



July 6, 2018

Ms. Marilyn Scott, President
IATSE Local 158
PO Box 5274
Fresno, CA 93755

Case Number: 530-6012770 [REDACTED]
LM Number: 515921

Dear Ms. Scott:

This office has recently completed an audit of IATSE Local 158 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, Secretary-Treasurer Tom Schindler, and Business Agent Pebbles Rapp on April 25, 2018, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Recordkeeping Violations

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

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

The audit of Local 158's 2017 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 158 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by Dispatcher [REDACTED] totaling at least \$1,000.00. For example, check number [REDACTED], dated February 1, 2017, was written to [REDACTED] for \$2,568.06. Local

158 retained adequate documentation covering \$1,617.77 of the expense reimbursement, but did not retain accurate supporting documentation for the remaining \$950.29.

As 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.

2. Meal Expenses

Local 158 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$109.36. The union must maintain 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 requirement of LMRDA Section 206.

Local 158 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, Local 158 Dispatcher [REDACTED] submitted an expense voucher including a non-itemized receipt for a meal on July 19, 2017 totaling \$109.36 at Giorgios Hollywood. The receipt did not include a written explanation of union business conducted or the names and titles of those present at the meal. 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.

3. Failure to Record Receipts

Local 158 did not record in its receipts records some cash dues payments totaling \$1,440. 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.

4. Receipt Dates not Recorded

Entries in Local 158's receipts journal reflect the date the union deposited money, but not the date money was received. Union receipts records must show the date of receipt. The date of receipt is required to verify, explain, or clarify amounts required to be reported in Statement B (Receipts and Disbursements) of the LM-3. The LM-3 instructions for Statement B state that the labor organization must record receipts when it actually receives money and disbursements when it actually pays out money. Failure to record the date money was received could result in the union reporting some receipts for a different year than when it actually received them.

Ms. Marilyn Scott

July 6, 2018

Page 3 of 3

Based on your assurance that Local 158 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to IATSE Local 158 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,

A large black rectangular redaction box covering the signature of the investigator.A smaller black rectangular redaction box covering the name of the investigator.

Investigator

cc: Mr. Tom Schindler, Secretary-Treasurer
Ms. Pebbles Rapp, Business Agent