

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
1222 Spruce Street
Room 9 109E
St. Louis, MO 63103
(314)539-2667 Fax: (314)539-2626



January 7, 2008

Ms. Ann Denniston, President
Postal Workers
Local 166
P.O. Box 255
Cedar Rapids, IA 52406

LM File Number 505-701
Case Number: [REDACTED]

Dear Ms. Denniston:

This office has recently completed an audit of Postal Workers Local 166 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 Pam Purington on December 14, 2007, 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 166's 2006 records revealed the following recordkeeping violation:

Failure to Maintain Receipts

During the audit, it was determined that Local 166 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by union officers and employees totaling at least \$600. For example, in March of 2006, \$320.19 was charged to United Air for an airline ticket. Local 166 failed to maintain a receipt for this transaction.

Based on your assurance that Local 166 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Postal Workers Local 166 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: Pam Purington