

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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December 11, 2008

Mr. Clifford Boyd, Financial Secretary
Autoworkers, AFL-CIO
Local 716
5523 S. 28th Street
Ft. Smith, Arkansas 72901

LM File Number 004-638
Case Number: [REDACTED]

Dear Mr. Boyd:

This office has recently completed an audit of UAW Local 716 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 Gregory Taylor, President on December 4, 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.

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 Form LM-3 filed by Local 716 for fiscal year ending December 31, 2007, was deficient in the following areas:

1. Cash Reconciliation

It appears that the cash figures reported in Item 25 are not the cash figures according to the union's books after reconciliation to the bank statements. The instructions for Item 25 state that the union should obtain account balances from its books as reconciled to the balances shown on bank statements.


2. Disbursements to Employees

It appears that Local 716 erroneously reported \$32,919 in Item 54 (Other Disbursements) on the LM Report for expenses incurred by several members of Local 716's bargaining committee. These payments should have been reported in Item 46 (To Employees Less Deductions).

Local 716 must file an amended Form LM-3 for fiscal year ending December 31, 2007, to correct the deficient items discussed above. I advised you that the reporting forms and instructions are available on the OLMS website (www.olms.dol.gov). The amended Form LM-3 should be submitted to this office at the above address as soon as possible, but not later than December 31, 2008. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

I want to extend my personal appreciation to UAW Local 716 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: Gregory Taylor, President