

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
New York District Office
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January 29, 2009

Mr. Bill Nagy, Financial Secretary-Treasurer
Iron Workers AFL-CIO
Local 373
462 Market Street

Perth Amboy, NJ 08861

Re: Case Number: [REDACTED]

Dear Mr. Nagy:

This office has recently completed an audit of Iron Workers Local 373 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 January 12, 2009, 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.

The CAP disclosed the following:

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. 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 373's 2008 records revealed the following recordkeeping violations:

Adequate documentation was not retained for the Member Detail Reports and Daily Cash Transfers Reports from July 1, 2007 through August 30, 2007. However, Iron Workers District Council of Northern New Jersey cooperated during the audit investigation by provided the requested records.

As agreed, provided that Local 373 maintains adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding this violation.

I want to extend my personal appreciation to Iron Workers Local 373 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: James Morgan, President