

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Boston District Office
Room E-365
JFK Federal Building
Boston, MA 02203
(617)624-6690 Fax: (617)624-6606



September 5, 2006

Mr. David Laughton, Secretary-Treasurer
Teamsters AFL-CIO
Local 633
PO Box 870
53 Goffstown Road, Suite A
Manchester, NH, 03105

Re: Case Number: ██████████

Dear Mr. Laughton:

This office has recently completed an audit of Teamsters Local 633 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 August 24, 2006, 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.

The CAP for the fiscal year ended 12/31/2005 disclosed the following:

- When items are disposed of by other than a sale, please report yes to question 15 and report the requested details in item 69, additional information summary.
- Taxes assessed on the local, such as real estate and its portion of social security and FICA, are reported on item 65 of Statement B. Since these taxes have their own line item on the LM-2, they should not be itemized even when their payment exceeds \$4999.
- Your Verizon Wireless charges were reported as a representational expense. Unless phone bills can be ascribed to a particular purpose, mission, or organizational department with a well-defined responsibility, they are to be considered general overhead. The general overhead category is applied to costs that are associated with multiple functions, i.e. representational, political, charitable, and administrative.

Mr. David Laughton
September 5, 2006
Page 2 of 2

It is my understanding that the union has for some thirty years paid the social security and FICA taxes of its officers. However, there is no documentation showing when and how this practice began. I suggest that this compensation be reviewed. If the local wishes to retain the practice, reaffirm it by a vote of the general membership and executive board, the minutes of which should be retained for as long as the practice continues.

I also recommend that whenever officers and employees travel to distant conventions, meetings and training seminars, the local retain a convention call or a registration form that establishes the purpose and duration of the trip. This documentation may be centrally kept in a folder covering a single fiscal year.

I want to extend my personal appreciation to Teamsters Local 633 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,

A thick, dark horizontal line used to redact the signature of the investigator.

Investigator