

**U.S. Department of Labor**

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January 7, 2008

Ms. Yvonne San Antonio, Financial Secretary-Treasurer  
United Auto Workers Local 2232  
991 Candia Road  
Manchester, NH 03109

LM File Number: 542-765  
Case Number: [REDACTED]

Dear Ms. San Antonio:

This office has recently completed an audit of United Auto Workers Local 2232 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 December 26, 2007, 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 audit disclosed recordkeeping and reporting violations.

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 2232's 20006 records revealed the following recordkeeping violation:

Local 2232 did not retain adequate documentation for reimbursed expenses incurred by union officers totaling at least \$1,303.59. For example, adequate documentation for \$476.04 on civil rights dinner attendance, \$55.72 for meeting refreshments, \$288.96 for hotel room charges, \$163.10 for plane tickets, and \$319.77 in office supplies and postage purchases was not retained by the local.

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.

Based on your assurance that Local 2232 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

#### Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-3) filed by Local 2232 for fiscal year ending December 31, 2006, was deficient in the following areas:

##### 1. Disbursements to Officers

Local 2232 did not include some reimbursements to officers totaling at least \$1,255 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 48 (Office and Administrative Expense). Also, monthly salary payments to President Victor Bota were erroneously reported in Allowances and Other Disbursements instead of under Gross Salary in Item 24 (All Officers and Disbursements to Officers).

The union must report most direct disbursements to Local 2232 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct

disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

2. Purchase of Fixed Asset

Local 2232 did not correctly report a purchase of a fixed asset, a new union office computer, totaling \$1,529.95 in Item 52 (Purchase of Investments and Fixed Assets). It appears the union erroneously reported these payments in Item 48 (Office and Administrative Expenses). All fixed assets purchased for Local 2232 must be reported in Item 52.

3. Contributions, Gifts, Grants

Local 2232 did not correctly report contributions, gifts and grants given totaling \$362 in Item 51 (Contributions, Gifts, Grants). Specifically, the local appears to have erroneously reported payments for retirement and funeral gifts for local members in Item 48 (Office and Administrative Expenses). All fixed assets purchased for Local 2232 must be reported in Item 51.

OLMS is not requiring that Local 2232 file an amended LM report for 2006 to correct the deficient items, but Local 2232 has agreed to properly report the deficient items on all future reports it files with OLMS.

Letter/Ms. Yvonne San Antonio

March 17, 2008

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I want to extend my personal appreciation to United Auto Workers Local 2232 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,

Mark Letizi  
District Director

cc: Mr. Kevin Boutin, Vice President

Mr. Victor Bota, President