

U.S. Department of Labor

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December 23, 2009

Mr. William Cavin, Secretary-Treasurer
Bricklayers AFL-CIO
Local 1 Washington
15208 52nd Avenue South, Suite 120
Tukwila, Washington 98188

LM File Number 540-169
Case Number: [REDACTED]

Dear Mr. Cavin:

This office has recently completed an audit of Bricklayers Local 1 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 and Bettilyn Clingman on December 17, 2009, 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 Violation

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 1's 2008 records revealed the following recordkeeping violation:

Credit Card Expenses

Local 1 did not retain adequate documentation for credit card expenses incurred by union officers and employees. A 3-month sample revealed that Local 1 did not retain 36 receipts, totaling at least \$12,766.38.

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.

In addition, Local 1 did not require officers and employees to submit itemized receipts for expenses charged to the union credit cards. A 3-month sample of credit card expenses revealed that Local 1 did not maintain itemized receipts for expenses totaling at least \$2,592.36. The union must maintain itemized receipts provided by vendors 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.

Based on your assurance that Local 1 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

Reporting Violation

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 1 amended its constitution and bylaws in 1994, but did not file a copy with its LM report for that year. Local 1 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Bricklayers Local 1 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: Dennis Becker, Local 1 President