



September 21, 2011

Mr. Butch Stockelman
Business Manager/Financial Secretary
Roofers Local 42
1010 Yale Avenue
Cincinnati, Ohio 45206

Case Number: [REDACTED]
LM Number: 025-704

Dear Mr. Stockelman:

This office has recently completed an audit of Roofers Local 42 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 September 16, 2011, 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.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations.

1. Delinquent Report

The Labor Organization Annual Report, Form LM-2, for Roofers Local 42's fiscal year ending December 31, 2010 was not filed by the required deadline of March 31, 2011. However, the report has since been filed and no further action is necessary.

Our records indicate that Local 42 was delinquent in its LM-2 reports for nine of the past 10 years. If you are having difficulties with a future LM-2 report, please contact our office as soon as possible, so that we can assist you in filing the report in a timely manner.

2. Deficient Report

The audit also disclosed that Local 42's 2010 LM-2 report was deficient in the following manner. The LM-2 instructions require that the total amount of withheld taxes, payroll deductions, and all other deductions be reported in Line 8 of Schedule 11 (All Officers and Disbursements to Officers). On the 2010 LM-2 report, the local reported these amounts elsewhere on the report and not in Line 8 of Schedule 11.

I am not requiring that Local 42 file an amended LM-2 report for 2010 to correct the deficient item, but Local 42 has agreed to properly report the deficient item on all future reports it files with OLMS.

Other Issue

1. Account Signatories

As I discussed with you during the exit interview, the audit revealed that Local 42's signatory practices are not in accordance with the local's bylaws. The bylaws provide that the local's president is to co-sign disbursement checks. However, the union's practice is for the business agent to co-sign checks. You agreed to either amend the bylaws or raise the issue at a union meeting and document membership approval of the practice in the meeting minutes.

I want to extend my personal appreciation to Roofers Local 42 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: Mr. Curtis Williams, President