

**U.S. Department of Labor**

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March 17, 2009

Mr. Roosevelt Williams, President  
United Auto Workers AFL-CIO  
Local 3212  
11731 South Avenue O  
Chicago, IL 60617-7332

LM File Number 543-370  
Case Number: [REDACTED]

Dear Mr. Williams:

This office has recently completed an audit of UAW Local 3212 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 James Dumas, Financial Secretary-Treasurer on March 2, 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.

The CAP disclosed the following violations:

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 3212's 2008 records revealed the following recordkeeping violations:

1. Lost Wages

Local 3212 failed to retain adequate documentation for lost wage reimbursement payments to union officers and members on at least six separate instances. 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 3212 officers and members routinely wrote "union business, president's duties, financial secretary's duties or recording secretary's duties" on vouchers. These notations do not adequately explain the reason for the lost time. The Local must identify on the lost wage vouchers the specific union business conducted.

During the exit interview, I provided an example of an expense voucher Local 3212 may use to satisfy this requirement. The example identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

Local 3212 agreed that in the future the exact nature of the union business requiring the lost time claim, will be listed on each voucher. Based on your assurance that Local 3212 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

### Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial

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condition and operations. The Labor Organization Annual Report (Form LM-2) filed by Local 3212 for fiscal year ending December 31, 2007, was deficient in the following areas:

1. Failure to File Bylaws

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 3212 amended its constitution and bylaws in 2007, but did not file a copy with its LM report for that year. During 2007 the Local amended its bylaws to allow the authorization of monthly stipend payments to officers and stewards. This change and others made during fiscal year 2007 were approved by the UAW International and reflected on the Local's LM-2, Item 69. However, the amended document was not submitted along with the LM-2 report filed for that fiscal year.

Local 3212 has now filed a copy of its amended bylaws. OLMS will take no further enforcement action regarding this violation.

I want to extend my personal appreciation to UAW Local 3212 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: James Dumas, Financial Secretary