

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Pittsburgh District Office
801 Federal Building
1000 Liberty Avenue
Pittsburgh, PA 15222
(412) 395-6925 / FAX: (412) 395-5409



January 18, 2005

William Keechel, Treasurer
UMWA Local 1702

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Re:

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Dear Mr. Keechel:

This office has recently completed an audit of Local 1702 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, President Wallace Dittman, Vice President Eric Greathouse, Recording Secretary Charles Weaver, and Mine Committee Chairperson William Dunaway on January 18, 2005, 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 adequate documentation, such as receipts, regarding disbursements. Since your union agreed to maintain these records 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 December 31, 2003. It was determined that your union's LM-3 Report for fiscal year ending 12/31/03 was deficient. Since the local has filed an amended report, no further action is necessary.

Finally, the CAP disclosed a violation of Title II of the LMRDA regarding records required to be maintained by your organization under Section 209(c). It was discovered that various officers, unintentionally or not, submitted false lost time vouchers for payment when no time was actually missed from work. The UMWA International Union defines lost time as "reimbursement to a member – on a no-loss, no gain basis – of earning actually lost because of doing authorized work for the Local Union."

Your union is placed on official notice that lost time can only be paid for union business that causes an actual loss of wages at work. Any changes of this policy must come from an amendment of your bylaws with approval of the Local Union and the UMWA International Union. Any further continued activity will result in a referral to the Department of Justice for possible prosecution.

I want to extend my personal appreciation to you and Local 1702's officers for their 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: President Wallace Dittman

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