

U.S. Department of Labor

Employment Standards Administration  
Office of Labor-Management Standards  
Pittsburgh District Office  
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Pittsburgh, PA 15222  
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January 18, 2004

Paul Totten, Secretary-Treasurer  
UGSOA Local 219  
PO Box 6489  
Charleston, WV 25362-0489

Re:

Dear Mr. Totten:

This office has recently completed an audit of UGSOA Local 219 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, as Amended (LMRDA). As discussed during the exit interview with you and President James Anderson on January 18, 2004, the following problems were discussed 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 a violation of Title II of the LMRDA. Section 206 requires that unions maintain sufficient documentation to verify information reported on the LM reports filed with the Secretary of Labor each year. These records must be maintained for at least five years after the filing of the reports. Your union failed to maintain receipts, vouchers and other sufficient documentation to verify expenses and receipts. Since your union agreed to maintain such documentation in the future, no further action is required at this time.

The CAP disclosed a violation of Title II of the LMRDA regarding the annual financial report required to be filed by your organization under Section 201(b) of the Act for fiscal year ending September 30, 2004. **It was determined that the report was deficient in that item 3(b) was incorrectly marked as a terminal report.** Since the local has agreed to file an amended report, no further action is necessary.

The CAP disclosed a violation of Title V of the LMRDA. Section 502 requires individuals who handle funds of the each labor organization be bonded in an amount not less than 10 percent of funds handled. Since the local has obtained the necessary bond, no further action is required at this time.

While not a violation of the LMRDA, I strongly recommend that your union avoids writing checks to cash in the future. As with any financial transaction, if a check is written to cash, adequate documentation, such as receipts, must be maintained to verify the transaction was for a legitimate union purpose. Additionally, I recommend that your union maintains pre-numbered, duplicate receipts to record all income received by the union.

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I want to extend my personal appreciation for your and your entire staff's cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,

7(C)

Investigator

cc: James Anderson

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