

U.S. Department of Labor

Employment Standards
Administration
Office of Labor-Management
Standards
Cleveland District Office
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September 11, 2007

Mr. Roy Snyder, Secretary-Treasurer
Boilermakers AFL-CIO
Lodge 1622
15903 Georgetown Street NE
Minerva, OH 44657

Re: Case Number: [REDACTED]

Dear Mr. Snyder:

This office has recently completed an audit of Boilermakers LG 1622 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 August 9, 2007 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 Boilermakers LG 1622, 2006 records revealed the following recordkeeping violation(s):

1. Disbursements

Boilermakers LG 1622 did not retain adequate documentation for purpose and approval of check number 4319, dated July 25, 2005. Check number 4319 was made out to Recording Secretary John Morettini in the amount of \$500.00. The memo space on the check stub indicates that the check was approved by the International. However, there were no corresponding voucher submitted, no lost time voucher submitted, no mention of any like approval from the International in union meeting minutes, or any other supporting documentation showing approval from the International or the union's membership.

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

Reporting Violations

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-3 filed by Boilermakers LG 1622 for fiscal year ending June 30, 2006 was deficient in the following area:

1. Other Receipts (LM-3)

Boilermakers LG 1622 entered an amount of \$474 in Item 43-Other Receipts on Form LM-3 for the period audited. The sole source of income for Boilermakers LG 1622 during the audit period was membership dues from employer check-off. No other receipts were recorded in the union's journal. There were no supporting documents found to support a receipt in the above amount.

Mr. Roy Snyder
September 11, 2007
Page 3 of 3

Due to the de minimis value entered in item 43 and your assurance that the union will record all receipts in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Boilermakers LG 1622 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,

Fred Vaudrin
District Director

cc: Danny Goodin