

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
Cincinnati District Office  
Cincinnati, Ohio 45231  
(513) 684-6840 / FAX: (513) 684-6845



July 11, 2005

Vickie Reynolds, Business Manager  
Bakery, Confectionary, & Tobacco  
Local 132  
430 S. Mapleton Street  
Columbus, Indiana 47012

Re: 2

Dear Ms. Reynolds:

This office has recently completed an audit of UAW Local 132 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 May 12, 2005, 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.

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained 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, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipients of the goods or services.

The audit disclosed that Local 132 failed to maintain certain records, in violation of LMRDA Section 206. Specifically, Local 132 failed to retain the meeting minutes for the October meeting. After OLMS explained that it is important that these records are maintained you agreed to be more careful in retaining the local's records in the future. You also failed to maintain supporting documentation for lost time claims. You agreed to institute a voucher system to better document lost time. No OLMS action is necessary at this time.

The CAP also disclosed violations of LMRDA section 201(a) because Local 525U failed to file the most recent copy of its amended bylaws, which were not dated, along with the LM-3 report. You provided me with the most recent bylaws, and promised you would meet this requirement when the local's bylaws are amended in the future. The local also made an error on the LM-3 Report by answering Item 17 "yes." You are a full time paid elected union officer, you are not an employee. Therefore, Item 17 should be marked with a "no" answer. Since you agreed to report this properly on the 2005 LM-3 Report, no action is necessary at this time.

Vickie Reynolds  
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The CAP also disclosed that the payments to the officers were not in conformity with the most recently amended bylaws, which you provided to me. You explained that the past practice has been to pay the chief steward and president \$262.00 per quarter. The bylaws at Article IX, Section I state the president is entitled to \$210.00 per quarter, and the chief steward is entitled to \$120 per quarter. The bylaws at Article IX, Section II also state that mileage reimbursement is to be paid at \$.33 per mile, but the local pays \$.36 per mile. You agreed that the bylaws need to be updated in order to reflect these union policies for payment. You also agreed to take care of this immediately and file the amended bylaws with OLMS when you file your 2005 LM-3 Report.

It was suggested that a voucher system for lost time should be put into place. Although you recorded lost time on your check stubs, a voucher system would make it much easier to document lost time. I suggested you create a voucher with the date, check number, amount, number of hours lost, hourly wage, reason for lost time, a place for the member to sign the voucher, and a place for the officers to sign showing the payment is authorized. This would then need to be filled out before the officer received his or her reimbursement for lost time. I also explained that this sheet could be used to document union expenditures by members, and then attach the receipts and invoices to the voucher. Before I closed the interview you provided me with a lost time voucher you created, which you agreed to implement immediately.

I want to extend my personal appreciation for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,

7001

Investigator