

U.S. Department of Labor

Office of Labor-Management Standards
Cincinnati District Office
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January 5, 2010

Ms. Kimberly Bales, Secretary-Treasurer
Teamsters Local 114
P.O. Box 36457
Cincinnati, OH 45236

LM File Number: 037-069
Case Number: [REDACTED]

Dear Ms. Bales:

This office has recently completed an audit of Teamsters Local 114 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 President Roger Insprucker on December 17, 2009, 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.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report Form LM-2 filed by Local 114 for its fiscal year ending December 31, 2008 was deficient in that the union did not properly report certain payments to officers.

1. Disbursements to Officers

Local 114 did not include some reimbursements to officers totaling at least \$99.68, and it did not include some payments made on behalf of officers totaling at least \$1,800, in Schedule 11 (All Officers and Disbursements to Officers) of the Form LM-2. It appears that the local erroneously reported these payments in Schedules 15 through 19.

The union must report in Column F of Schedule 11 (Disbursements for Official Business) direct disbursements to officers for reimbursement of expenses they incurred while conducting union business. In addition, the union must report in Column F of Schedule 11 indirect disbursements made to another party (such as a credit card company) for business expenses union personnel incur. However, indirect disbursements for business expenses that union personnel incur for transportation by public carrier (such as an airline) and for temporary lodging expenses while traveling on union business must be reported in Schedules 15 through 19. The union must report in Column G (Other Disbursements) of Schedule 11 any direct or indirect disbursements to union personnel for expenses not necessary for conducting union business.

I am not requiring that Local 114 file an amended LM report for 2008 to correct the deficient items, but Local 114 has agreed to properly report the deficient items on all future reports it files with OLMS.

Other Violation

1. 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 114's officers and employees were not bonded for the minimum amount required at the time of the audit. However, the union obtained adequate bonding coverage and provided evidence of this to OLMS during the audit. As a result, OLMS will take no further enforcement action regarding this issue.

I want to extend my personal appreciation to Teamsters Local 114 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter is passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

Ms. Kimberly Bales
January 5, 2010
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cc: President Roger Insprucker