

U.S. Department of Labor

Office of Labor-Management Standards
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July 31, 2025

Mr. James Capfer, Secretary Treasurer
IATSE Local 51
3030 North Freeway
Houston, TX 77009

Case Number: 420-6031776()
LM Number: 031372

Dear Mr. Capfer:

This office has recently completed an audit of International Association of Theatrical and Stage Employees (IATSE) Local 51 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 on July 25, 2025, 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 51's 2024 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 51 did not retain adequate documentation for credit card expenses you incurred totaling at least \$646.46. For example, Amazon Prime and Home Depot supporting documentation for this amount was printed from Amazon and Home Depot accounts after

the compliance audit began. Supporting documentation for expenses must be retained in the union's records as the expenses are paid.

Additionally, Local 51 did not retain adequate documentation for \$3,990 in building maintenance and landscaping services paid to Thomas Wolfmeyer, Efren Rubio, and Lara Landscaping during the audit year. Local 51 must document the details of payments to contractors if the contractors themselves do not provide invoices for the services they provide to the union.

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 51 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, \$799.33 in meal expenses incurred by Business Agent Mark Grady did not record this information. 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.

Based on your assurance that Local 51 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

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-2) filed by Local 51 for the fiscal year ended December 31, 2024, was deficient in that:

Failure to Itemize Disbursement or Receipt

Local 51 did not properly report some "major" transaction(s) in Schedule(s) 14 and 18. A "major" transaction includes any individual transaction of \$5,000 or more or total transactions to or from any single entity or individual that aggregate to \$5,000 or more during the reporting period and which the local cannot properly report elsewhere in Statement B. The audit found that Local 51 did not report receipts of \$46,439.89 and \$7,335.49 from Travelers insurance in Schedule 14 "Other Receipts." Additionally, payments of \$27,765.39 and \$10,399.10 to Acey Air were apparently reported in Schedule 4 "Purchase of Investments and Fixed Assets" instead of as itemized entries in Schedule 18 "General Overhead." Disbursements for rent, insurance, office supplies, postage, utilities, accountant fees, subscriptions, bank account fees, building maintenance, etc., should be reported in Schedule 18.

I am not requiring that Local 51 file an amended LM report for 2024 to correct the deficient items, but Local 51 has agreed to properly report the deficient items on all future reports it files with OLMS. Local 51 has also agreed to file all future reports electronically.

I want to extend my personal appreciation to IATSE Local 51 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 solid black rectangular box used to redact the signature of the Senior Investigator.

Senior Investigator