

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
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August 9, 2006

Ms. Eunice Houston, Financial Secretary
Security Police and fire Professionals of America
Local 250
79 Chafford Woods Dr.
St. Louis, MO 63144

Re: Case Number: ~~XXXXXXXXXX~~

Dear Ms. Houston:

This office has recently completed an audit of SPFPA Local 250 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 2, 2006, 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.

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained 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, all records used or received in the course of union business must be retained. In the case of receipts, the date, amount, purpose, and source of all money received by the union must be recorded in at least one union record.

The CAP disclosed that Local 250 is in violation of Section 206 for failing to maintain adequate records regarding receipts. You explained during our initial interview that your local does not use a duplicate receipt system. This was confirmed during the audit of the receipt records. Since this time, you have implemented a duplicate receipt procedure where the date, amount and purpose of the receipt is recorded.


As agreed, provided that Local 250 maintains adequate documentation as discussed above, no additional enforcement action will be taken regarding this violation.

The CAP also 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 250 for fiscal year ending March 31, 2005, was deficient in that the report did not reconcile. When adding the receipts to the beginning of year cash and subtracting the disbursements, the calculated amount was not the end of year cash reported.

After reviewing the records and speaking with you, it was determined that the disbursements were not properly calculated. You have stated that the local's accountant is going to complete the 2006 report and all future reports. After our discussion, it was determined that an amended report will not be necessary as long as the 2006 report meets the standards of acceptability.

I want to extend my personal appreciation to SPFFA Local 250 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