

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
New York District Office  
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May 12, 2010

Mr. Craig Harrison, Secretary-Treasurer  
United Transportation Union, IND  
Local 759  
P.O. Box 04  
Vauxhall, NJ 07088

Re: Case Number: [REDACTED]

Dear Mr. Harrison:

This office has recently completed an audit of Transportation Union Local 759 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 on May 12, 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 759's 2008 records revealed the following recordkeeping violations:

1. Information not Recorded in Meeting Minutes

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During the audit, Mr. Deleon advised OLMS that the membership authorized check disbursements to [REDACTED] (check # [REDACTED] for \$500) and Calvin Studivant (check # [REDACTED] for \$500) at the April and December 2008 membership meeting, respectively. Additionally, the executive board authorized debit card transactions for the purchase of a television in the Drivers' room in November 2008, union office equipment such as laser printer and label maker in March 2008, and postage stamps used to mail election material to members during last regularly scheduled officer election held in December 2008. Section 5 of Local 759's By-Laws requires that disbursements shall be approved by the local before disbursement is made. However, Local 759 failed to maintain any minutes of meetings held in 2008. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

2. Failure to enter check disbursements in union records

The audit showed that the union did not enter information in union's records regarding two checks totaling \$240 (check # [REDACTED] for \$89.94 and # [REDACTED] for \$150) which cleared union's checking account.

Based on your assurance that Local 759 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Currently, Local 759 is delinquent for fiscal years ending December 31, 2008 and December 31, 2009. During our meeting, you advised that UTU's International Auditor Robert Brantley plans to review union's financial records for delinquent years to assist in preparing LM-3 reports for submission to the New York District Office by June 4, 2010.

I want to extend my personal appreciation to Transportation Union Local 759 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,

[REDACTED]

Investigator

cc: David Deleon, President