



November 26, 2012

Ms. Kathy A. Bogner, Financial Secretary
Autoworkers, AFL-CIO, Local 2243

Case Number: [REDACTED]
LM Number: 540278

Dear Ms. Bogner:

This office has recently completed an audit of Autoworkers AFL-CIO Local 2243 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 Union Representative Ed Burr on November 15, 2012, 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.

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. The Labor Organization Annual Report, Form LM-3, filed by Local 2243 for the fiscal year ended December 31, 2011, was deficient in the following areas:

Disbursements to Officers

Local 2243 did not include some reimbursements to the local's former president and the financial secretary totaling at least \$2,694 in the amounts reported in Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 54 (Other Disbursements). As discussed during the exit interview, Local 2243 must report in Column (E) of Item 24 all direct disbursements to officers for expenses incurred while conducting union business, including mileage, postage, office supplies, meals, transportation, and lodging.

The union must report most direct disbursements to Local 2243 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public

carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

OLMS is not requiring Local 2243 to file an amended LM-3 report for fiscal year ended December 31, 2011 to correct deficient items, but the local has agreed to properly report the deficient items on all future reports.

Other Issues

During the audit, officers indicated the local will be dissolved after Daimler Buses, the only employer that has a contractual relationship with the local, closes its operations in March 2013. In addition to filing an LM-3 report for fiscal year ended December 31, 2012, the officials responsible for winding up the affairs of the local must file a terminal report covering the period January 1, 2013 through the date the local ceases to exist. The terminal report is due within 30 days after the date the local is dissolved and must be identified as a terminal report by entering an "X" in the box 3(b) and Item 56 (Additional Information), must provide the reason the local ceased to exist and the name and address of the organization that will retain the records of the local.

I want to extend my personal appreciation to you and Mr. Burr 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: Mr. Ed Burr, Union Representative
Mr. Ed McGowan, UAW NYS Area Director