

U.S. Department of Labor

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January 25, 2006

Mr. Carlos Schirripa, Secretary Treasurer
Utility Workers AFL-CIO
Local Union 264
136 North 21st Street
Wheeling, WV 26003

LM File Number: 025-518

Case Number: [REDACTED]

Dear Mr. Schirripa:

This office has recently completed an audit of Utility Workers Local Union 264 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 May 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 Union 264's 2008 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local Union 264 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by President John Minor totaling at least \$561.97. For example, Local Union 264 reimbursed John Minor for travel expenses associated with Minor's attendance at a conference in Pittsburgh in April 2008. However, the local union did not retain the hotel and parking expenses necessary to support the reimbursement.

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 Union 264 did not retain adequate documentation for lost wage reimbursement payments to union officers totaling at least \$3,718.82. 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 Local Union 264 retained records to support the number of hours worked, the appropriate rate of pay, and the date's lost wages were incurred but did not identify on the lost wage vouchers the union business conducted.

During the exit interview, I reviewed a sampling of Local Union 264 lost wage vouchers and found the 2009 records met the criteria for lost wages and other officer expenses.

Based on your assurance that Local Union 264 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Utility Workers Local Union 264 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 Minor, President