

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Pittsburgh District Office
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March 1, 2007

Stanley Cantley, Treasurer
NALC Branch 531
711 Bigley Avenue
Charleston, WV 25302

Re: [REDACTED]

Dear Mr. Cantley:

This office has recently completed an audit of NALC Branch 531 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 February 22, 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 CAP 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 constitution or bylaw changes are made. Local 531 amended its bylaws in 1997, but a copy was not filed with its LM report for that year.

A copy of Local 531's bylaws has now been filed.

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 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 531's 2005 records revealed the following recordkeeping violations:

Adequate documentation was not retained for retirement dinner attendees and those who received sweatshirts purchased by the union. As agreed, provided that Local 531 maintains adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding this violation.

As discussed during the exit interview, I strongly recommend that Local 531 adopt clear guidelines regarding reimbursement of lost wages (and payment of "time spent" without a loss of wages) incurred while on union business. Union officers failed to record the date, times, and / or a detailed description of the union purpose of certain lost wage and "time spent" claims. Records must be maintained that identify the date, number of hours spent, rate of pay, and the specific union purpose for all such claims. During our meeting, you agreed to amend your local's bylaws to include a clear definition of payment for "time spent" on union business outside of scheduled and paid hours. These hours would be paid at an arbitrary rate other than the officers' or employees' shop rate.

I want to extend my personal appreciation to 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: Mack Combs, President