

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Philadelphia District Office
170 S. Independence Mall West
Room 760
Philadelphia, PA 19106
(215)861-4818 Fax: (215)861-4819



September 12, 2007

Mr. Harry Gravell, President
Building and Construction Trades Dept AFL-CIO
Delaware
922 New Road
Wilmington, DE 19805

LM File Number 020-037

Case Number: [REDACTED]

Dear Mr. Gravell:

This office has recently completed an audit of Delaware Building & Construction Trades 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, Office Manager Jennifer Spoerl and Executive Director David Walsh on September 10, 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.

The audit of the Delaware Building & Construction Trades Council revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

The Delaware Building & Construction Trades Council did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by President Harry Gravell totaling \$745.79 and Executive Director David Walsh totaling \$6,230.63. For example, Walsh made two disbursements to Union Built PC. The disbursements were on May 15, 2006 and May 18, 2006. The disbursements totaled \$2,656.85. Executive board meeting minutes authorized the purchase of two computers for the union office. During the audit I verified the purchase amount and location of the two computers.

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. Reimbursed Auto Expenses

Executive Director David Walsh received reimbursement for business use of his personal vehicle and did not retain adequate documentation to support payments to him for mileage totaling at least \$1,800.00 during 2006. The union must maintain records which identify the dates of travel, locations traveled to and from, and number of miles driven. The record must also show the business purpose of each use of a personal vehicle for business travel by an officer or employee who was reimbursed for mileage expenses.

Based on your assurance that The Delaware Building & Construction Trades Council will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(a), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations.

Failure to File Bylaws

The Delaware Building & Construction Trades Council amended its constitution and bylaws in 2006, but did not file a copy with its LM report for that year. LMRDA Section 201(a) 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 Delaware Building & Construction Trades Council has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Delaware Building & Construction Trades Council for the cooperation and courtesy extended during this compliance audit. I

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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: Joseph Schorah, Treasurer

