

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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February 19, 2008

Mr. Russell Wooten, President
Treasury Employees Union
Chapter 190
200 Third Street
Parkersburg, WV 26102

LM File Number 509-783
Case Number: [REDACTED]

Dear Mr. Wooten:

This office has recently completed an audit of Chapter 190 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, 1st Vice President Rita Hiley, Former Treasurer [REDACTED] and Treasurer Kay Marks 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.

Reporting Violations

Pursuant to 29 C.F.R., Section 458.3, the reporting requirement under 29 C.F.R. Section 403.2 (see Section 201(b) of the Labor-Management Reporting and Disclosure Act (LMRDA)) is made applicable to labor organizations subject to the requirements of the CSRA. This provision requires labor organizations to file annual financial reports that accurately disclose their financial condition and operations. The audit disclosed a violation of this requirement in the following area:

Failure to File Bylaws

Pursuant to 29 C.F.R. Section 458.3, the requirement under 29 C.F.R. Section 402.4 implementing LMRDA Section 201(a) is made applicable to labor organizations subject to the requirements of the CSRA. This provision requires labor organizations to file copies of any revised constitution and bylaws when it files its annual financial report. The audit disclosed a violation of this requirement. Chapter 190 amended its constitution and bylaws in 2002, but did not file the required copies with its LM report for that year. Chapter 190 has now filed a copy of its constitution and bylaws.

Other Issues

Signing Blank Checks

During the audit, you advised that you sign blank checks. The two signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, signing a blank check in advance does not attest to the authenticity of a completed check, and negates the purpose of the two signature requirement. OLMS recommends that Chapter 190 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to Chapter 190 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