

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Boston District Office
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June 22, 2006

Mr. Richard Raymond, Business Manager
IBEW AFL_CIO
Local 486
70 Webster Street
Worcester, MA 01603

Re: _____

Dear Mr. Raymond:

This office has recently completed an audit of IBEW Local 486 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 Lepoer on June 2, 2006, the following problem was disclosed during the CAP. The matter listed below is not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

The CAP disclosed that union officers failed to maintain adequate documentation for expenses charged to union credit cards. Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least 5 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, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, 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 note can be written on it providing the additional information. An exception may be made only in those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.

Mr. Richard Raymond
June 22, 2006
Page 2 of 2

The audit of Local 486's 12/31/2004 records revealed the following recordkeeping violations: failure to maintain invoices for charges to the local's American Express credit card. Although the credit card statements were maintained, all hotel bills, restaurant slips, and gasoline slips were not maintained. The date, amount, and business purpose of every expense must be recorded on at least one union record. In addition, the names of individuals present for meal expenses must be recorded.

As agreed, provided that Local 486 maintain adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding this violation.

I want to extend my personal appreciation to IBEW Local 486 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