

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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February 12, 2008

Mr. Jerry Dave Lewis, President
RWDSU AFL-CIO
Local 379
1571 Parsons Avenue
Columbus, Ohio 43207

LM File Number 036-929
Case Number: [REDACTED]

Dear Mr. Lewis:

This office has recently completed an audit of RWDSU Local 379 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 and RWDSU International Representative Rick Marshall on January 30, 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 adequate records be maintained for at least 5 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, all records used or received in the course of union business must be retained.

For disbursements, this includes not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, 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 note can be written on it providing the additional information. In the case of receipts, the date, amount, purpose, and source of all money received by the union must be recorded in at least one union record. Bank records must also be retained for all accounts.

The audit of Local 379's records for the fiscal year ending December 31, 2006 revealed the following recordkeeping violations:

1. Lack of Supporting Documentation

There were no receipts or supporting documentation for items including a hall light purchased at Lowe's, three postage stamp purchases, and two federal mediation listing fees. As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and financial secretary (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 379 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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. The Labor Organization Annual Report Form LM-3 filed by Local 379 for fiscal year ending December 31, 2006, was deficient in the following areas:

1. Cash Receipts

Local 379 under reported dues receipts in Item 38 (Dues) and interest in Item 41 (Interest & Dividends). In addition, the local failed to properly report initiation fees and unit assessments in Item 40 (Fees, Fines, Assessments & Work Permits) and a rebate in Item 43 (Other Receipts). Such receipts appear to have been erroneously reported in Item 39 (Per Capita Tax).

2. Disbursements to Employees

Local 379 did not include some payments of at least \$18,000 to the bookkeeper in Item 46 (To Employees). The union must report in Item 46 the total of all salaries, allowances, and direct and indirect disbursements (less deductions) to employees of your organization during the reporting period. It appears the union erroneously reported these payments in Items 48 and 54.

3. Benefits

Local 379 did not include all indirect benefit disbursements in Item 50 (Benefits). Indirect benefit disbursements are those made from your organization's funds to a separate and independent entity, such as a trust or insurance company, which in turn and under certain conditions will pay benefits to the covered individuals. It appears the union erroneously reported these payments in Item 54.

4. Cash Reconciliation

It appears that the cash figures reported in Item 25 (Cash) are not the cash figures according to the union's books after reconciliation to the bank statements. The instructions for Item 25 state that the union should obtain account balances from its books as reconciled to the balances shown on bank statements.

5. Failure to File Bylaws

Local 379 failed to submit a copy of its constitution and bylaws in violation LMRDA Section 201(a).

Local 379 has now filed a copy of its constitution and bylaws, and therefore, the reporting deficiency was corrected.

Local 379 must file an amended Form LM-3 for fiscal year ending December 31, 2006, to correct the deficient items discussed above. During the exit interview, I provided you with a blank form and instructions, and advised you that the reporting forms and instructions are available on the OLMS website (www.olms.dol.gov). The amended Form LM-3 should be submitted to this office at the above address as soon as possible, but not later than February 22, 2008. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

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I want to extend my personal appreciation to RWDSU Local 379 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: Robert Layng, Comptroller
Rick Marshall, International Representative