



July 27, 2020

Mr. Edgar Peralta, President
American Postal Workers Union (APWU), Local 73
1879 Lundy Avenue, Suite 138
San Jose, CA 95131

Case Number: 530-6017924 [REDACTED]
LM Number: 072277

Dear Mr. Peralta:

This office has recently completed an audit of APWU Local 73 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Civil Service Reform Act of 1978 (CSRA), 5 U.S.C. 7120, and the Department's regulations, 29 CFR 458. As discussed during the exit interview with you and Secretary Treasurer Robbin Buccat on August 7, 2020, 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 73's 2018 records revealed the following recordkeeping violations:

Failure to Maintain Receipts

Local 73 did not retain adequate documentation for \$268.60 in union disbursements. This included the purchase of union shirts for \$218.60 which had a voucher but no receipt and a member retirement gift for \$50 which did not have a voucher or receipt.

Based on your assurance that Local 73 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to APWU Local 73 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.

Investigator

cc: Mr. Robbin Buccat, Secretary Treasurer
Mr. Eufronio Vidamo, Secretary