

U.S. Department of Labor

Office of Labor-Management Standards
Chicago District Office
Federal Office Building
230 South Dearborn Street, Suite 774
Chicago, IL 60604
(312) 596-7160 Fax: (312) 596-7174



September 30, 2024

Mr. Alan Golden, Secretary-Treasurer
Electrical Workers IBEW AFL-CIO, Illinois State Conference
6820 Mill Road
Rockford, IL 61108

Case Number: 310-6028632()
LM Number: 051842

Dear Mr. Golden:

This office has recently completed an audit of Electrical Workers IBEW AFL-CIO, Illinois State Conference 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 President William Niesman on September 30, 2024, 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 IBEW Illinois State Conference's 2023 records revealed the following recordkeeping violation:

Receipt Date Not Accurately Recorded

A \$2,640 entry in IBEW Illinois State Conference's receipts journal did not accurately reflect the date money was received. The OLMS audit indicated this money was collected from Illinois State Conference members in October 2023 to donate to the family of a fellow member, but it was not recorded in its receipts journal until December 2023. Union receipts records must show the date of receipt. The date of receipt is required to verify, explain, or clarify amounts required to be reported in Statement B (Receipts and Disbursements) of the LM-3. The LM-3 instructions for Statement B state that the labor organization must record receipts when it actually receives money and disbursements when it actually pays out money. Failure to record the date money was received could result in the union reporting some receipts for a different year than when it actually received them.

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

Reporting Violation

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. IBEW Illinois State Conference amended its constitution and bylaws in 2019 but did not file a copy with its LM report for that year.

As agreed, the IBEW Illinois State Conference will file a copy of its current constitution and bylaws via the OLMS Electronic Forms System as soon as possible but not later than October 15, 2024.

I want to extend my personal appreciation to IBEW Illinois State Conference 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: William Niesman, Chairman