

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
1222 Spruce Street, Suite 9.109E
St. Louis, Missouri 63103
(314) 539-2667 / Fax: (314) 539-2626



July 6, 2005

Mr. Roger Deardeuff, President
Boilermakers Lodge 482
515 East Airline Drive
East Alton, Illinois 62024

Dear Mr. Deardeuff:

This office has recently completed an audit of Boilermakers Lodge 482 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, John R. Roach and Jackie Judy on June 23, 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.

The CAP disclosed a violation of LMRDA Section 201(a) which requires that unions submit a copy of their current constitution and bylaws with its LM report when bylaws changes are made. Lodge 482 amended its constitution and bylaws in 2001, but a copy of the constitution and bylaws was not filed with Lodge 482's LM-3 report for that year. As a copy of the current constitution and bylaws was obtained during the audit, no further action is required regarding this violation.

The CAP disclosed a violation of LMRDA Section 201(b), because the Labor Organization Annual Report (Form LM-3) filed by Lodge 482 for the fiscal year ending June 30, 2004, failed to meet standards of acceptability.

The following deficient items were identified:

All direct disbursements to your union's officers and some indirect disbursements made by your organization on behalf of its officers must be included in the amounts reported in Item 24. Specifically, the monthly allowance paid to the union's officers and stewards is reported incorrectly in Item 24, Column D. Allowances are reportable in Column E of Item 24. In addition, meal expenses charged to the local's credit cards are reportable as an indirect disbursement on behalf of that officer in Column E of Item 24.

An amended LM-3 report will not be required to correct these deficiencies, as you have agreed to make the appropriate corrections to future LM-3 reports.

Title II of the LMRDA establishes certain reporting and record keeping 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. The following record keeping deficiencies were revealed during the audit:

1. Executive Board minutes were not properly maintained.
2. Adequate receipts for all expenses and donations were not maintained.
3. The receipt journal was not available during the audit as Secretary-Treasurer John R. Roach apparently lost or misplaced the receipt book used for the audit period.

As you agreed to make changes to your record keeping system to resolve these deficiencies, no further action on your part is required.

Also, the audit disclosed that you received a lost time payment of \$152.25 (before taxes) on August 28, 2003. A review of employer payroll records indicate that you were on paid vacation leave on that day; therefore, you would not be entitled to receive lost time for that day. It was agreed that this matter will be referred to your local Executive Board.

I want to extend my personal appreciation to you, John R. Roach, and Jackie Judy 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,

Dennis L. Eckert
District Director

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Investigator
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