

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Pittsburgh District Office
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January 30, 2008

Mr. Michael Popps, Secretary Treasurer
Laborers
Local 833
1017 Third Avenue
New Brighton, PA 15066

LM File Number 037-888
Case Number: [REDACTED]

Dear Mr. Popps:

This office has recently completed an audit of Laborers Local 833 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 Business Manager Michael McDonald on January 25, 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.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records 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, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation 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 union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 833's 2007 records revealed the following recordkeeping violations:

1. Credit Card Expenses

Local 833 did not retain adequate documentation for credit card expenses incurred by Business Manager Michael McDonald totaling at least \$600.00. For example, receipts for gasoline purchases from United Refining Company were missing for the months of September, October and November 2007.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

2. Failure to Record Receipts

Local 833 did not record in its receipts records interest earned on certificates of deposit totaling at least \$223.82. For example, the local had two certificates of deposit mature during the audit period and failed to record the interest received. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received, and the source of the money.

Based on your assurance that Local 833 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Mr. Michael Poppo
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I want to extend my personal appreciation to Laborers Local 833 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator