



July 19, 2010

Mr. Brian Lehman, President
RWDSU Local 875
149 Mechanic Street
Leominster, MA 01453

Case Number: [REDACTED]
LM Number: 034929

Dear Mr. Lehman:

This office has recently completed an audit of RWDSU Local 875 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 Treasurer Jeanne Levesque, New England Joint Board RWDSU/UFCW Benefits Administrator Susan Dillberg, New England Joint Board RWDSU/UFCW Benefits Administrator Anne Bosselait, and you on July 19, 2010, 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 875's 2009 records revealed the following recordkeeping violation:

Meal Expenses

Local 875 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$200. The union must maintain itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

Local 875 records of meal expenses did not always include written explanations of union business conducted or the names and titles of the persons incurring the restaurant charges. For example, a meal expense incurred by the union's executive board did not include the names and titles of the persons incurring the restaurant charges. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

Based on your assurance that Local 875 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 875 for the fiscal year ended June 30, 2009, was deficient in that:

Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 875 amended its constitution and bylaws in 1999, but did not file a copy with its LM report for that year.

Local 875 has now filed a copy of its constitution and bylaws.

I am not requiring that Local 875 file an amended LM report for 2009 to correct the deficient items, but Local 875 has agreed to properly report the deficient items on all future reports it files with OLMS.

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I want to extend my personal appreciation to RWDSU Local 875 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: Ms. Jeanne Levesque, Treasurer

Ms. Susan Dillberg, New England Joint Board Benefits Administrator

Ms. Anne Bosselait, New England Joint Board Benefits Administrator