

U.S. Department of Labor

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Office of Labor-Management Standards
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September 29, 2009

Mr. Frank Myers, Secretary-Treasurer
Teamsters
Local 67
2120 Bladensburg Road, NE
Washington, D.C. 20018

LM File Number #026-592
Case Number: [REDACTED]

Dear Mr. Myers:

This office has recently completed an audit of Teamsters Local 67 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 Office Manager Nakia Myers on September 29, 2009 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 Local 67's 2008 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local 67 did not retain adequate documentation for reimbursed expenses paid to a union officer. The union paid for this officer to attend several union-related conferences. However, no receipts were maintained for these trips.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and secretary-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. Failure to Maintain Records

Local 67 failed to maintain a dues checkoff report and a few check stubs from dues checks. All union records must be maintained.

Based on your assurance that Local 67 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Other Issues

1. Signing Checks

Local 67's Constitution requires two signatures on all union checks. The audit revealed that some checks did not include two signatures. The two signature requirement is an effective internal control of union funds. OLMS recommends that Local 67 review these procedures to improve internal control of union funds.

2. Entries in Union's Books

Local 67 did not record in its receipts records interest earned on the union's savings accounts and certificates of deposit totaling at least \$1,800. Some entries in the union's books were also inaccurate. OLMS recommends that all receipts and disbursements be accurately entered in the union's books.

I want to extend my personal appreciation to Teamsters Local 67 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: John Sminkey, President