

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
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May 14, 2009

Mr. Van Simpson, Financial Secretary
United Auto Workers AFL-CIO
Local 2250
1395 East Pearce Blvd.
Wentzville, MO 63385

LM File Number 515-898

Case Number: [REDACTED]

Dear Mr. Simpson:

This office has recently completed an audit of United Auto Workers Local 2250 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 Gary Style on April 3, 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.

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 2250's 2007 records revealed the following recordkeeping violations:

1. Backup Records

Local 903 failed to maintain documentation such as original bills, invoices, and receipts showing the nature of the union business requiring disbursements for the following: a \$619.49 disbursement to Kentucky Fried Chicken on March 12, 2007; disbursements for \$3,280.00, \$2,001.00, and \$5,820.00 on June 7, 2007, June 28, 2007, and August 24, 2007, respectively, to the St. Louis Cardinals; a \$2,288.00 disbursement to Mid America Coaches; and a \$4,850.00 disbursement on December 7, 2007, to Ron's Family Restaurant on December 7, 2007.

2. Lost Wages

Local 903 did not retain adequate documentation for lost wage reimbursement payments to you, Dan Howell, and Jacquiliane Stanton. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that Local 903 did not include the rate of applicable pay on most of its vouchers and many vouchers did not include the union business conducted.

Based on your assurance Local 903 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to United Auto Workers Local 2250 for the cooperation and courtesy extended during this compliance audit. I 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: Gary Style, President