

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Los Angeles District Office
115 Wilshire Blvd., Suite 910
Los Angeles, CA 90017
(213) 534-6405 / FAX: (213) 534-6413



October 5, 2005

Dean Zvorak, President
Auto Workers AFL-CIO
Local 887
14910 Garfield Avenue
Paramount, CA 90723

Re: 2

Dear Mr. Zvorak:

This office has recently completed an audit of Auto Workers Local 887 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 and Financial Secretary-Treasurer Gary Sanders on October 5, 2005, 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 and covered the period ending 12/31/2003.

The CAP disclosed the following violations:

- The union failed to maintain credit card invoices for officer travel. Both you and Mr. Sanders agreed, in the future, to print out receipts from internet bookings, and attach and maintain a copy of the personal credit card statements and receipts with the reimbursement check.
- LM-2 Reports for 2002, 2003, 2004 are deficient and need to be amended. The union agreed to file amended reports for these years with this office by October 17, 2005.
- Local 887 bank accounts and investment accounts in the names of officers should be changed to show the union as the account owner. The [redacted] name was changed to UAW Local 887 on September 7, 2005, and the [redacted] it (formerly [redacted]) will be changed to the name of the union by October 14, 2005.
- The sale of the union's building in November 2002 will be reflected in the amended LM report for 2002.

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To assist the union in its compliance with LMRDA record keeping and financial controls, the following suggestions were made:

- Consider retaining the services of a local area accountant for on-site audits at least every 12 months, and for "hands-on" assistance with the union's financial records when necessary.
- Consider accounting classes and/or Secretary-Treasurer training.
- Upgrade the union's computer to the following specifications—Pentium 4, 1 GB RAM, 100 GB hard drive, DVD Burner, Windows XP Professional Edition. It should be noted that the union's executive board approved the cost of upgrading the union's computer on August 21, 2005. This will assist the union in filing LM reports electronically.

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

Sincerely, _____

FCC

Investigator

cc: Gary Sanders, Financial Secretary-Treasurer
UAW Local 887