

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Boston District Office
Room E-365
JFK Federal Building
Boston, MA 02203
(617)624-6690 Fax: (617)624-6606



January 26, 2009

Susan Partelo, President
United Nurses and Allied Professionals, Local 5104
25 Wells Street
Westerly, RI 02891

LM File Number: 543-177
Case Number: [REDACTED]

Dear Ms. Partelo:

This office has recently completed an audit of the United Nurses and Allied Professionals Local 5104 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 and Mr. Ritacco, Treasurer, on 01/22/09, 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 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 5104's records revealed the following recordkeeping violations:

1. Meal Expenses

Local 5104 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, check # [REDACTED] drafted 09/27/06 for \$235.38 to Dylan's restaurant did not have any documentation associated with it that indicated who attended the meeting and the purpose of the meeting. 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.

2. Information not Recorded in Meeting Minutes

During the audit, you advised OLMS that the membership authorized major expenses at its annual budget meeting. Anything other than folders, envelopes, and stamps would require membership authorization. The minutes of membership/budget meetings do not contain any authorization for expenses totaling \$495.67 incurred for two meals at Dylan's restaurant during executive board meetings held there during the audit year.

Based on your assurance that Local 5104 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

1. Disbursements to Officers

Local 5104 did not include some reimbursements to officers totaling at least \$203.33 in the amounts reported Item 24 (All Officers and Disbursements to Officers). For example, check # [REDACTED] drafted 05/17/06 for \$27.59 was disbursed to President Susan

Partelo for mileage expenses, but it was not included in Item 24. It appears the union erroneously reported these payments as benefits.

The union must report most direct disbursements to Local 5104 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

2. Per Capita Tax

Local 5104 failed to report at least \$44,702.08 in per capita tax payments in Item 47. It appears that the union erroneously reported these payments as professional fees, Item 49.

I am not requiring that Local 5104 file an amended LM report for 2006 to correct the deficient items, but Local 5104 has agreed to properly report the deficient items on all future reports it files with OLMS.

Susan Partelo, President
January 26, 2009
Page 4 of 4

I want to extend my personal appreciation to the United Nurses and Allied Professionals Local 5104 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,

Mark Letizi,
District Director

cc: Joseph Ritacco, Treasurer