

September 28, 2005

Joe Shieff, President
Painters Local 1103
9585 Fox Meadow
Chardon, Ohio 44024

RE: 

Dear Mr. Shieff:

This Office has recently completed an audit of Painters Local 1103 under the Compliance Audit Program (CAP) to determine compliance with provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with you on September 6, 2005, 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.

Title II of the LMRDA establishes certain reporting and record keeping requirements. Section 206 requires, among other things, that adequate records be maintained 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, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipients of the goods or services.

The following record keeping violations were revealed during the audit of Painters Local 1103's 2003-2004 records:

Local 1103 failed to maintain receipts for disbursements such as stamps, refreshments for the union meetings, rental of hall for union meetings, and holiday functions. Such records are required by law to be maintained for a period of five years after filing of the LM report based on the information it contains.

As agreed, provided that Local 1103 maintains adequate documentation for its disbursements in the future, no additional enforcement action will be taken regarding this violation.

The CAP disclosed a violation of LMRDA Section 201(a) which requires that unions submit a copy of their current constitution and bylaws with its LM report when bylaw changes are made. Local 1103 amended its bylaws in 2003, but a copy of the bylaws was not filed with Local 1103's LM-3 report for that year. Two copies of Local 1103's bylaws have now been filed.

I want to extend my personal appreciation to you and your staff for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,


Investigator