U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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May 31, 2007

Mr. Robert Wilson, President
Teamsters
Local 1414
614 Front Street, 2nd Floor
Philadelphia, PA 19123

LM File Number 005-004
Case Number: [redacted]

Dear Mr. Wilson:

This office has recently completed an audit of Teamsters Local 1414 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 Vice President William DiFlorio, Jr. and you on May 4, 2007, 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 established 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 good 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 resolution, but also documentation showing the nature of the union business requiring the disbursements, 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 recording 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 1414's 2006 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

   Local 1414 did not retain adequate documentation for reimbursed expense incurred by President Robert Wilson totaling at least $4,503.39. Meals, parking, tolls, hotels and air fare were paid without a detailed explanation for the payment on the vouchers. Vice President William DiFlorio received $1,585.07 in reimbursed expenses without an explanation on the voucher. During the audited year $597.07 of the reimbursed expenses paid to Treasurer Michael Bernstein did not have a detailed explanation on the receipts submitted with the expense vouchers.

2. Meal Expenses

   Local 1414 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 on June 21, 2006 Robert Wilson received $375.00, by check number [redacted] for meal expenses. However, the receipts for these meals did not include a written explanation of union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

Based on your assurance that Local 1414 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

Reporting Violation

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 1414 amended it constitution and bylaws in 2003, but did not file a copy with its LM report for that year.

Local 1414 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Teamsters Local 1414 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,

[redacted]
Investigator

cc: William DiFlorio, Jr., Vice President