

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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April 1, 2009

Mr. Edwin R. Schroeder, Financial Secretary-Treasurer
UAW Local 3000
22693 Van Horn Rd.
Woodhaven, MI 48183-3762

LM File Number 521-529
Case Number: [REDACTED]

Dear Mr. Schroeder:

This office has recently completed an audit of IAW Local 3000 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, President Thomas Spears, and Bookkeeper Constance Turner on March 31, 2009, 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 revealed the following:

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 3000's 2007 records revealed the following recordkeeping violation:

1. Lost Wages

Local 3000 did not retain adequate documentation for lost wage payments and reimbursement of refreshments to President Thomas Spears totaling \$1,079.85. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted.

2. Other Expenses

Local 3000 did not retain vouchers and supporting documentation for other expenses incurred on behalf of the union. For example, no documentation was found in the union records for check # [REDACTED], for \$132.00 to Fire King, the vendor who provides fire extinguishers to the local. Additionally, no documents were maintained in the union records for check # [REDACTED], for \$168.04 to WOW (Wide Open West) for the union's monthly cable and internet expenses.

3. Disposition of Property

Local 3000 did not maintain individual receipts from sales of tickets to Cedar Point and Flat Rock Speedway in its receipts records. Additionally, the union shredded unsold Cedar Point tickets and the records documenting the sale of Cedar Point and Flat Rock Speedway tickets. The union must enter in at least one record the date and amount received from each sale and the name of the purchaser. Records created by the union to track sales (e.g. order forms, duplicate receipts, etc.), which may be used for this purpose, must be retained. If individuals sell tickets in the field, records must be kept that identify the name of each person to whom tickets are given for sale and the date and amount of money each person turns in to the union. Such records must show that persons who sell tickets fully account for all of the tickets provided to them by returning any unsold tickets along with the money raised.

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 3000 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to all of the staff and officers of UAW Local 3000 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,



Investigator

cc: Thomas M. Spears, President