

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Philadelphia District Office
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Philadelphia, PA 19106
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June 30, 2006

Ms. Dorothy Miller, President
Merck Independent Union
PO Box 60
West Point, PA 19486

Re: Case Number: XXXXXXXXXX

Dear Ms. Miller:

This office has recently completed an audit of 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 Ruth Culbreath and Dorothy Miller on June 28, 2006, 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.

Title II of the LMRDA establishes certain reporting and record keeping requirements. Section 206 requires, among other things, that adequate records be maintained 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, 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 recipients of the goods or services.

The following record keeping deficiencies were revealed during the audit of the Merck Independent Union's 2004 records:

The Merck union failed to keep a record of receipts such as employer dues check-off checks and interest earned. Union receipts records must include an adequate

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identification of each receipt of money. The records should show the exact date that the money was received, the identity of the source of the money, and the individual amount received from each source.

The union must keep all documentation related to credit card disbursements. This includes the original bills and invoices pertaining to the expenditure and not only the signed receipt. While the union's record of credit card disbursements was adequate, the back-up documentation was lacking. For example, the union failed to maintain the invoices for the negotiations committee meetings at Normandy Farms Restaurant.

As agreed, provided that the Merck Independent Union maintains adequate documentation for its receipts and disbursements in the future, no additional enforcement action will be taken regarding this violation.

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,

Peter Papinchak
District Director