

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Denver District Office
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Denver, CO 80202
(720) 264-3232 / FAX: (720) 264-3230



February 14, 2008

Mr. Russell Sapp
Locomotive Engineers, IBT Division 142
921 West Pine
Rawlins, WY 82301

Re: Case No. [REDACTED]

Dear Mr. Sapp:

This office has recently completed an audit of Locomotive Engineers Division 142 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 13, 2008, 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 received, 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 Division 142's 2007 records revealed the following recordkeeping violations:

1. The local's monthly meetings were held at Fat Boys Grill. During 2007, the local made disbursements to Fat Boys in the amount of \$212.50 for union meetings but failed to keep the receipts.

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2. The local failed to retain payroll reports to support salary disbursements to officers in the amount of \$5,784. The local only retained the payroll reports for April, May, and November 2007.

Based on your assurance that Locomotive of Engineers Division 142 will retain adequate documentation in the future, the Office of Labor-Management Standards (OLMS) will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation for your and your entire staff's cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,



Investigator

cc: President Jesse Abeyta