



August 23, 2019

Mrs. Catherine Wittenbrook, Secretary-Treasurer
Office of Professional Employees Local 17
1209 Lowell Street
Elyria, OH 44035

Case Number: 350-6015657 [REDACTED]
LM Number: 044639

Dear Mrs. Wittenbrook:

This office has recently completed an audit of Office of Professional Employees Local 17 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 August 6, 2019, 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 17's 2018 records revealed the following recordkeeping violation:

General Reimbursed and Credit Card Expenses

Local 17 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by Business Manager/Secretary-Treasurer Catherine Wittenbrook totaling at least \$435. For example, for January 2018 receipts were missing totaling \$59.57; for June 2018's receipts were missing totaling \$90.14; for August 2018, a receipt was missing totaling \$50.00; for November 2018 a receipt was missing totaling \$65.11, and for December 2018, a receipt was missing totaling \$169.72. These purchases were at various vendors such as Dollar Tree, Walgreens and Staples.

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.

Based on your assurance that Local 17 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

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-3) filed by Local 17 for the fiscal year ended December 31, 2018, was deficient in the following areas:

1. Disbursements to Officers (LM-3)

Local 17 did not include some reimbursements to officers totaling at least \$1,200 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 48.

The union must report most direct disbursements to Local 17 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. Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 17 amended its constitution and bylaws in 2017, but did not file a copy with its LM report for that year.

Local 17 has now filed a copy of its constitution and bylaws.

Local 17 must file an amended Form LM-3 for the fiscal year ended December 31, 2018, to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. The amended Form LM-3 must be filed no later than August 30, 2019. Before filing, review the report thoroughly to be sure it is complete and accurate.

Other Violations

Travel Advances

Local 17 issues travel advances for union officers. Vouchers are submitted with paid expense receipts. A voucher and a receipt was not submitted within 30 days after the completion of travel for President Karen Szczesniak. Local 17 should instruct the traveler they must repay unused travel advances within 30 days of completion of travel.

I want to extend my personal appreciation to Office of Professional Employees Local 17 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

cc: Ms. Karen Szczesniak, President