

U.S. Department of Labor

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September 15, 2008

Ms. Jamie Gratien
Financial Secretary
Auto Workers, AFL-CIO
Local Union 2149
456 S. Collingwood Avenue
Syracuse, NY 13206

LM File Number: 513-645

Case Number: [REDACTED]

Dear Ms. Gratien:

This office has recently completed an audit of Auto Workers Local Union 2149 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 President Mark Benenati on September 11, 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 Violations

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 Auto Workers Local 2149's records for fiscal year ending December 31, 2007 revealed the following recordkeeping violations:

1. General Disbursements

Local 2149 did not retain adequate documentation for some disbursements totaling at least \$1,502. For example, there was no receipt for the happy hour held at Holiday Inn for \$300 and no invoice retained from Logos Plus Ltd for t-shirts totaling \$416.

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.

2. Meal Expenses

Local 2149 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$315. The union must maintain itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

Union records of meal expenses must include not only the itemized receipt but also written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges.

Based on your assurance that Local 2149 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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-3) filed by Auto Workers Local 2149 for fiscal year ending December 31, 2007 was deficient in the following area:

All Officers and Disbursements to Officers

Local 2149 did not report the name of one officer and the total amounts of payments to them or on their behalf in Item 24 (All Officers and Disbursements to Officers), if applicable. The union must report in Item 24 all persons who held office during the year, regardless of whether they received any payments from the union.

In addition, officers were reported in Item 24 that are not considered constitutional officers under the LMRDA. Included in these listed are the E&T Steward, Chairperson, Alternate E&T Steward and the O&C Steward positions. Payments to these individuals should be reported in Item 46 (Disbursements to Employees).

I am not requiring that Local 2149 file an amended LM-3 report for 2007 to correct the deficient items, but Local 2149 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to you for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and any 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: Mark Benenati, President
107 Eagle Crest Drive
Camillus, NY 13031