



March 15, 2013

Mr. Richard C. Bartela Jr., Secretary-Treasurer
Locomotive Engineers Division 382
567 Erie Street
Lancaster, NY 14086-9506

Case Number: 120-09266 [REDACTED]
LM Number: 047601

Dear Mr. Bartela:

This office has recently completed an audit of Locomotive Engineers 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 David W. Stutz on March 30, 2013, 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 Division 382's 2012 records revealed the following recordkeeping violations:

General Union Records

Division 382 did not retain adequate documentation for a disbursement. Specifically, a check for \$200 was paid for two grocery store gift cards for two sick members; however, union records note that the receipt was lost. Division 382 also did not maintain a remittance record accompanying a dues check in the amount of \$376, although the funds were properly deposited to the union's account.

As noted above, labor organizations must retain original receipts, bills, and vouchers for all receipts and 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.

Based on your assurance that Division 382 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 Locomotive Engineers Division 382 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: Mr. David W. Stutz, President