

U.S. Department of Labor Office of Labor Management Standards
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Reply to the Attention of:

November 14, 2005

Ms. Patricia Austin, Financial Secretary
OPEIU Local 13
3460 Hollenberg Drive
Bridgeton, Missouri 63044

Dear Ms. Austin:

This office has recently completed an audit of OPEIU Local 13 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 November 9, 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 record keeping requirements for officers of labor unions. Section 206 requires officers to maintain records that verify, clarify, and explain all receipts and disbursements activity. These records are required to be maintained for a period of five years. As a general rule, this includes all records created or received during the normal course of union business. This also includes all historical records which are reported on the annual LM report filed with OLMS which are over the five year period such as member resolutions.

During the audit of your union, it was disclosed that Local 13 was in violation of Section 206. Local 13 failed to maintain records for credit card expenditures as well as various supporting documentation for disbursements. You agreed during the exit interview that you were going to maintain records in greater detail in the future; therefore, this matter is considered resolved during the compliance audit.

The CAP also disclosed a violation of LMRDA Section 201(a) that requires unions to submit a copy of their current constitution and bylaws with its LM report when changes or amendments are made. Local 13 amended its constitution and bylaws, but a copy was not filed with the Department of Labor, Office of Labor Management Standards. A copy of your current bylaws was supplied during the audit and no further action is required.

The audit also revealed a violation of LMRDA Section 502. Section 502 requires all union officers and employees to be bonded for at least 10% of the total funds handled during the preceding fiscal year. Local 13 is currently bonded for \$35,000; however, should be bonded for at least \$38,627. During the exit interview you stated Local 13 is currently in the process of increasing your bonding amount to \$50,000. Please provide proof of bonding coverage to this office as soon as adequate coverage has been obtained.

I want to thank you for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to contact me or any other representative of our office.

Sincerely,

Dennis L. Eckert
District Director

By

Investigator

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