# UNITE HERE Local 25 and Hotel Association Of Washington, D.C.
# Group Legal Services Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

**DRAFT**

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
**UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.**
**GROUP LEGAL SERVICES FUND**
HELD ON MAY 15, 2013
WASHINGTON, D.C.

The following Trustees were present:

| UNION TRUSTEES | EMPLOYER TRUSTEES |
|---|---|
| John Boardman - Chairman | Solomon Keene - Secretary-Treasurer |
| | Steve Smith |

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Fredric Singerman - Seyfarth Shaw, LLP
Ellen Odell - Calibre CPA Group, PLLC
Justin Sargeant - Calibre CPA Group, PLLC
Anne-Marie Sims - Associated Administrators, LLC
Karen Walsh - Associated Administrators, LLC

## I. CALL TO ORDER

Mr. John Boardman confirmed that Union Trustees Ms. Steer and Ms. Martin had given him their proxies for all matters to come before the Trustees during this meeting. Mr. Solomon Keene confirmed that Employer Trustee Mr. Manion had given him his proxy for all matters to come before the Trustees during this meeting. A quorum being present, Chairman Boardman called the meeting to order.

## II. MINUTES

A. Board Meeting, February 28, 2013

Ms. Sims reported that she had received no further comments on the draft of the subject minutes which had been circulated prior to this meeting.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meeting held February 28, 2013 are approved.**

B. Finance and Collections Committee Meeting, December 16, 2012

Ms. Sims reported that she had received no further comments on the draft of the subject minutes which had been circulated prior to this meeting.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meeting held December 16, 2012 are approved.**

## III. INVOICES

Ms. Sims presented a list of invoices dated May 15, 2013. It was noted that there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the invoices set forth in the list dated May 15, 2013 are approved for payment.**

## IV. PAYROLL AUDITOR REPORT

Ms. Ellen Odell of Calibre CPA Group, PLLC ("Calibre") distributed copies of the "Group Legal Services Fund Compliance Audit Program Status Report for the Period from February 21 2013 through May 13, 2013," and reviewed the report in detail. A copy of the report is attached to and made a part of these minutes as Exhibit A.

Ms. Odell reported that Calibre had recently made numerous attempts to schedule the payroll audit of the Gaylord National Hotel and Convention Center. She said that Calibre was given a contact name from Ryman Hotels, successor entity of the Gaylord Hotel, but were unable to reach him. Ryman Hotels could not recommend anyone else with payroll knowledge. Mr. Boardman said he would contact General Counsel at Ryman to obtain a contact.

Ms. Odell reported that Calibre had scheduled a payroll audit with L'Enfant Plaza Hotel for the period January 2008 through June 2010 but learned that upon arrival that the employer was not prepared for the audit. She noted that the payroll data, banquet function sheets, and invoice information for temporary help were not available. Ms. Odell explained that Crestline had been replaced by Davidson as manager of the hotel, and that Crestline subsequently advised Calibre that the payroll data was available but that they would not send the records; an onsite visit was required. She concluded that Calibre is requesting that the Trustees approve additional fees of $616.00 (for all funds, including the Pension, Health and Welfare, Legal and 401(k) Funds) to return to the hotel to complete the audit. After discussion, Mr. Keene said he would reach out to Crestline to see if he can get the payroll records sent to Calibre. The Trustees said that if Crestline will not send the records then the additional fee requested by Calibre would be charged to Crestline.

Ms. Odell reported that Calibre had recently concluded the payroll audit of the Madison Hotel/Loews. She noted that the employer did not have banquet sheets and therefore it could not be determined if banquet employees were paid at the five hour minimum per function or on a per hour basis. The Trustees agreed that, because there are only a small number of employees on call, it would not be cost effective for Calibre to go back and reconstruct banquet sheets using the five hour minimum per function. They requested Anne Mayerson to write to the employer advising that it is legally required to maintain these records and that the Fund reserves the right to audit functions for the audit period. Mr. Singerman recused himself from this discussion.

Ms. Odell provided an update on the Marriott Wardman steady banquet waiter audit issue. She noted that Calibre had received the self audit from this employer with a three hour minimum per function rather than the required five hour minimum per function. She explained that Calibre was in the process of reworking the audit to reflect the five hour minimum per function and was waiting for additional contribution reports from the Administrative Manager.

Ms. Odell concluded her report by reporting that Calibre had completed the payroll audit of the Woodner Hotel for the period. She said that the employer failed to report covered employees from their hire date and also omitted hours. Additionally, no records were provided for the period January 1, 2003 through December 31, 2003 until after the audit was complete, making it necessary for Calibre to use the extrapolation process for this period. Ms. Odell asked the Trustees whether Calibre should rework the payroll audit using the 2003 records,  in which case Calibre would request an additional audit fee of $355.00 (for all funds, including Pension, Health and Welfare, Legal and 401(k) funds. After discussion, the Trustees directed Calibre to notify the employer that it may have the audit reworked for this period but would incur the additional cost of $355.00.

The Trustees thanked Ms. Odell and Mr. Sargeant for their presentation and they were excused from the balance of the meeting.

## V. <u>PAYROLL AUDIT COLLECTIONS REPORT</u>

Ms. Sims referred to the Payroll Audit Collections Report dated May 11, 2013 included in the meeting book. A copy of the report is attached to and made a part of the minutes as Exhibit B. Ms. Sims reviewed the report which confirmed the results to date of the collection of payroll audit deficiencies after receipt of the audits from Calibre and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

## VI. <u>COLLECTION COUNSEL REPORT</u>

Ms. Sims reported that Mr. Dan Katz and Ms. Ellen Ranzman were unable to attend the meeting, but that there were no collection matters requiring Board action.

## VII. PROVIDER REPORT

A. January 1, 2012 through December 31, 2012 Utilization Report

Ms. Sims reviewed the Utilization Report for the period January 1, 2012 through December 31, 2012 as provided by Mr. Paul Regan of Regan Associates, Chartered contained in the meeting booklet. A copy of subject report is attached to and made a part of these minutes as Exhibit C.

B. First Quarter 2013 Utilization Report

Ms. Sims reviewed the First Quarter 2013 Utilization Report as provided by Mr. Paul Regan of Regan Associates, Chartered contained in the meeting booklet. A copy of subject report is attached to and made a part of these minutes as Exhibit D.

## VIII. ADMINISTRATIVE MANAGER'S REPORT

Fourth Quarter 2012

Ms. Sims presented and reviewed the Fourth Quarter 2012 Administrative Manager's Report, a copy of which is attached to and made a part of these minutes as Exhibit E.

## IX. NEXT MEETING DATE AND LOCATION

The Trustees scheduled a regular Board meeting to be held September 4, 2013, at the offices of the UNITE HERE Local 25, commencing at 10:30 a.m.

## X. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
Solomon Keene
Secretary-Treasurer

AMS/klw
(Org. 05/23/13)

Attachments:

Exhibit A: Calibre CPA Group, PLLC: Pension Fund Compliance Audit Program Status Report for the Period from February 21 2013 through May 13, 2013

Exhibit B: Associated Administrators, LLC: Payroll Audit Collections Report dated May 11, 2013

Exhibit C: Regan Associates, Chartered: Utilization Report for the Period January 1, 2013 Through December 31, 2012

Exhibit D: Regan Associates, Chartered: First Quarter 2013 Utilization Report

Exhibit E: Associated Administrators, LLC: Fourth Quarter 2012 Administrative Manager's Report