

U.S. Department of Labor

Office of Labor-Management Standards
Cincinnati District Office
36 East Seventh Street
Room 2550
Cincinnati, OH 45202
(513) 684-6840 Fax:(513) 684-6845



August 5, 2009

Mr. Steve Tendam, Business Chairman
Glass Molders Local 127
369 Symmes Rd.
Fairfield, OH 45014

LM File Number: 053-520
Case Number: [REDACTED]

Dear Mr. Tendam:

This office has completed an audit of Glass Molders Local 127 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 Financial Secretary-Treasurer Raymond McKinney on July 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 127's 2008 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local 127 did not retain adequate documentation for expenses incurred by union officers totaling at least \$368.50. For example, Local 127 had no vendor receipt for an airfare purchase made by Mark Wilkerson to attend the President's Conference in Las Vegas, NV.

As previously noted above, 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. Lost Wages

Local 127 did not retain adequate documentation for lost wage reimbursement payments to union officers on 54 occasions for their attendance at monthly union membership meetings. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that it has been Local 127's past practice to reimburse officers for four hours of lost time to attend monthly membership meetings, but there was no written authorization for such payments. Local 127 maintained cancelled checks and meeting minutes which supported the payments in general, but those records did not reflect specific information as described above.

You have agreed to keep adequate documentation for future lost time payments.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes

changes to its constitution or bylaws. Local 127 amended its constitution and bylaws in 1998 but did not file a copy with its LM report for that year.

Local 127 has now filed a copy of its bylaws.

Other Violations

The audit disclosed a violation of LMRDA Section 201(b):

Local 127's Labor Organization Annual Report Form LM-3 for the period ending October 31, 2008 was due January 29, 2009 or 90 days after the end of your organization's fiscal year. The report was received by the Department of Labor on March 4, 2009. Local 127's reports for 2004, 2005, 2006, and 2007 were also filed after their due dates.

You have promised to file future reports with the Department of Labor within 90 days after the end of your organization's fiscal year.

I want to extend my personal appreciation to Glass Molders Local 127 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,



Lead Investigator