

U.S. Department of Labor

Office of Labor-Management Standards
Buffalo District Office
130 South Elmwood Avenue
Room 510
Buffalo, NY 14202-2465
(716)842-2900 Fax: (716)842-2901



November 2, 2009

Gerald Bernardi, Treasurer
United Union Employees of New York
P.O. Box 7304
Albany, NY 12224

LM File Number: 516-844

Case Number: [REDACTED]

Dear Mr. Bernardi:

This office has recently completed an audit of United Union Employees of New York (UUE-NY) 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 former President Mary Coulson and you on October 28, 2009, 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 UUE-NY's records for fiscal year ending September 30, 2009 revealed the following recordkeeping violations:

1. General Reimbursed Expenses

United Union Employees of New York did not retain documentation for a few disbursements totaling at least \$650 during the fiscal year. The union failed to retain documentation for reimbursed expenses to [REDACTED] for \$53.63 for phone reimbursement. In addition, \$197 was reimbursed to Chief Steward Guillermo Perez for contract negotiations with little supporting detail.

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.

2. Meal Expenses

UUE-NY did not retain itemized receipts for meal expenses totaling \$86.20. 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.

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. Reimbursed Mileage Expenses

Union officers and employees who received reimbursement for business use of their personal vehicles did not retain adequate documentation to support payments to them totaling at least \$645.53 during fiscal year 2009. The union must maintain records which identify the dates of travel, locations traveled to and from,

and number of miles driven. The record must also show the business purpose of each use of a personal vehicle for business travel by an officer or employee who was reimbursed for mileage expenses.

As agreed, UUE-NY will maintain proper records to substantiate mileage reimbursements and include if necessary, specific starting and ending locations for additional clarification, as there were inconsistencies with the number of miles traveled in the union records.

Based on your assurance that UUE-NY 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 UUE-NY for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and any 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: Eric Muldoon, President
United Union Employees of NY
P.O. Box 7304
Albany, NY 12224