



February 17, 2011

Mr. Jeff Hassel, Treasurer  
Association of Managed Care Pharmacists (AMCP)  
P.O. Box 480  
Galloway, Ohio 43119-0480

Case Number: [REDACTED]  
LM Number: 531774

Dear Mr. Hassel:

This office has recently completed an audit of 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 Randy DePoy on January 20, 2011, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

#### Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records for at least five years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of AMCP 2010 records revealed the following recordkeeping violations:

## General Reimbursed Expenses

AMCP did not retain adequate documentation for reimbursed expenses totaling at least \$600.00. For example, receipts were not retained for the purchase of food for membership meetings in August and October 2009. Receipts were not retained for payments made for hall rental for membership meetings.

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

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

## Reporting Violations

### Failure to File Bylaws

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. AMCP amended its constitution and bylaws in 2009, but did not file a copy with its LM report for that year.

AMCP has now filed a copy of its constitution and bylaws.

## Other Issue

### Online Banking

During the audit, you advised that the union uses online banking to pay some bills. This method of paying bills eliminates the internal financial control of having two officers sign each check. OLMS recommends that a safeguard be added to the online bill paying process to insure that two officers authorize the disbursement of all union funds.

I want to extend my personal appreciation to you and President Randy DePoy 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

cc: Randy DePoy, President