

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Chicago District Office
230 South Dearborn Street
Room 774, Federal Office Building
Chicago, IL 60604
(312)596-7160 Fax: (312)596-7174



September 25, 2006

Mr. Esteban Paz, Financial Secretary
United Auto Workers AFL-CIO
Local Union 1615
412 Hanks Ave.
Aurora, IL 60505

Re: Case Number: _____

Dear Mr. Paz:

This office has recently completed an audit of United Auto Workers AFL-CIO Local Union 1615 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 Esteban Paz on September 22, 2006, 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.

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. This includes, in the case of disbursements, 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. An exception may be made only in those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.

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 1615's 2005 records revealed the following recordkeeping violations:

1. Some vouchers submitted by union personnel for lost wages do not identify the union business conducted that required lost wages be incurred. The lost wage claims must identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted.
2. The local failed to maintain adequate documentation for disbursements. In some cases vouchers were provided; however, more information is required to support the date, amount, location, business purpose and names of individuals present for all expenses as appropriate. In addition, most disbursements were not accompanied by receipts or invoices.
3. The local failed to maintain adequate documentation for its certificate of deposit accounts. The union did not retain quarterly or yearly certificate of deposit statements. [REDACTED]; provided account history information for the certificate of deposits.

As agreed, provided that Local 1615 maintains adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding these violations.

I want to extend my personal appreciation to [REDACTED] 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: Lee Willett, President