

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Pittsburgh District Office
1000 Liberty Avenue
Room 1411
Pittsburgh, PA 15222
(412)395-6925 Fax: (412)395-5409



January 25, 2006

Mr. Michael Giammatteo, Business Manager/Treasurer
Plasters and Cement Mason Workers, AFL-CIO
Local Union 526
2606-10 California Avenue
Pittsburgh, PA 15212

LM File Number 005-885
Case Number: [REDACTED]

Dear Mr. Giammatteo:

This office has recently completed an audit of Plasters and Cement Mason Workers Local Union 526 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, Assistant Business Manager Charles Fischer, and President Cameron Rupert on December 21, 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 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 Union 526's 2009 records revealed the following recordkeeping violation:

Credit Card Expenses

Local Union 526 did not retain adequate credit card records for fuel purchased with union credit cards during the entire fiscal year. Although monthly credit card statements were maintained, the actual credit card slips provided by the vendor were not maintained. During the exit interview, you reported the union is now keeping all fuel records.

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.

Other Violation

The audit disclosed the following other violation:

Inadequate Bonding

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 Union 526's officers and employees are currently bonded for \$100,000, but they must be bonded for at least \$130,000. Local Union 526 should obtain adequate bonding

Mr. Michael Giammatteo
January 25, 2006
Page 3 of 3

coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than February 12, 2010.

I want to extend my personal appreciation to Plasters and Cement Mason Workers Local Union 526 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: Charles Fischer, Assistant Business Manager
Cameron Rupert, President