

U.S. Department of Labor

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



October 15, 2008

Mr. Bob Davis, Financial Secretary
Bakery, Tobacco & Grain AFL-CIO Local 9
5950 6th Avenue, Room 201
Seattle, WA 98108

LM File Number: 050-749
Case Number: [REDACTED]

Dear Mr. Davis:

This office has recently completed an audit of Bakery, Tobacco & Grain Local 9 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 September 17, 2008, 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.

Reporting Violations

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 9 amended its bylaws, but did not file a copy with its LM report for that year.

Local 9 has now filed a copy of its bylaws.

Other Issue

Use of Signature Stamp

During the audit, you advised that it is Local 9's practice to use a signature stamp if a signatory is unavailable to sign checks such as during vacation periods. Article XVI, Section 19 of BCTGM Constitution requires that checks be signed by the financial secretary along with the president or other officer. The two signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, the use of a signature stamp for the second signer does not attest to the authenticity of the completed check, and negates the purpose of the two signature requirement. OLMS recommends that Local 9 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to Bakery, Tobacco, & Grain Local 9 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 I can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

cc: Mr. Robert Odegard, President