

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
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August 8, 2007

Mr. John Stark, Treasurer  
American Postal Workers AFL-CIO  
Local 95  
226 Manor Avenue  
Millersville, PA 17551-1126

LM File Number 092-766

Case Number: [REDACTED]

Dear Mr. Stark:

This office has recently completed an audit of APWU Local 95 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 President Michael Stephenson and yourself on July 30, 2007, 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.

Record Keeping Violation

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least 5 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 the retention of 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 95's records revealed the following recordkeeping violation:

#### General Reimburse Expenses

Local 95 did not retain adequate documentation reimbursed expenses incurred by [REDACTED] totaling at least \$2,163.88. Meeting reimbursements were paid without a detailed explanation for the payment on submitted vouchers. None of the receipts submitted by [REDACTED] had a detailed explanation as required.

Based on your assurance that Local 95 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

#### Reporting Violation

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 95 amended its constitution and bylaws October 2004, but did not file a copy with its LM 3 report for that year which was filed in March of 2005.

Local 95 provided a current copy of its constitution and bylaws during the compliance audit.

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I want to extend my personal appreciation to APWU Local 95 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: Michael Stephenson, President  
P.O. Box 4051  
Lancaster, PA 17604