

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Pittsburgh District Office
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September 5, 2006

Dottie Shoff, Business Representative
Carpenters East Coast Industrial Council
124 W Main Street
Marion, VA 24354

Re: Case Number: XXXXXXXXXX

Dear Ms. Shoff:

This office has recently completed an audit of Carpenters LU 2528 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 August 31, 2006, 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.

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.

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The audit of Local 2528's 2005 records revealed the following recordkeeping violations:

Adequate documentation was not retained for the purchase of computer equipment. The local also failed to maintain phone and water bills.


The union had no record of who was appointed to the strike committee. Also, there was no record of union authorization to pay for varying amounts of officers' cell phone bills.

Since Carpenters LU 2528 has since terminated, no further action was taken.

Finally, the audit revealed a de minimis amount of questionable expenses paid out of the local's strike fund to a former officer. Since the amount was repaid, and no other questionable payments were found, no further action is contemplated at this time.

I want to extend my personal appreciation to 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