



April 28, 2014

Mr. Ronald Cabansag, President
Fraternal Order Of Police Lodge 173
1021 Mulberry Place
Toms River, NJ 08753

Case Number: 130-6000652
LM Number: 542042

Dear Mr. Cabansag:

This office has recently completed an audit of Fraternal Order Of Police Lodge 173 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 April 22, 2014 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 the Lodge's 2012 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Lodge 173 did not retain adequate documentation for reimbursed expenses and debit card expenses incurred by President Cabansag totaling at least \$900. For example, documentation was not maintained for various meeting expenses incurred during the audit period.

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. Bank Records

Lodge 173 did not retain copies of bank statements and canceled checks.

Since Lodge 173 no longer exists and a terminal LM-3 Report was filed, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to FOP Lodge 173 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