



November 13, 2013

Ms. Deborah Hare, Treasurer
Auto Workers Local 2177
PO Box 409
Bensalem, PA 19020

Case Number: 140-1411155 [REDACTED]
LM Number: 514612

Dear Ms. Hare:

This office has recently completed an audit of Auto Workers Local 2177 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 Former Treasurer [REDACTED], President Robert Dietz, and you on November 7, 2013, 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 Violation

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 2177 amended its constitution and bylaws in 2007, but did not file a copy with its LM report for that year.

Local 2177 has now filed a copy of its constitution and bylaws.

Other Issue

Failure to Follow Two Signature Requirement on Checks

During the audit, you advised that it is Local 2177's practice for two officers to sign every check disbursed from the union's checking account. Article 16, Section 11 of Local 2177's bylaws requires that checks be signed by the president and treasurer. The two signature requirement is an effective internal control of union funds. Although most checks were signed by both President Dietz and Former Treasurer [REDACTED], the audit revealed that a few checks were issued with only one signature. OLMS recommends that Local 2177 be more diligent regarding this procedure to improve internal controls of union funds.

I want to extend my personal appreciation to Auto Workers Local 2177 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator

cc: Mr. Robert Dietz, President