

U.S. Department of Labor

Office of Labor-Management Standards
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February 22, 2010

Mr. Moises Ruiz, Business Manager
United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO
Local Union 91
2261 South Redwood Road, Suite N
Salt Lake City, Utah 84119-1302

LM File Number: 031-927
Case Number: [REDACTED]

Dear Mr. Ruiz:

This office has recently completed an audit of Roofers, Local 91 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 January 30, 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(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 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 Local 91's 2009 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local 91 did not retain adequate documentation for reimbursed expenses incurred by union officers and employees totaling at least \$4,195. For example, the local provided billing statements for Office Depot, but no expense receipts were found for office supplies totaling \$1,514, or a \$94.80 payment for meat, or a \$125 payment for decals, or for a \$250 picnic expense.

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. Failure to Record Receipts

Local 91 did not record in its receipts records some employer dues checkoff checks totaling at least \$2,084.72. For example, the union mistakenly recorded a deposit of \$3,906.06 as \$3,206.06 and it failed to record a deposit of \$1,482.72 in receipts journals. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received, and the source of the money.

3. Receipt Dates not Recorded

Entries in Local 91's receipts journal reflect the date the union deposited money, but not the date money was received. Union receipts records must show the date of receipt. The date of receipt is required to verify, explain, or clarify amounts required to be reported in Statement B (Receipts and Disbursements) of the LM-3. The LM-3 instructions for Statement B state that the labor organization must record receipts when it actually receives money and disbursements when it actually pays out money. Failure to record the date money was received could result in the union reporting some receipts for a different year than when it actually received them.

Based on your assurance that Local 91 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 Roofers, Local 91 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

cc: Mr. Johnny Erickson, President