

**U.S. Department of Labor**

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September 15, 2009

Ms. Patricia Davis, President  
Glass Molders Plastics AFL-CIO Local 14  
637 Western Avenue  
Winchester, IN 47394

LM File Number: 036-397  
Case Number: [REDACTED]

Dear Ms. Davis:

This office has recently completed an audit of GMP Local 14 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 September 15, 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 14's 2008 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local 14 did not retain adequate documentation for reimbursed expenses incurred by union officers. For example, Local 14 did not retain all hotel bills, airline tickets or purchase receipts for lodging and public transportation. Local 14 also did not record the dates and purposes of travel or describe per diem amounts.

As 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. Reimbursed Auto Expenses

Union officials who received reimbursement for business use of their personal vehicles did not retain adequate documentation to support payments to them during 2008. The union must maintain records which identify the dates of travel, locations traveled to and from, number of miles driven, and reimbursement rates. The record must also show the business purpose of each use of a personal vehicle for business travel by an officer or employee who was reimbursed for mileage expenses.

3. Lost Wages

Local 14 did not retain adequate documentation for lost wage reimbursement payments to officers. 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.

During the opening interview, I provided a sample of a voucher Local 14 may use to satisfy this requirement. The sample typifies the information and documentation that the local must maintain for lost wages and other officer expenses.

Based on your assurance that Local 14 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

The CAP 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 Local 14 for fiscal year ending October 31, 2008, was delinquent. Labor Organization Annual Reports are due within 90 days after the

end of each fiscal year. Local 14's fiscal year 2008 Form LM-3 was due by the end of January 2009, but it was not filed with OLMS until February 2009. I understand Local 14's Form LM-3 is prepared and filed by the GMP's headquarters, not by Local 14. Therefore, Local 14's control of the filing date is limited. Nevertheless, Local 14 has agreed to do what it can to help the GMP headquarters file future Form LM-3s on a timely basis. Therefore, OLMS will take no additional action on this violation.

I want to extend my personal appreciation to GMP Local 14 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: William Baldrige, Financial Secretary-Treasurer