

U.S. Department of Labor
Cleveland District Office

Employment Standards Administration
Office of Labor-Management Standards
Cleveland District Office
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MAR 14 2005

Nolan Zimmerman, President
UAW, AFL-CIO LU 975
1440 Bellefontaine Avenue
Lima, OH 45804-3111

Re: 1 2

Dear Mr. Zimmerman:

This office has recently completed an audit of UAW Local Union 975 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 March 4, 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.

The CAP disclosed a violation of 29 USC 431(b), a deficiency in your LM-3 filing for the FYE 12/31/03. Your receipts and disbursements were misreported and led to a reconciliation error. An amended LM-3 report which corrects the cited deficiency has been received by this office. Therefore, no additional action is currently being considered regarding this matter.

The CAP also disclosed a violation of 29 USC 436 for a failure to keep records in sufficient detail. Title II of the LMRDA establishes certain reporting and record keeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least five 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 recipients of the goods or services. Backup documentation in the form of invoices or receipts was not maintained for several expenditures involving travel for union business. In addition, the meeting minutes regarding expenditures were inadequate and should be more thorough in covering approved expenditures. You have agreed to maintain better records in the present and future. Therefore, no additional action is currently being considered regarding this matter.

I want to extend my personal appreciation to you and Mr. Floyd 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,

JCC

JY'
Investigator

cc: Isaac Floyd, Financial Secretary/Treasurer

