

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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September 18, 2007

Ms. Joyce Sutherland, Treasurer
Rural Letter Carriers, Whatcom County
1107 Sudden Valley
Bellingham, WA 98229

LM File Number: 088-278

Case Number: [REDACTED]

Dear Ms. Sutherland:

This office has recently completed an audit of Rural Letter Carriers, Whatcom County 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 and State Secretary-Treasurer Rebecca Wendlandt on August 23, 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 Violation

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 Whatcom County's 2006 records revealed the following recordkeeping violation:

Failure to Maintain Supporting Documentation for Disbursements

The union failed to maintain supporting documentation for two of three disbursements made during the audit year. 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.

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

Reporting Violation

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 (Form LM-4) filed by Whatcom County for fiscal year ending June 30, 2006, was deficient in the following area:

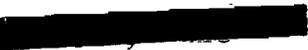
Failure to File Bylaws

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. Whatcom County amended its constitution and bylaws in 2002, but did not file a copy with its LM report for that year. Whatcom County has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Rural Letter Carriers, Whatcom County 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,

A thick black horizontal bar redacting a signature.A thick black horizontal bar redacting a name.

Investigator

cc: Ms. Rebecca Wendlandt, Washington State Secretary-Treasurer