

**U.S. Department of Labor
Office of Labor-Management Standards**

San Francisco – Seattle District Office

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May 11, 2016

Mr. Joe Toback, Business Representative
Painters Local 510
250 Executive Park Blvd. Suite 4850
San Francisco, CA 94134

Case Number: 530-6006955 [REDACTED]
LM Number: 033758

Dear Mr. Toback:

This office has recently completed an audit of Painters Local 510 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 Office Manager Jean Wisecarver on May 11, 2016, the following problem was disclosed during the CAP. The matter listed below is not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Record Keeping Violation

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 510's 2015 records revealed the following recordkeeping violation:

Failure to Maintain Receipts Records

Local 510 did not maintain documentation in support of hourly wages used to calculate a lost time pay check (check [REDACTED]) dated August 26, 2015 payable to member [REDACTED] for \$1,241.07.

Based on your assurance that Local 510 will maintain documentation in support of hourly wages used to calculate lost time checks in form of pay stubs showing the hourly wage in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Painters Local 510 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