

U.S. Department of Labor
Cleveland District Office

Employment Standards Administration
Office of Labor-Management Standards
Cleveland District Office
1240 East Ninth Street, Room 831
Cleveland, Ohio 44199

Telephone: (216) 357-5455
Facsimile: (216) 357-5425



June 21, 2005

Kenneth Trowbridge, Secretary-Treasurer
Auto Workers AFL-CIO
Local 1892
1445 S. Reynolds Rd.
Toledo, Ohio 43615

Re: 2

Dear Mr. Trowbridge:

This office has recently completed an audit of your local under the Compliance Audit Program (CAP), in order 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 May 27, 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 some misclassified and misreported items on the LM-2 report, including the following:

1) Statement B (Receipts & Disbursements) Figures: The reported Item 60/Schedule 13 (Office & Administrative Expenses) figure was lower than it should have been, as this figure should have included several disbursements reported under Item 73/Schedule 15 (Other Disbursements). Likewise, the reported Item 64/Schedule 12 (Contributions, Gifts, and Grants) figure was lower than it should have been, as this figure should have included several disbursements reported under Item 73. The reported Item 62 (Professional Fees) figure was \$0, but this figure should have been greater than zero, as the local incurred legal fees during the audit period; however, these legal fees were reported under Item 73 rather than under Item 62. Accordingly, the reported Item 73 figure should have been significantly lower due to the movement of several disbursements from Item 73 to these other more specific categories. An Amended LM-2 report was not required, however, as you agreed to ensure that disbursements are more accurately categorized on future LM reports.

2) Bonding: The bond amount reported on your audit year LM-2 report was \$10,000, yet the minimum bond amount at that time was \$65,163. As your local's prior two LM-2 reports indicated a bond amount of \$100,000, this was suspected as being an innocuous error occurring during completion of the LM-2 report. This was confirmed through discussion with officers, and no further action was considered necessary in this matter.

I want to extend my personal appreciation for you and your entire staff's 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: Robert Smotherman, President