



October 23, 2018

Barry Wyckoff, President  
Electrical Workers Local 99  
9297 Business Park Dr.  
Sacramento, CA 95827

Case Number: 530-6012977 [REDACTED]  
LM Number: 059847

Dear Barry Wyckoff:

This office has recently completed an audit of Electrical Workers Local 99 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 Office Manager Kelley Wyckoff on October 16, 2018, 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 99's 2017 records revealed the following recordkeeping violations:

#### Lack of Salary Authorization

Local 99 did not maintain records to verify the salaries for Office Manager Kelley Wyckoff. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

Based on your assurance that Local 99 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

#### Reporting Violations

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 / LM-3) filed by Local 99 for the fiscal year ended December 31, 2018, was deficient in that:]

#### Disbursements to Employees (LM-3)

Local 99 did not include the salary reimbursement to Office Manager Kelley Wyckoff, totaling some reimbursements to officers totaling \$3,565.25 in the amounts reported Item 46 (Disbursements to Employees). It appears the union erroneously reported these payments in Item 48 (Office and Administrative Expenses).

Local 99 has filed an amended LM report for 2017 to correct the deficient items and has agreed to properly report the deficient items on all future reports it files with OLMS.

The audit disclosed the following other violation(s):

#### Inadequate Bonding

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

The audit revealed that Local 99's officers and employees were not bonded for the minimum amount required during the audit year. However, Local 99 obtained adequate bonding coverage and provided evidence of this to OLMS during the audit. As a result, OLMS will take no further enforcement action regarding this issue.

I want to extend my personal appreciation to Electrical Workers Local 99 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