

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Tampa Resident Investigative Office
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December 23, 2008

Mr. Meddy Settles, Business Representative
Carpenters Local 256
40 Telfair Place
Garden City, Ga. 31415

Re: Case Number: [REDACTED]

Dear Mr. Settles:

This office has recently completed an audit of Carpenters Local 256 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, President Gerald Riner and Office Manager Brenda Johnson on December 15, 2008, 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.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records 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, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 256's 2008 records revealed the following recordkeeping violations:

1. Failure to maintain adequate documentation

The local did not have adequate work permit records to allow OLMS to verify when and which contractors' work permits were issued.

The local did not have invoices or bills for the cleaning services provided by [REDACTED] however, you did have the three trustees' approval for these disbursements and the approval of the body authorizing these services.

2. Disposition of Property

The union must report the value of any union property on hand at the beginning and end of each year in item 28 of the LM-2. It must retain an inventory or similar record of property on hand to verify, clarify, and explain the information that must be reported in Item 28.

Local 256 did not maintain an inventory of its t-shirts and other property it purchased, sold, or gave away. The local was not aware that a detailed inventory must be maintained. You agreed to inventory the t-shirts, hats and tags and maintain a detailed report of inventory of items sold, given away or raffled.

Based on your assurance that Local 256 will maintain more detailed records of work permits issued, require an invoice or bill statement from service providers, and maintain an inventory of property, OLMS will take no further enforcement action at this time regarding the above recordkeeping violations.

Reporting; Violations

1. 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 256 is governed by the Southeastern Carpenters Regional Council By-laws, which were revised May 10, 2007, but did not file a copy with its LM report for that year or the previous year. The last amendment OLMS had in its disclosure files was for 1969.

Local 256 has now filed a copy of its constitution and bylaws by providing them to OLMS during the course of this audit.

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I want to extend my personal appreciation to Carpenters Local 256 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: Gerald Riner, President