

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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April 7, 2010

Mr. George Clewer, President/Treasurer
Musicians, AFL-CIO
Local Union 60-471
564 Forbes Avenue, Suite 1003
Pittsburgh, PA 15212-2903

LM File Number 019-077
Case Number: [REDACTED]

Dear Mr. Clewer:

This office has recently completed an audit of Musicians Local Union 60-471 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 and Office Manager Miriam Lesikiewicz on April 7, 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 Union 60-471's 2010 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local Union 60-471 did not retain adequate documentation for mileage expenses reimbursed to officers on three occasions. For instance, Executive Board Member Paula Tuttle received \$280.50 for personal transportation expenses associated with driving her vehicle to a conference. On the voucher, neither Tuttle nor the union identified the number of miles driven by Tuttle when determining her reimbursement amount.

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.

2. Meal Expenses

Local Union 60-471 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, on two occasions, President Clewer submitted meal receipts for reimbursement but did not provide explanation of the nature of the union business. 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.

Other Violation

The audit disclosed the following other violation:

Inadequate Bonding

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

Local Union 60-471 officers and employees are currently bonded for \$70,000, but they must be bonded for at least \$100,000. During the exit interview on April 7, 2010, Local Union 60-471 agreed to immediately obtain adequate bonding coverage for its officers and employees. Please provide proof of bonding coverage to this office as soon as possible, but not later than April 22, 2010.

I want to extend my personal appreciation to Musicians Local Union 60-471 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: Andrew Yalch, Vice President