date (D) | Amount (E) |
|-------------------------------|-----------------------------------|-------------|---------------|
| BLET GCA CSXT-W 49 | Flowers funeral LC Mother | 01/13/2010 | \$75 |
| | Etowah Rescue Squad | 05/03/2010 | \$25 |
| | Flowers Funeral LC Mother | 05/17/2010 | \$52 |
| Etowah TN 37331 | St Judes Childrens Hospital | 06/03/2010 | \$100 |
| | Cleveland Florist Funeral | 08/26/2010 | \$86 |
| | Gift Card for Secretary Christmas | 12/30/2010 | \$200 |
| Type or Classification (B) | Total Itemized Transactions | | \$538 |
| | Total Non-Itemized Transactions | | |
| Gifts and Grants | Total of All Transactions | | \$538 |

Form LM-2 (Revised 2010)

Once again, the itemization threshold is \$5,000. Since none of the itemized transactions equal or exceed \$5,000, the \$538 should be included in line 5 of the Detailed Summary Page – Schedules 14 Through 19.

In addition, the entry in item B, “Gifts and Grants” is a bookkeeping category, not a description of the payee in item A.

SCHEDULE 19 - UNION ADMINISTRATION

| Name and Address (A) | Purpose (C) | Date (D) | Amount (E) |
|---------------------------------|----------------------------------|-------------|---------------|
| American Express 0001 | credit card | 12/31/2010 | \$13,510 |
| | Total Itemized Transactions | | \$13,510 |
| | Total Non-Itemized Transactions | | |
| | Total of All Transactions | | \$13,510 |
| Los Angeles CA 90096-8000 | | | |
| Type or Classification (B) | | | |
| GCA credit card | | | |

Form LM-2 (Revised 2010)

This is an incorrect use of the itemization page. Credit card transactions must be itemized by vendor. See the LM-2 instructions dealing with credit card transactions.

Frequent LM-2 reporting error: insufficient responses to informational items

Insufficient details provided in response to informational items 10 – 21. When items 10 – 18 are checked “yes”, the filer is required to provide more details in item 69 pursuant to the instructions; often, this required detail is not provided or is insufficiently descriptive. The following chart provides more information about the level of detail required

| Item Number and Description | Details required in Item 69 if Item Number is checked “Yes” |
|--|--|
| 10. Create or participate in administration of trust? | Provide the name, address and purpose of each trust or fund. If a report has been filed for the trust or other fund under ERISA, the ERISA file number (EIN) and plan number, if any, must be provided. |
| 11 (a). Political Action Committee? | Provide the full name of each separate political action committee fund and the name of any government agency, such as the Federal Election Commission or a state agency, with which the PAC has filed a publicly available report, as well as the file number. |
| 11 (b). Subsidiary Organization? | Provide name, address and purpose of each subsidiary organization. Indicate whether the information concerning the subsidiaries financial condition and operations is included in the Form LM-2 or in a separate report. |
| 12. Audit by outside accountant or parent body auditor/representative? | If an outside accountant performed the audit/review, provide the name of the accountant or firm. |
| 13. Discover any loss or shortage of funds or other assets? | Provide a detailed description of the loss or shortage include the amount of loss or shortage of funds, or a description of the property that was lost, how it was lost and whether there has been an agreement to make restitution or any recovery by means of repayment, fidelity bond claim or insurance claim. |

| Item Number and Description | Details required in Item 69 if Item Number is checked "Yes" |
|---|--|
| 15. Acquire or dispose of any assets in a manner other than purchase or sale? | Describe in detail the manner in which you acquired or disposed of the asset, such as donation to a charitable organization, trade in, writing off a receivable, etc. The description should include the type of asset, its value and identity of the donor or recipient, the cost or other basis at which any acquired asset were entered on your books, and the cost or other basis at which any assets disposed of were carried on the books. For trade ins, the cost, book value and trade in allowance must be entered in item 69. |
| 16. Any assets pledged as security or encumbered in any way? | Identify those assets pledged or encumbered at the end of the reporting period, including the fair market value of those assets and details of the transactions related to the encumbrance. |
| 17. Any contingent liabilities? | A lawsuit in which the union is named as a defendant with payment being sought by the plaintiff need not be reported as a contingent liability if, in the opinion of legal counsel, a loss resulting from the lawsuit is remote, i.e., unlikely to occur. Additionally, a lawsuit need not be reported as a contingent liability if the union has insurance to cover any possible loss. A lawsuit <u>should</u> be reported as a contingent liability if, in the opinion of legal counsel, it is reasonably possible the union will be required to make some payment. If this item is checked "Yes", the instructions require that the union provide the name of the plaintiff and the court in which the suit was filed; it is not necessary to include the amount sought by the plaintiff. |

| Item Number and Description | Details required in Item 69 if Item Number is checked “Yes” |
|--|---|
| 18. Any changes in constitution, bylaws or in practices/procedures listed in the instructions? | Attach a copy of the complete document that has been amended to your LM-2 form. Please see the <i>Instructions</i> for attaching documents. |

21. What are the labor organization's rates of dues and fees?

| Rates of Dues and Fees | | | | | |
|-------------------------------|--------|-----|-------|---------|---------|
| Dues/Fees | Amount | | Unit | Minimum | Maximum |
| (a) Regular Dues/Fees | 87.00 | per | Month | 7.00 | 87.00 |
| (b) Working Dues/Fees | | per | | | |
| (c) Initiation Fees | | per | | | |
| (d) Transfer Fees | | per | | | |
| (e) Work Permits | | per | | | |

Enter zeros under the "Amount", "Minimum" and "Maximum" column instead of leaving them blank.

ITEMS 10 THROUGH 21

10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? No

11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? No

11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions? No

12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? Yes

Question 12: Audit by independent accounting firm Pisauro, Levy & Palumbo, CPA 34 Scotch Road, 2nd Floor P.O. Box 7667 West Trenton, NJ 08628-0667/Item 71 Title: Secretary-Treasurer is the equivalent of Secretary in our Organizational structure and is our Chief Financial Officer.Item 70 Title: Our Organizational structure does not include a President. Our

Since item 12 is checked "Yes", the name of the accounting firm or parent body representative must be provided.

ITEMS 10 THROUGH 21

10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? No

11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? Yes

11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions?

12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? No

13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) No

14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization \$80,000

69. ADDITIONAL INFORMATION SUMMARY

Question 11(a): Texas Political Action Fund (TXPAC) file number 00015731. Reports are filed monthly with the Texas Ethics Commission.

Question 15: Disposed of broken Brother fax machine.

Here, the PAC fund name and government agency with which the PAC has filed a publicly available report must be provided in item 69.

Note that this union also reported acquiring or disposing of any assets in a manner other than purchase or sale, but they did not provide sufficient detail (such as the original cost of the fax machine) sufficient to reconcile the Fixed Assets schedule

ITEMS 10 THROUGH 21

| | |
|--|-----------|
| 10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? | No |
| 11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? | No |
| 11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions? | No |
| 12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? | Yes |
| 13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) | No |
| 14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds? | \$300,000 |
| 15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale? | No |
| 16. Were any of the labor organization's assets pledged as security or encumbered in any way at the end of the reporting period? | No |
| 17. Did the labor organization have any contingent liabilities at the end of the reporting period? | Yes |

Because item 17 is checked "Yes", a detailed explanation must be provided in item 69. The instructions require the union provided the name of the plaintiff and the court in which the suit was filed. The amount sought does not have to be included.

Question 17: David Bowen and Bill Hardbarger United States District Court For The Eastern District Of Tenn 10-08-10 Civil Action No. 110-CV-276 Unpaid Personal leave Days,vacation days, and continuation of Heath Care Policy 107300 and reimbursement of COBRA Coverage.

ITEMS 10 THROUGH 21

| | |
|--|-----------|
| 10. During the reporting period did the labor organization create or participate in the administration of a trust or a fund or organization, as defined in the instructions, which provides benefits for members or beneficiaries? | No |
| 11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? | No |
| 11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions? | No |
| 12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? | Yes |
| 13. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) | No |
| 14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds? | \$500,000 |
| 15. During the reporting period did the labor organization acquire or dispose of any assets in a manner other than purchase or sale? | Yes |

Since item 15 was checked "Yes", additional explanation must be provided in item 69.

The information provided in item 69 is insufficient because it does not provide sufficient detail to reconcile the Fixed Assets schedule (e.g. the original cost is needed).

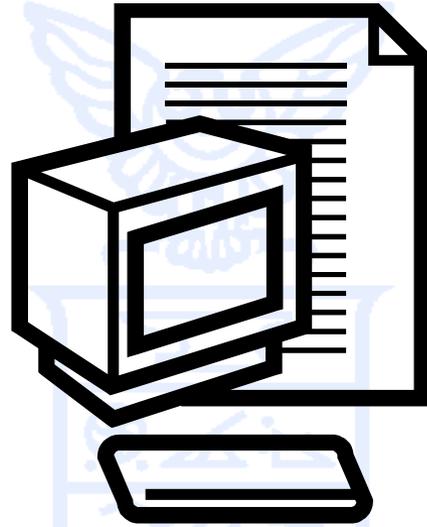
69. ADDITIONAL INFORMATION SUMMARY

Question 12: Audit was preformed by an outside accountant named Davis Grennan Fender Ruta, LLP.

Question 15: Old, outdated computers with zero value were thrown away. The aggregate net book value of the disposed assets was \$ 450.

ELECTRONIC FORMS SYSTEM (EFS)

Guide to Preparing the LM-3



Office of Labor-Management Standards (OLMS)

<http://www.olms.dol.gov>

ELECTRONIC FORMS SYSTEM (EFS)

LM-3

EFS is a web-based system for completing and filing Form LM-3 Labor Organization Annual Report.

This tutorial demonstrates basic features and functionality of the EFS LM-3 form. It does not contain instructions for what information should be provided on your report.

You can download a complete set of LM-3 Instructions from the OLMS website at:

http://www.dol.gov/olms/regs/compliance/LM-3_Instructions_AR.pdf

System Requirements and Settings

To access and use the EFS, OLMS recommends you use one of the following browsers:

- Microsoft Internet Explorer – Version 6 or higher
- Firefox – Version 3 or higher

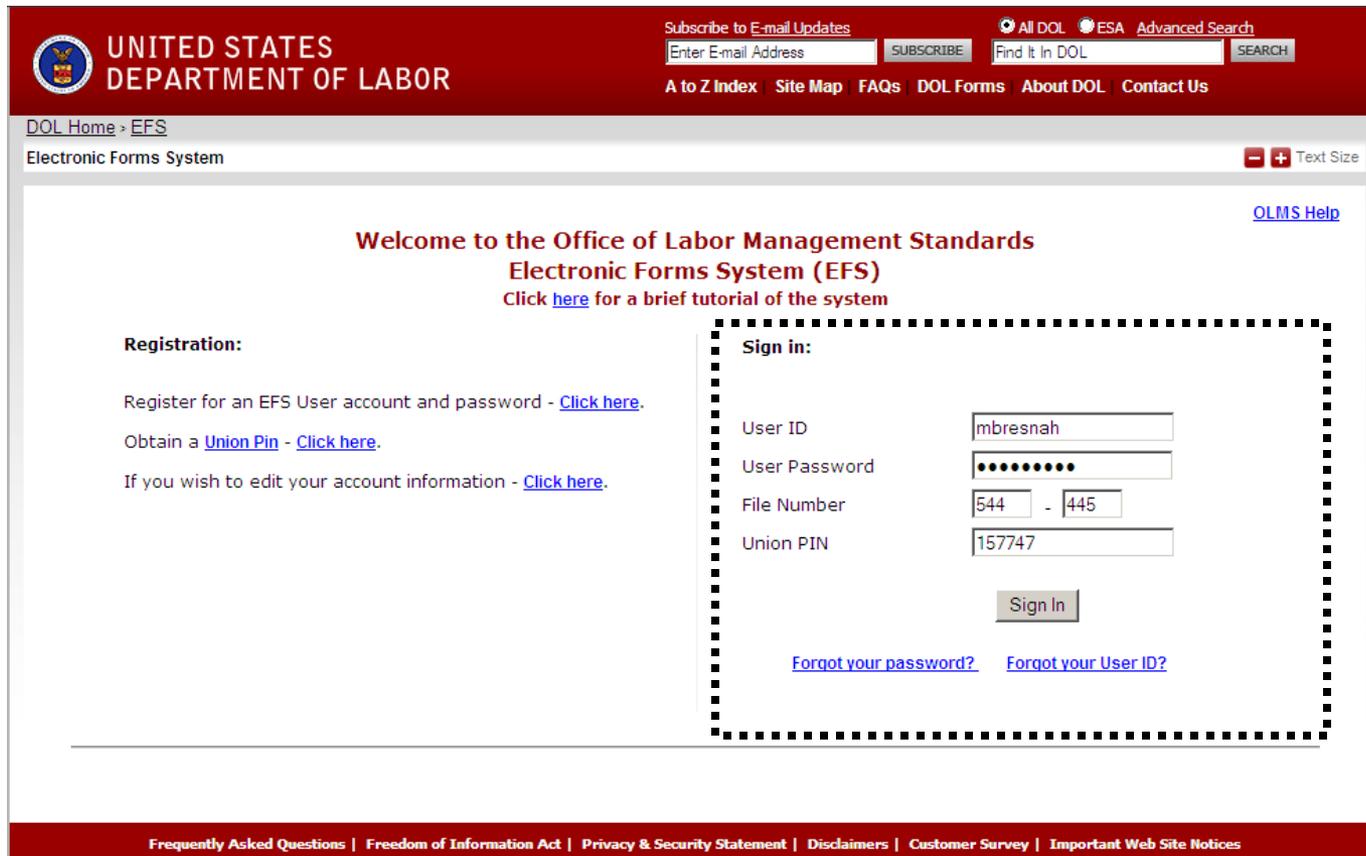
Screen Resolution:

For optimal viewing, set your screen resolution to 1280 x 1024 or greater. OLMS recommends that at a minimum you set your screen resolution to 1152 x 864 to avoid horizontal scrolling.

Accessing the System

Log into EFS using your user ID and password and the filing union's six-digit file number and unique union PIN.

(Please see the tutorial on how to register if you do not have a user ID or a union PIN.)



The screenshot shows the Electronic Forms System (EFS) login page. At the top, there is a red header with the United States Department of Labor logo and navigation links. Below the header, the page title is "Electronic Forms System". The main content area is titled "Welcome to the Office of Labor Management Standards Electronic Forms System (EFS)" and includes a link to a tutorial. On the left, there is a "Registration:" section with links for creating an account, obtaining a Union Pin, and editing account information. On the right, there is a "Sign in:" section enclosed in a dashed box, containing input fields for User ID (mbresnah), User Password (masked with dots), File Number (544 - 445), and Union PIN (157747), along with a "Sign In" button and links for "Forgot your password?" and "Forgot your User ID?".

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DOL Home > EFS

Electronic Forms System Text Size

[OLMS Help](#)

Welcome to the Office of Labor Management Standards Electronic Forms System (EFS)

Click [here](#) for a brief tutorial of the system

Registration:

Register for an EFS User account and password - [Click here](#).

Obtain a [Union Pin](#) - [Click here](#).

If you wish to edit your account information - [Click here](#).

Sign in:

User ID

User Password

File Number -

Union PIN

[Forgot your password?](#) [Forgot your User ID?](#)

Frequently Asked Questions | Freedom of Information Act | Privacy & Security Statement | Disclaimers | Customer Survey | Important Web Site Notices

Accessing the System

Select one of the options displayed on the screen.

(Please note that the only forms that you can amend in EFS are ones that were filed using EFS.)

[Logout](#)

What would you like to do?

- Continue to work on forms in progress
- Start a new form
- Amend an already submitted form

New Form

The Electronic Forms System customizes the LM report with your Union's information.

Fiscal Year Selected

2011

Form Selected

LM-3

Period Covered

Begin Date

01/01/2011

End Date

12/31/2011

Get Form

Select LM-3
from the
dropdown

**Note: You must
change the "period
covered" dates before
obtaining the form!**

LM-3 Page 1

The EFS form looks similar to the old Adobe form. Your union information is pre-filled, as are the start-of-period figures on Statement A.

- [PAGE 1](#)
- [PAGE 2](#)
- [ITEM 24](#)
- [STMT A & B](#)
- [ADDNL INFO](#)
- [VALIDATION SUMMARY](#)

| | | | | | | | |
|---|---------------------------|---|---|------------------------|--|-------------------------|--|
| Save | Import | Add Attachments | Validate | Submit | Help | Print | |
| U.S. Department of Labor Office of Labor-Management Standards Washington, DC 20210 | | FORM LM-3 LABOR ORGANIZATION ANNUAL REPORT | | | Form Approved Office of Management and Budget No. 1245-0003 Expires: 10-31-2013 | | |
| FOR USE BY LABOR ORGANIZATIONS WITH LESS THAN \$250,000 IN TOTAL ANNUAL RECEIPTS | | | | | | | |
| This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440 | | | | | | | |
| READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT. | | | | | | | |
| For Official Use Only E | 1. FILE NUMBER 544-445 | 2. PERIOD COVERED MO DAY YEAR From 01/01/2011 Through 12/31/2011 | 3. (a) AMENDED - If this is an amended report correcting a previously filed report, check here: <input type="checkbox"/> (b) TERMINAL - If your organization ceased to exist and this is its terminal report, see section XII of the instructions and check here: <input type="checkbox"/> (c) SUBSIDIARY - If this is a report for a subsidiary organization of your union as defined in section X of the instructions, check here: <input type="checkbox"/> | | | | |
| 4. AFFILIATION OR ORGANIZATION NAME FACTORY WORKERS | | | 8. MAILING ADDRESS (Type in capital letters) | | | | |
| 5. DESIGNATION (Local, Lodge, etc.) | | | First Name JOHN | | Last Name SMITH | | |
| 6. DESIGNATION NUMBER | | | P.O. Box - Building and Room Number (if any) ROOM 1A | | | | |
| 7. UNIT NAME (if any) PITTSBURGH REGION | | | Number and Street 1234 MAIN STREET | | | | |
| 9. Are your organization's records kept at its mailing address? (If "No," provide address in Item 56.) Yes <input type="radio"/> No <input type="radio"/> | | | City PITTSBURGH | | State PA | | |
| | | | ZIP Code + 4 54321-1234 | | | | |
| Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VI on penalties in the instructions.) | | | | | | | |
| 57. SIGNED: _____ | | | PRESIDENT | | 58. SIGNED: _____ | | |
| | | | (If other title, see instructions) | | TREASURER | | |
| | | | (If other title, see instructions) | | | | |
| Date: _____ | | Telephone Number: _____ | | Date: _____ | | Telephone Number: _____ | |

Navigation

You can easily move through the form by using the navigation links to the left to go directly to a page or by scrolling through pages using the arrows at the top.

www.dolms.gov

PAGE 1

PAGE 2

ITEM 24

STMT A & B

ADDNL INFO

VALIDATION SUMMARY

[Save](#)

[Import](#)

[Add Attachments](#)

[Validate](#)

[Submit](#)

[Help](#)

[Print](#)

| | | | | | |
|---|-------------------------|---|---|---|--|
| U.S. Department of Labor Office of Labor-Management Standards Washington, DC 20210 | | FORM LM-3 LABOR ORGANIZATION ANNUAL REPORT | | Form Approved Office of Management and Budget No. 1245-0003 Expires: 10-31-2013 | |
| FOR USE BY LABOR ORGANIZATIONS WITH LESS THAN \$250,000 IN TOTAL ANNUAL RECEIPTS | | | | | |
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| For Official Use Only E | | 1. FILE NUMBER 544-445 | | 2. PERIOD COVERED MO DAY YEAR From 01/01/2011 Through 12/31/2011 | |
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| 4. AFFILIATION OR ORGANIZATION NAME FACTORY WORKERS | | | 8. MAILING ADDRESS (Type in capital letters) | | |
| 5. DESIGNATION (Local, Lodge, etc.) | | | 6. DESIGNATION NUMBER | | |
| 7. UNIT NAME (if any) PITTSBURGH REGION | | | First Name JOHN | | |
| | | | Last Name SMITH | | |
| | | | P.O. Box - Building and Room Number (if any) ROOM 1A | | |
| | | | Number and Street 1234 MAIN STREET | | |
| | | | City PITTSBURGH | | |
| 9. Are your organization's records kept at its mailing address? (If "No," provide address in Item 56.) | | | State PA | | |
| Yes <input type="radio"/> | | | ZIP Code + 4 54321-1234 | | |
| No <input type="radio"/> | | | | | |
| Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VI on penalties in the instructions.) | | | | | |
| 57. SIGNED: _____ | | PRESIDENT | | 58. SIGNED: _____ | |
| | | | | TREASURER | |
| | | (If other title, see instructions) | | (If other title, see instructions) | |
| Date: _____ | Telephone Number: _____ | Date: _____ | Telephone Number: _____ | | |

Getting Help Within the Form

The form has several built-in help functions.

Mouse-over text that displays information on what to report or how to enter data into a field is available on many items.

11. During the reporting period did the labor organization create or participate in the administration of a trust or other fund or organization?

Yes
No

12. During the reporting period did the labor organization create or participate in the administration of a trust or other fund or organization?

Yes
No

13. During the reporting period did the labor organization acquire or dispose of any assets in any trust or other fund or organization?

Yes

"A trust in which a labor organization is interested" is defined in Section 3(l) of the LMRDA (29 U.S.C. 402(l)) as a trust or other fund or organization (1) which was created or established by a labor organization, or one or more of the trustees or one or more members of the governing body of which is selected or appointed by a labor organization, and (2) a primary purpose of which is to provide benefits for the members of such labor organization or their beneficiaries.

22. What is the date of your organization's next regular election of officers?

Getting Help Within the Form

Click the “Help” link at the top of each page to open the form instructions for the current page in a new window.



www.olms.dol.gov

- PAGE 1
- PAGE 2
- ITEM 24
- STMT A & B
- ADDNL INFO
- VALIDATION SUMMARY

Save & Calculate Import Add Attachments Validate **Help** Print

24.ALL OFFICERS AND DISBURSEMENTS TO OFFICERS Add More Rows FILE NUMBER:544-445

| (A)Name | (D) | (E) | (F) |
|-------------------|------|-----|-----|
| re | | | |
| (B)Title | (Ent | TRI | |
| 1. Last Name | | | |
| Title | | | |
| 2. Last Name | | | |
| Title | | | |
| 3. Last Name | | | |
| Title | | | |
| 4. Last Name | | | |
| Title | | | |
| 5. Last Name | | | |
| Title | | | |
| Total | | | |
| The Total from | | | |
| (If any officer v | | | |
| 56 Additional I | | | |

U.S. Department of Labor — Office of Labor-Management Standards (OLMS) LM-3 Instructions - Microsoft Internet Explorer provided

http://dolcontentdev.opadev.dol.gov/olms/regs/compliance/efs/lm3instructions/LM3item24.htm

UNITED STATES DEPARTMENT OF LABOR

Office of Labor-Management Standards

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Office of Labor-Management Standards (OLMS)

< Page 2 Statement A >

FINANCIAL DETAILS

REPORT ONLY DOLLAR AMOUNTS
Report all amounts in dollars only. Round cents to the nearest dollar. Amounts ending in \$.01 through \$.49 should be rounded down. Amounts ending in \$.50 through \$.99 should be rounded up.

REPORTING CLASSIFICATIONS
Complete all items and lines on the form as given. Do not use different accounting classifications or change the wording of any item or line.

LIST OF OFFICERS AND DISBURSEMENTS TO THEM

ITEM 24. ALL OFFICERS AND DISBURSEMENTS TO OFFICERS — List all your organization’s officers and report all salaries and other direct and indirect disbursements to officers during the reporting period. However, direct and indirect disbursements not involving the payment of some form of cash (cash, checks, money orders, etc.) should not be reported in Item 24 but must be explained in Item 56. Any direct or indirect cash disbursement required to be included in Item 24 should not be reported in other disbursement items.

If additional lines are required, click the “Add More Disbursements To Officers” button at the top of the schedule. The software automatically adds lines to the schedule in increments of ten.

NOTE: A “direct disbursement” to an officer is a payment made by your organization to the officer in the form of cash, property, goods, services, or other things of value.
An “indirect disbursement” to an officer is a payment made by your organization to another party for cash, property, goods, services, or

Menu Items

The menu across the top of the form contains the following items:

Save & Calculate

Import

Add Attachments



Validate

Help

Print

1. **Save and Calculate** – Click this item to save the current page and perform all mathematical calculations. Calculations are not performed automatically because doing so would dramatically reduce the speed of the application. It is important to click Save and Calculate at regular intervals when entering data in the form. If you do not save, you will be prompted to do so when you navigate away from a page.
2. **Import** – Click this item to open the Import page for importing schedule data. You can import into any schedule by clicking this link. You do not need to have a schedule open to import data for its completion.
3. **Add Attachments** – Click this item to open the Add Attachments page where supplemental information (like a constitution and bylaws or audit report) can be uploaded. The uploaded data can then be submitted with the form.
4. **Validate** – Click this item to run the form validation routine, which checks the form for missing data. Each page has its own set of validations, and you will be prompted to fix these items before leaving the page if you wish. All validations must be satisfied before the form can be signed and submitted.
5. **Help** – Click this item to take you to page-specific instructions for completing the form. You can navigate through the instructions page by page, or download/print a copy from our website at: http://www.dol.gov/olms/regs/compliance/LM-3_Instructions_AR.pdf
6. **Print** – Click this item to open a facsimile of the electronically completed LM-3. You can save a copy of this report to your computer and share it with others who may need to prepare or review the document. You may save a copy of the final signed report prior to submission.

Additional Information

Throughout the form, there are places where the system will prompt you to enter additional information. You have the option to check a box to enter the information later, and the Additional Information prompt will remain red to remind you that you will need to enter additional information before submitting your report.

To go back and enter the additional information, double-click on the **AI** icon and enter the additional information. The prompt will turn green, indicating that additional information has been entered.

The Additional Information Summary can be found in the left navigation pane.

Additional Information - Trust or Fund

Please provide the full name, address, and purpose of each trust. If a report has been filed for the trust or other fund under the Employee Retirement Income Security Act of 1974 (ERISA), report in Item 56 the ERISA file number (Employer Identification Number - EIN) and plan number, if any.

Please Note: You must press SAVE or ENTER LATER button to exit the Additional Information data entry process.

FWC, INC.
555 Main Street

- Yes **AI** ← Additional Information entered
No
- Yes ***AI** ← Additional Information needs to
No be entered

Entering Data into the Form

There are two ways to enter schedule data in the form: manually entering data and importing data.

Manual entry may require you to add more rows to a schedule. A blank schedule in EFS has ten rows. If you need more than ten rows, click the “Add More Rows” link located at the top of the schedule. This will add an additional ten rows.

[PAGE 1](#) [PAGE 2](#) [ITEM 24](#) [STMT A & B](#) [ADDNL INFO](#) [VALIDATION SUMMARY](#)

[Save & Calculate](#) [Import](#) [Add Attachments](#) [Validate](#) [Help](#) [Print](#) FILE NUMBER: 544-445

24.ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

[Add More Rows](#)

| (A)Name (B)Title 1. Last Name First Name Title | (C)Status * Middle Initial Status | (D)Gross Salary (before taxes and other deductions) | (E)Allowances and Other Disbursements | (F)TOTAL \$0 |
|--|---|---|---|-----------------|
| 2. Last Name First Name Title | Middle Initial Status | | | \$0 |
| 3. Last Name First Name Title | Middle Initial Status | | | \$0 |
| 4. Last Name First Name Title | Middle Initial Status | | | \$0 |
| 5. Last Name First Name Title | Middle Initial Status | | | \$0 |
| Total | | | | |
| | | | Less Deductions | |
| The Total from Net Disbursements will be entered in Item 45 (If any officer was not elected at a regular election in accordance with your organization's constitution and bylaws, explain in Item 56 Additional Information.) | | | Net Disbursements | |

Entering Data into the Form

After entering data in a schedule, click the “Save & Calculate” link to perform calculations.

Save & Calculate Import Add Attachments Validate Help Print

24. ALL OFFICERS AND DISBURSEMENTS TO OFFICERS Add More Rows FILE NUMBER: 544-445

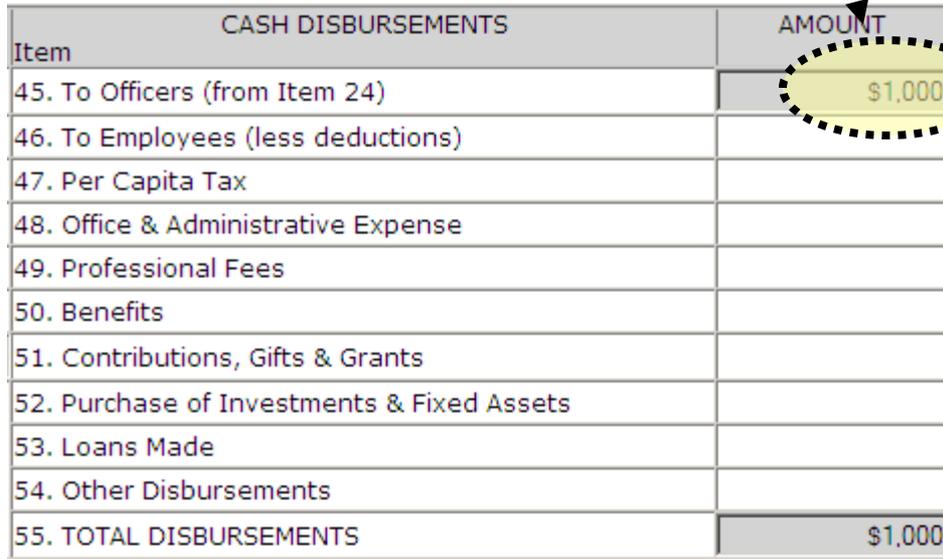
| (A) Name (List all persons who held office during the reporting period even if they received no salary or other disbursements. Use all capital letters.) | (B) Title (Enter title of officer, such as PRESIDENT or TREASURER.) | (C) Status * | (D) Gross Salary (before taxes and other deductions) | (E) Allowances and Other Disbursements | (F) TOTAL |
|---|--|----------------|---|--|-----------|
| 1. Last Name Thomas | First Name K | Middle Initial | \$1,000 | | \$1000 |
| Title President | Status C-Continuing Officer | | | | |

The calculated totals will display in the Totals fields:

| | | | |
|--|---------|-------------------|---------|
| Total | \$1,000 | \$0 | \$1,000 |
| | | Less Deductions | |
| The Total from Net Disbursements will be entered in Item 45 (If any officer was not elected at a regular election in accordance with your organization's constitution and bylaws, explain in Item 56 Additional Information.) | | Net Disbursements | \$1,000 |

Entering Data into the Form

The schedule data carries forward to the statements.



| Item | CASH DISBURSEMENTS | AMOUNT |
|--|--------------------|---------|
| 45. To Officers (from Item 24) | | \$1,000 |
| 46. To Employees (less deductions) | | |
| 47. Per Capita Tax | | |
| 48. Office & Administrative Expense | | |
| 49. Professional Fees | | |
| 50. Benefits | | |
| 51. Contributions, Gifts & Grants | | |
| 52. Purchase of Investments & Fixed Assets | | |
| 53. Loans Made | | |
| 54. Other Disbursements | | |
| 55. TOTAL DISBURSEMENTS | | \$1,000 |

Importing Data into the Form

To import data into the form, click the “Import” link on the top menu bar.



Item 24, All Officers and Disbursements to Officers, can be imported into Form LM-3. Select the import source from the dropdown menu.

IMPORT ITEM24

Select Source Of Import Data

Select Import File

A file in CVS or XML format is required to import data. These are the same formats used in the previous Form LM-3 system. For detailed information on creating import files, download the Data Specification Document found on the OLMS website at:

<http://www.dol.gov/olms/regs/compliance/dsd.htm>

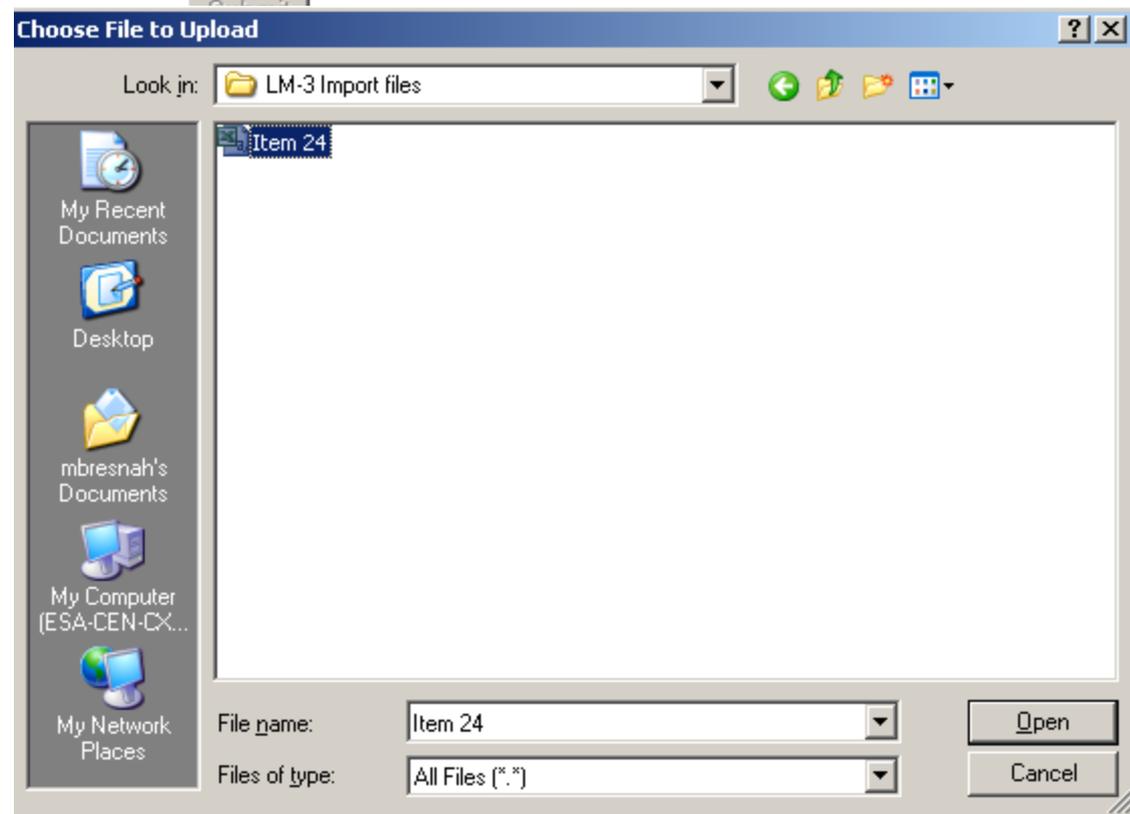
Importing Data into the Form

Click “Browse” to select the file to be imported.

IMPORT ITEM24

Select Source Of Import Data

Select Import File



Importing Data into the Form

Click “Submit” to import the data file. If the import is successful, the data will display in the schedule. Click the “**Save & Calculate**” link before moving to the next schedule.

Note:

Large import files will import quickly, but saving the imported files to the database will take some time. An hourglass icon or the “Please wait” indicator bar shown below will let you know the system is working to save the data. Please be patient when working with large amounts of data.

Importing Data into the Form

If any formatting problems are found in the data file during import, a list of errors needing correction will display.

The import operation failed to complete. Import file has following errors.

Source Of Import Data: CSV

Import File: C:\FAKEPATH\IMPORTCSV.CSV

Error/Warning Messages

```
Error:line 8:column5:The required field 'status' was not provided.  
Processed 11 input lines.  
1 errors, 0 warnings.
```

You can save and print the error report to help with the correction process.

All errors must be corrected before the file can be imported.

The Data Specification Document located on the OLMS website gives detailed guidance on the required data schema.

Save

Print

Attachments: Attaching Supplemental Data

As with the previous forms system, EFS allows you to attach data, such as constitutions and bylaws, that may be required to be submitted with the report.

To begin the process of adding an attachment, click the “Add Attachments” link on the top menu bar.

[Add Attachments](#)

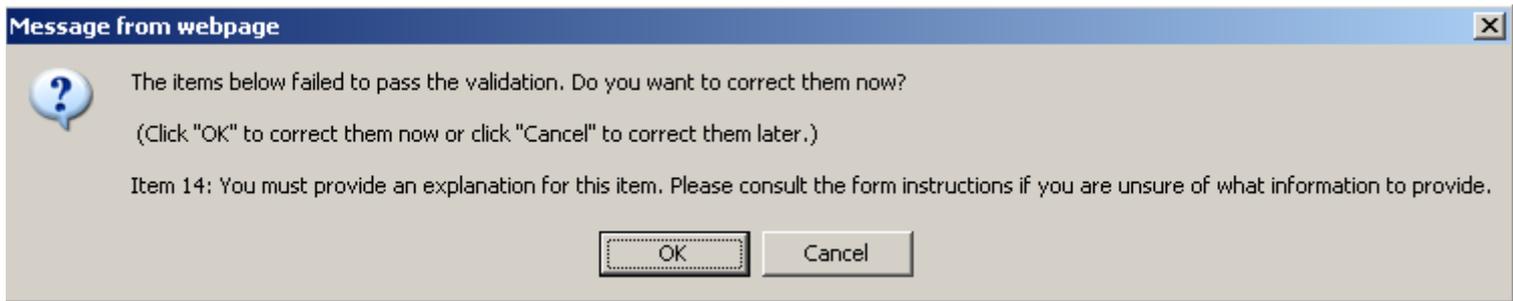
Note: While the system does not prevent them from being uploaded, certain file formats cannot be read by our system. The following file formats **can** be read:

- Adobe PDF
- Microsoft Word
- Microsoft Excel
- Rich Text Format
- HTML
- Standard Picture formats JPEG, BMP, GIF
- Text files

Validation

There are two types of validations built into the form to help ensure that the correct data is being entered into the form: Page Level Validations and Form Level Validations.

Page Level Validations occur before you navigate away from a page. A pop up message will alert you of items that must be corrected before the form can be signed and submitted.



If you click **OK** you can correct the item before leaving the page.

If you click **Cancel**, you can correct the item later. You will be prompted to make the correction during form validation.

Validation

Form Level Validations occur as a final check before the form can be submitted. You must click the “Validate” link on the top menu bar.

The screenshot shows a web application interface. On the left is a vertical navigation menu with the following items: PAGE 1, PAGE 2, ITEM 24, STMT A & B, ADDNL INFO, and VALIDATION SUMMARY (which is highlighted in red). The top menu bar contains the following links: Save & Calculate, Import, Add Attachments, Validate, and Print. In the top right corner, the text 'FILE NUMBER:544-445' is displayed. The main content area is titled 'VALIDATION SUMMARY PAGE' and contains a list of two items:

- 1.Item 11: You must provide an explanation for this item. Please consult the form instructions if you are unsure of what information to provide.
- 2.Item 17: You must provide an explanation for this item. Please consult the form instructions if you are unsure of what information to provide.

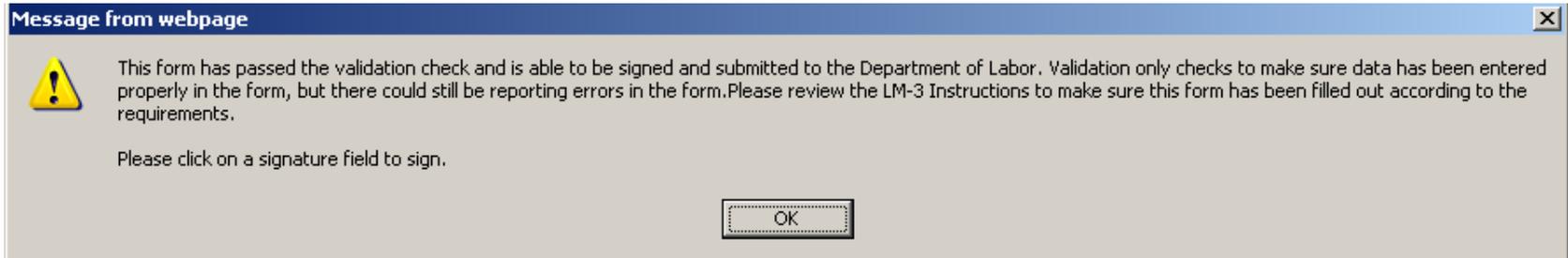
Below the list are several empty rows, suggesting a scrollable area for more items.

The system will open the Validation Summary Page containing a list of items that must be corrected.

You can click on each item and be taken to the page where the item can be corrected. For more information on what should be provided for these items, consult the form instructions.

Signing the Form

Once all of the validation items have been corrected, the form is ready to be signed.



The signature blocks will turn red, indicating the form can be signed.

Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VI on penalties in the instructions.)

| | | | | | | | |
|-------------|------------------------------------|--|----------------------|------------------------------------|--|-------------------|----------------------|
| 57. SIGNED: | Click Here to Sign | <input type="text" value="PRESIDENT"/> | 58. SIGNED: | Click Here to Sign | <input type="text" value="TREASURER"/> | | |
| | | (If other title, see instructions) | | | (If other title, see instructions) | | |
| Date: | <input type="text"/> | Telephone Number: | <input type="text"/> | Date: | <input type="text"/> | Telephone Number: | <input type="text"/> |

Note: All officers who must sign the form must have established user accounts and must log into EFS with their account information to sign the form.

Signing the Form



You must re-enter your password to sign the form. By doing so, you are legally attesting that you are the person identified by name in the signature block and a duly authorized officer of the union.

| Treasurer's Signature | |
|--|---|
| By entering my name and password below, I attest that I am John Smith , a duly authorized officer of the above labor organization, and declare, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any attached documents) has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. | |
| First Name | <input type="text" value="John"/> |
| Middle Initial | <input type="text"/> |
| Last Name | <input type="text" value="Smith"/> |
| Date | <input type="text" value="03/03/2011"/> |
| Password | <input type="password" value="••••••••"/> |
| Phone Number | <input type="text" value="2025551212"/> |
| <input type="button" value="Sign"/> <input type="button" value="Cancel"/> | |

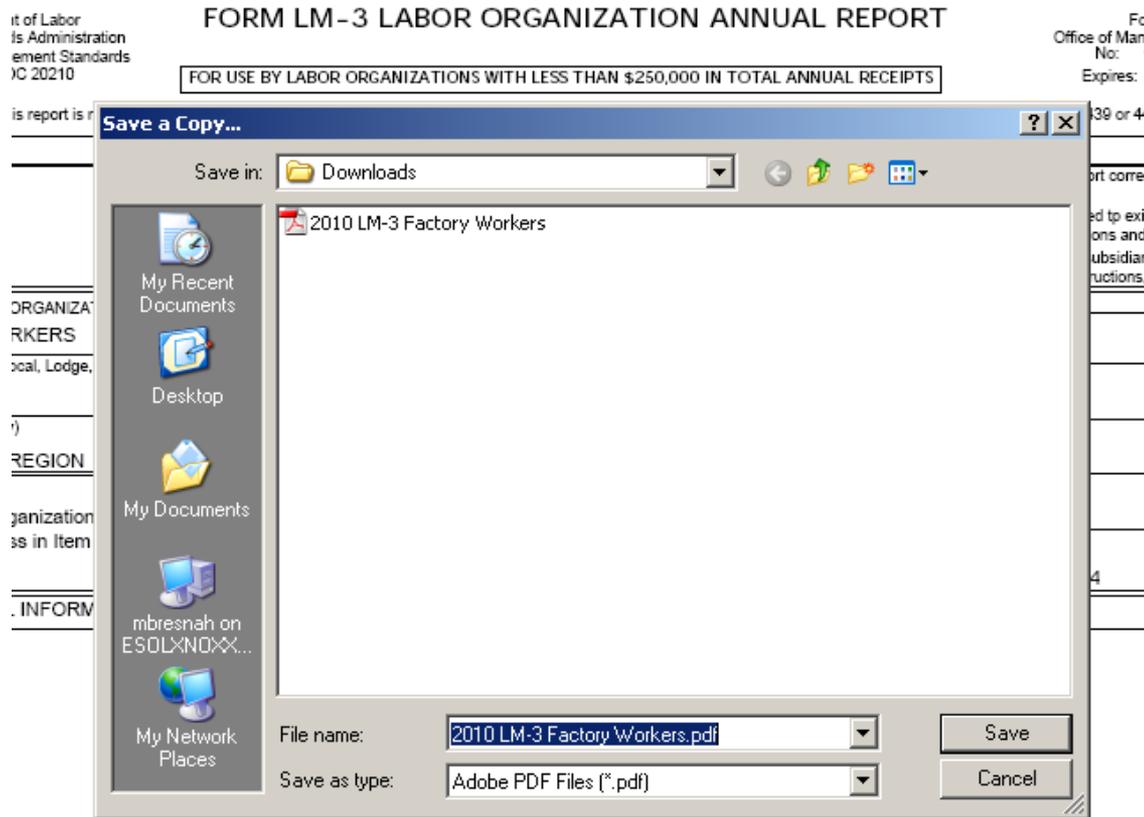
Signing the Form

A minimum of two signatures are required to submit the report.

Once the report has been signed, if any changes are made to any fields on the form, the signatures will be removed and the form must be validated and signed again.

Save a Signed Copy

Click the “Print” link and click “File→ Save As” to save a signed copy of the report as a PDF to your computer. Do this before submitting the report.



Note: You can obtain a copy of the submitted report from the Online Public Disclosure site. Please see the next section for information on this.

Submitting the Form

Once the signatures have been applied, the form can be submitted.

Click the “Submit” link from the top menu bar. Once the form has been processed (this may take a few minutes) a confirmation message will display:

[Logout](#)

Your LM-3 Form has been successfully accepted for processing.
Your confirmation number is: 544445-441031-20110303113425
Please make a note of this number for your records.

To view your submitted LM-3 report, visit the OLMS Online Public Disclosure Room
OLMS Online Public Disclosure Room link:
<http://www.dol.gov/olms/regs/compliance/rrlo/lmrda.htm>

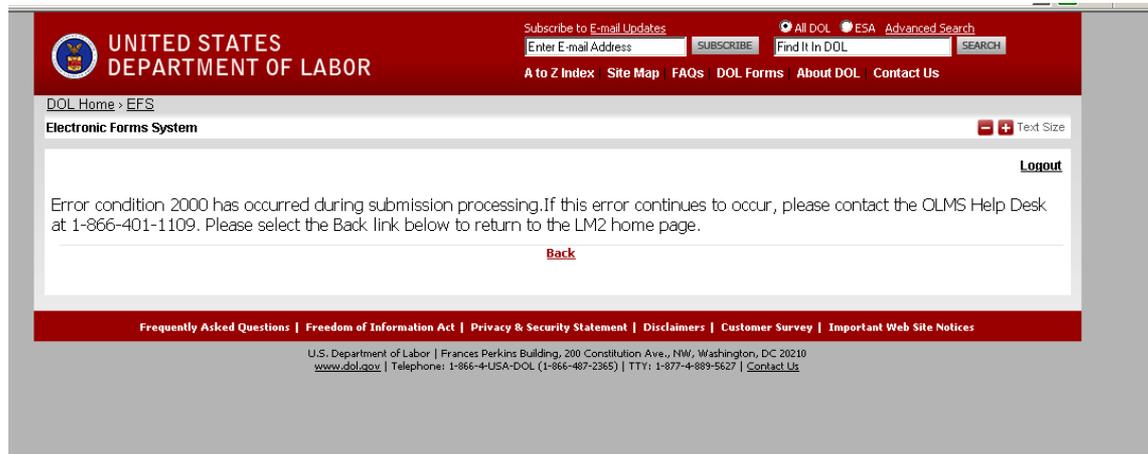
You can print this message by going to “File→ Print,” or simply copy and paste the text from the page into an email or word processing document.

You should now be able to view your submitted report in the Online Public Disclosure Room, by using the link shown above.

Troubleshooting

During peak filing periods, you may experience a slowdown in saving and validating the report.

During these busy periods, you may see an error that looks like this:



Please wait a few minutes and try again. However, if you continue to experience the problem, please contact our technical support desk. See the next page for information on how to get help.

Getting Help

**If you experience difficulty using EFS, please contact
OLMS Form Technical Support toll-free at:
1-866-401-1109**

This PowerPoint presentation and other information regarding EFS can be found on our website at the following URL:

<http://www.dol.gov/olms/regs/compliance/efs/efsintro.htm>

If you have additional questions or comments please contact OLMS:
E-mail OLMS at olms-public@dol.gov
or contact your local OLMS District Office