



May 31, 2016

Mr. Michael L. LeBerth, President  
Retail Wholesale, DC, UFCW  
Local 220  
4314 Route 104  
Williamson, NY 14589

Case Number: 110-6006877  
LM Number: 046973

Dear Mr. LeBerth:

This office has recently completed an audit of Retail Wholesale, Local 220 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 Treasurer Jeff Thomas on May 24, 2016, 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 220 for the fiscal year ended December 31, 2015, was deficient in the following areas:

##### 1. Disbursements to Officers

Local 220 did not report the names of some officers and the total amounts of payments to them or on their behalf in Item 24 (All Officers and Disbursements to Officers). The union must report in Item 24 all persons who held office during the year, regardless of whether they received any payments from the union. According to the local's bylaws Unit Executive Board members are considered officers of the union. Local 220 did not report these officers in Item 24.

The union must report most direct disbursements to Local 220 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).

2. Failure to Report Receipts

Local 220 did not report in Statement B, Item 44, Total Receipts interest refund checks it received from payments made on a loan provided by the national totaling at least \$2,800. On a quarterly basis, Local 220 receives a check from the national refunding interest they paid on a loan. These checks are deposited by the treasurer and recorded in the union books but were not added to the total receipts on the LM report. Union receipts records must all money the union receives. The records should show the date and amount received, and the source of the money.

Based on your assurance that Local 220 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Local 220 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. Jeffrey S. Thomas, Treasurer