

U.S. Department of Labor

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April 1, 2009

Mr. Greg Oyama, Business Manager/Financial Secretary
Electrical Workers IBEW AFL-CIO
Local 291
225 North 16th Street
Boise, Idaho 83702

LM File Number 014-232
Case Number: [REDACTED]

Dear Mr. Oyama:

This office has recently completed an audit of Electrical Workers Local 291 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, Dawn Walsh, and Lisa Hatch on January 30, 2009, 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 291's 2008 records revealed the following recordkeeping violation:

Credit Card Expenses

Local 291 did not retain adequate documentation for credit card expenses incurred by union officers and employees totaling. A 4-month sample revealed that Local 291 did not retain 46 receipts, totaling at least \$2,954.16.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

Based on your assurance that Local 291 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

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 291 amended its constitution and bylaws in 1991, but did not file a copy with its LM report for that year. Local 291 has now filed a copy of its constitution and bylaws.

Other Violation

Inadequate Bonding

Mr. Greg Oyama
April 1, 2009
Page 3 of 4

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

Local 291's officers and employees are currently bonded for \$375,000, but they must be bonded for at least \$397,843. Local 291 should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than April 15, 2009.

I want to extend my personal appreciation to Electrical Workers Local 291 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: Dea Roth, Local 291 President