

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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July 22, 2008

Ms. Karen Salazer, Treasurer
Glass Molders and Plastics AFL-CIO
Local 90
28 W. Noble Street
Hazelton, PA 18201

LM File Number 516-705

Case Number: [REDACTED]

Dear Ms. Salazer:

This office has recently completed an audit of Glass Molders and Plastics Local 90 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 July 16, 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 Violation

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 90's 2007 records revealed the following recordkeeping violation:

Treasurer Karen Salazer advised that the local's president authorizes and the membership approves the disbursement of union funds. Membership approval is sought and granted during membership meetings. During the audit, Treasurer Salazer contacted Recording-Secretary Patricia Delmonico to obtain the local's meeting minutes. After the employer closed the plant in March 2008 Delmonico destroyed all union records in her possession including meeting minutes.

Minutes of all membership meetings must report any disbursement authorizations made at those meetings. The LMRDA requires 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.

Local 90 has disbanded and filed a terminal financial report. Based upon the fact that the local has gone out of existence as a reporting labor organization, OLMS will take no further enforcement action regarding the above violation.

I want to extend my personal appreciation to Glass Molders and Plastics Local 90 for the cooperation and courtesy extended during this compliance audit. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

cc: President Robert Neefe

Ms. Karen Salazer
July 22, 2008
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