

U.S. Department of Labor

Office of Labor-Management Standards
Seattle District Office
1111 Third Avenue
Suite 605
Seattle, WA 98101
(206) 398-8099 Fax:(206) 398-8090



February 25, 2010

Mr. Randy Robbins, Business Manager
Boilermakers AFL-CIO Lodge 502
16621 110th Ave., East
Puyallup, WA 98374-9503

LM File Number: 514-787
Case Number: [REDACTED]

Dear Mr. Robbins:

This office has recently completed an audit of Boilermakers Lodge 502 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 February 22, 2010, 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 of the goods or service. 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 Boilermakers Lodge 502's 2009 records revealed the following recordkeeping violations:

1. Credit Card Expenses

Lodge 502 did not retain adequate documentation for credit card expenses incurred by Randy Robbins and [REDACTED] totaling at least \$8509. For example purchases for gasoline, lodging, airfare, auto maintenance, and miscellaneous on-line purchases were not supported with a receipt.

As previously 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. Meal Expenses

Boilermakers Lodge 502 did not require officers to submit itemized receipts for meal expenses totaling at least \$2729. The union must maintain itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

Boilermakers Lodge 502 records of meal expenses did not always include written explanations of union business conducted or the names and titles of the persons incurring the restaurant charges. For example, 58 out of 64 meal receipts did not list the union business conducted or names of the attendees incurring the expense. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

Based on your assurance that Boilermakers Lodge 502 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Boilermakers Lodge 502 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance information provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator