



March 17, 2011

Mr. Herbert Jordan, Financial Secretary-Treasurer
Transportation Communication Workers
Local Lodge 6132
319 Columbia Court
Marion, OH 43302

Case Number: [REDACTED]
LM Number: 515182

Dear Mr. Jordan:

This office has recently completed an audit of Transportation Communication Workers 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 February 10, 2011, 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 6132's 2009 records revealed the following recordkeeping violations:

1. Failure to maintain receipts to support disbursements

Adequate documentation was not retained for many disbursements throughout the year, including purchases of office supplies, rent payments, and arbitration costs. No receipt was available to support the rent payments to Steelworkers Local 1949 in the amount of \$575.00. Additionally, the receipt provided to Local 6132 from the Arbitrator/Mediator was not retained.

2. Failure to accurately record receipts and disbursements

Entries in Local 6132's receipts journal reflect the date the union deposited money, but not the date money was received. Additionally, the disbursements journal reflected the date that the disbursement cleared the bank as opposed to the date the local issued the payment. Union receipts records must show the date of receipt and date of disbursement. The dates are required to verify, explain, or clarify amounts required to be reported in Statement B (Receipts and Disbursements) of the LM-3. The LM-3 instructions for Statement B state that the labor organization must record receipts when it actually receives money and disbursements when it actually pays out money. Failure to record the date money was received or disbursed could result in the union reporting some receipts and/or some disbursements for a different year than when it actually occurred.

Based on your assurance that Local 6132 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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 condition and operations.

1. Failure to File LM-3 Report for fiscal year ending December 31, 2009

Local 6132 did not file the Labor Organization Annual Report (Form LM-3) for fiscal year ending December 31, 2009 within 90 days from the end of the fiscal year, as required.

On February 11, 2011, our office received the delinquent report in question. As a result, no further action will be taken by OLMS on this matter.

2. 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 6132 amended its bylaws many years prior, but did not file a copy with its LM report for that year.

A copy of Local 6132's bylaws has now been filed.

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I want to extend my personal appreciation to Transportation Communication Workers 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,

Brian A. Pifer
District Director

cc: Mr. Jay Flemming, President