



August 9, 2012

Mr. Edward Robinson, President
United Auto Workers State of Missouri CAP Council
721 Dunn Road
Hazelwood, MO 63042

Case Number: [REDACTED]
LM Number: 068915

Dear Mr. Robinson:

This office has recently completed an audit of United Auto Workers State of Missouri CAP Council 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, Financial Secretary Van Simpson, and CPA Mark Hollman on August 2, 2012, 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 United Auto Workers (UAW) Missouri State CAP Council's 2011 records revealed the following recordkeeping violations:

1. General Expenses

The Missouri State CAP Council did not retain adequate documentation for expenses incurred by the union during the audit period totaling at least \$1,313.31. As 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. Meal Expenses

The CAP Council's 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. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

Based on your assurance the Missouri State CAP Council will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(a), which requires labor organizations to file a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. The Labor Organization did not file a copy of its revised constitution and bylaws when it filed its Labor Organization Annual Report.

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. The Missouri State CAP Council amended its constitution and bylaws in 2008, but did not file a copy with its LM report for that year. During the audit, the CAP Council's provided a copy of its constitution and bylaws to be filed.

I want to extend my personal appreciation to United Auto Workers State of Missouri CAP Council 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: Mr. Van Simpson, Financial Secretary