

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
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April 11, 2007

Mr. Larry Blechle, Financial Secretary
Carpenters
Local 1361
651 State Street
Chester, IL 62233

LM File Number 030-823

Case Number: [REDACTED]

Dear Mr. Blechle:

This office has recently completed an audit of Carpenters Local 1361 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 April 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 adequate records be maintained for at least 5 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, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, 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 note can be written on it providing the additional information. An exception may be made only in

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those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.

The audit of Local 1361's 2006 records revealed the following recordkeeping violations:

The local failed to maintain bank statements for their certificates of deposit (CD). Although you are not a signatory on the CD accounts, you still need to maintain documentation for these accounts. The trustees may be responsible for these accounts; however, the records are the property of Local 1361 and should be maintained. During the exit interview, you stated that the trustees do give the CD statements to the local; however, they were not available for the audit. You promised in the future that you will maintain bank statements for the CD's; therefore, this issue is considered resolved during the audit.

I want to extend my personal appreciation to Carpenters Local 1361 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: Larry Derringer, President