

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
Seattle District Office  
1111 Third Avenue  
Suite 605  
Seattle, WA 98101  
(206) 398-8099 Fax:(206) 398-8090



May 1, 2008

Mr. Gary Zimmel, Financial Secretary  
Pulp & Paper Workers UBCJA Local 155  
1933 W. 5th St.  
Port Angeles, WA 98363

LM File Number: 061-866  
Case Number: [REDACTED]

Dear Mr. Zimmel:

This office has recently completed an audit of Pulp & Paper Workers UBCJA Local 155 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, Treasurer Roger Walz, and Trustee Cheryl Blore on April 17, 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 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 155's 2007 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 155 did not retain adequate documentation for expenses incurred by union officers for at least \$6125. For example, expenses related to the following did not have a union record to adequately document the expenditure: holiday party, award of scholarship, "Old-Timer's Night," medical deductible payment to union officer, thank you payment to member, and postage.

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.

2. Failure to Record Receipts

Local 155 did not record in its receipt records interest received from banks for interest earned on two certificates of deposit totaling at least \$20,880. For example, the receipts for the period of June 2007 through December 2007 were not recorded in union records. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received, and the source of the money.

Based on your assurance that Local 155 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

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 LM-3 filed by Local 155 for fiscal year ending December 31, 2007 was deficient in the following areas:

1. Failure to Report Interest

It appears that the total amount of interest earned on the two certificates of deposit was under reported by \$20,880. The total amount of interest received by your organization from savings accounts, bonds, mortgages, loans, investments, and all other sources must be reported on the Form LM-3 Labor Organization Annual Report.

Local 155 filed an amended Form LM-3 for fiscal year ending December 31, 2007 to correct the above deficient item.

2. Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local155 amended its constitution and bylaws in 2006, but did not file a copy with its LM report for that year.

Local 155 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Pulp & Paper Workers UBCJA Local 155 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,

R. Bruce Edgington  
District Director

cc: Mr. Rodney Weekes, President  
Ms. Cheryl Blore, Trustee