

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Kansas City Resident Investigative Office
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Kansas City, Missouri 64105-5143
Telephone: 816/502-0290 Fax: 816/502-0288



December 22, 2005

Mr. G.E. Pierce, Treasurer
Laborers, Local 579
1203 North 6th Street
St. Joseph, Missouri 64501

Dear Mr. Pierce:

This office has recently completed an audit of Local 579 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 December 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 requirement includes the maintenance of vacation records for officers and employees of the local. The CAP audit revealed the local did not maintain vacation records to confirm the amount of vacation time accrued and/or taken by the staff. For the good and welfare of the officers and staff as well as the protection of the membership's assets, attendance records should be maintained for all staff. As agreed, provided that Local 579 develops and maintains adequate vacation records documentation in the future, no additional action will be taken regarding this violation.

The audit revealed Local 579 experienced a loss of funds when the office was burglarized on two occasions in May 2005. You are reminded that any loss of funds must be reported on your next fiscal year LM report under Losses or Shortages with a description of the loss in detail in Additional Information.

I want to thank you and your staff for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please contact me or any other representative of our office.

Sincerely,

Dennis L. Eckert
District Director

By:

(Signature)
Investigator