

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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June 22, 2009

Mr. John Evans, Treasurer
Harvard University Police Association
114 Western Avenue
Allston, MA 02134

LM File Number 517-713

Case Number: [REDACTED]

Dear Mr. Evans:

This office has recently completed an audit of Harvard University Police Association (HUPA) under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with you and President Thomas Karns on June 19, 2009, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-3) filed by HUPA for fiscal year ending December 31, 2008, was deficient in the following areas:

1. Disbursements to Officers

HUPA did not report the names of some officers in Item 24 (All Officers and Disbursements to Officers). The union must report in Item 24 all persons who held

office during the year, regardless of how long they were in office or whether they received any payments from the union.

2. Cash Receipts

HUPA failed to accurately report all dues and other receipts, and in turn total receipts in Items 38, 43, and 44, respectively.

- Item 38, Dues: Your union should enter the total dues received from employers through a checkoff arrangement during the entire fiscal year. HUPA reported receiving \$41,340 in dues; however, the union actually received \$43,755 in dues.
- Item 43, Other Receipts: All receipts other than those reported in Items 38 through 42, including per capita rebates, should be reported in Item 43. HUPA reported receiving \$0 in other receipts, but received \$366 in this category.
- Item 44, Total Receipts: Total receipts based on these adjusted figures are \$44,280. HUPA had reported \$41,529 in total receipts for 2008.

3. Cash Disbursements

HUPA miscategorized and underreported the union's cash disbursements as follows:

- Item 47, Per Capita Tax: HUPA misreported its per capita tax payments to the IBPO in Item 49 Professional Fees. The union also underreported its per capita payments, reporting \$32,158, when in fact, HUPA paid \$50,651 in 2008. Per capita tax paid as a condition or requirement of affiliation with your parent union should be reported in Item 47.
- Item 48, Office & Administrative Expense: HUPA had \$882 in office and administrative expenses in 2008; however, the union reported \$0. Examples of office and administrative expenses are office supplies, postage, and fidelity bond premiums.
- Item 51, Contributions, Gifts, & Grants: HUPA reported \$2,050 in this category, when it spent \$2,150 on contributions, gifts, and grants.

- Item 54, Other Disbursements: HUPA spent \$646 in other disbursements, but reported \$0. This category includes all disbursements made by your organization that were not reported in Items 45 through 53.
- Item 55, Total Disbursements: Total disbursements based on these adjusted figures are \$64,577. HUPA had reported \$44,456 in total disbursements.

4. Cash Reconciliation

- Item 25(A), Cash: Your union should report its reconciled book balance at the start of the audit year for all checking and savings accounts, CDs, and cash on hand in Item 25(A). HUPA reported having \$48,285 in starting cash for 2008, but actually had cash totaling \$52,364 at the start of the year.
- Based on your starting and ending cash figures reported in Item 25, total receipts reported in Item 44, and total disbursements reported in Item 55, the cash reconciliation is off by \$13,291. The cash at the start of the year (Item 25A) plus the total receipts (Item 44), minus the total disbursements (Item 55), should equal the cash at the end of the year (Item 25B). Based on the adjusted starting cash, adjusted total receipts, and adjusted total disbursements as discussed above, your union's cash will now reconcile.

Harvard University Police Association has been required to file an amended Form LM-3 for fiscal year ending December 31, 2008, to correct the deficient items discussed above. An acceptably amended Form LM-3 for 2008 was submitted to this office at the end of the audit.

I want to extend my personal appreciation to Harvard University Police Association for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,


Investigator

Mr. John Evans
June 22, 2009
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cc: Thomas Karns, President