

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management
Standards
Atlanta District Office
61 Forsyth Street SW, Suite 8B-85
Atlanta, GA 30303
(404) 562-2083 / FAX: (404) 562-2087



March 29, 2010

Mr. Russell Britt, Business Manager
Engineers, Operating AFL-CIO, Local 470
422 Chalk Bed Road
Graniteville, SC 29829

LM File Number: 014978

Case Number: [REDACTED]

Dear Mr. Britt:

This office has recently completed an audit of the 2009 LM-2 for Operating Engineers Local Union 470 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, Jeff Britt and Lawton Johnson, on March 19, 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.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report LM-2 filed by Local Lodge 709 for fiscal year ending 06/30/2009, was deficient in the following area:

Certificate of Deposits improperly reported

Local 470 improperly reported the value of the certificates of deposits for the reporting period. The current cash value of the funds must be reported even if the dividends are maintained in the fund.

I am not requiring that Local 470 file an amended LM report for 2009 to correct the deficient items, but as agreed, Local 470 will properly report the deficient items on all future reports filed with this agency.

I want to extend my personal appreciation to you and your staff 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator

cc: Jeff Britt, President
Lawton Johnson, Secretary-Treasurer