

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Los Angeles District Office
915 Wilshire Boulevard
Room 910
Los Angeles, CA 90017
(213)534-6405 Fax: (213)534-6413



June 9, 2008

Mr. Steven Yancey
President, United Auto Workers LU 179
11625 Sherman Way
North Hollywood, CA 91605

Ref: Case # [REDACTED]

Dear Mr. Yancey :

This office has recently completed an audit of UAW Local 179, under the guidelines outlined in this office's Compliance Audit Program (CAP), to determine your organization's compliance with the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As I discussed with you and Financial Secretary-Treasurer Jerome Augustine during our exit interview on June 4, 2008, the findings listed below were disclosed during the course of the audit. These matters do not represent an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

The CAP disclosed that the local did not have a current asset inventory list to document recent equipment acquisitions, and that the list in use was over ten years old. You indicated that a new updated inventory statement would be prepared and shared with the Executive Board within the next quarter. An asset list of this type is particularly helpful for insurance purposes.

Since all financial transactions are handled out of the union's single operating checking account, we recommend that you make arrangements to have your bank return your original cancelled checks with the monthly bank statements instead of relying on the photocopies currently included on the pages of these statements. We also recommend that you attach copies of the actual detailed financial reports (routinely referenced each month at the Executive Board sessions) to the minutes for all your monthly meetings. Specific references for the dates, amounts, and types of large or unusual expenses typically authorized at the Executive Board meetings should be included in these minutes as well.

I would like to express my appreciation to you and to Mr. Augustine for the cooperation and courtesy extended to me during the course of this compliance audit. I recommend that you share this letter, and the compliance assistance materials provided at the exit interview yesterday, with your trustees and future officers. I would particularly like to commend you both for the accurate, complete, and clear condition of virtually all the records that I reviewed. In addition, your internal system of checks and balances, particularly with respect to disbursements and regular trustee oversight, is commendable.

If I or anyone at my office is ever needed to provide assistance or answer questions regarding provisions of the LMRDA, please do not hesitate to call us.

Sincerely,



Senior Investigator/Team Leader

cc: UAW President Ron Gettelfinger