

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
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July 6, 2005

James Thompson, Secretary-Treasurer  
United Transportation Union  
LU 1221  
920 Delaney Circle, APT 106  
Brandon, Florida 33511

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Dear Mr. Thompson:

This office has recently completed an audit of United Transportation Union Local 1221 (UTU) 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 President William Triner and Secretary-Treasurer James Thompson on June 30, 2005, 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.

Title II of the LMRDA establishes certain reporting and record keeping requirements. Section 206 requires, among other things, that adequate records be maintained 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, 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 recipients of the goods or services.

The following record keeping violations were revealed during the audit of Local 1221, 2003 records:

1. February 2003, \$37.00 in phone charges was billed to the union. The union issued a check to reimburse the member for the authorized expense. However, the check did not have an attached supporting document for the expense. The investigator explained that the union has to retain all original supporting documents when issuing a disbursement check. Thompson informed the investigator that he had already notified the membership of this requirement. Thompson explained, if the member is seeking reimbursement from the union on an authorized expense, the member must submit an original document to receive a reimbursement for the expense, i.e. cell phone bill.
2. April 2003, \$187.88 in phone charges was billed to the union. The union issued a check to reimburse the member for the authorized expense. However, the check did not have an attached supporting document for the expense. The investigator explained that the union has to retain all

- original supporting documents when issuing a disbursement check. Thompson informed the investigator that he had already notified the membership of this requirement. Thompson explained, if the member is seeking reimbursement from the union on an authorized expense, the member must submit an original document to receive a reimbursement for the expense, i.e. cell phone bill.
3. August 2003, \$204.83 in phone charges was billed to the union. The union issued a check to reimburse the member for the authorized expense. However, the check did not have an attached supporting document for the expense. The investigator explained that the union has to retain all original supporting documents when issuing a disbursement check. Thompson informed the investigator that he had already notified the membership of this requirement. Thompson explained, if the member is seeking reimbursement from the union on an authorized expense, the member must submit an original document to receive a reimbursement for the expense, i.e. cell phone bill.
  4. September 2003, \$211.61 in phone charges was billed to the union. The union issued a check to reimburse the member for the authorized expense. However, the check did not have an attached supporting document for the expense. The investigator explained that the union has to retain all original supporting documents when issuing a disbursement check. Thompson informed the investigator that he had already notified the membership of this requirement. Thompson explained, if the member is seeking reimbursement from the union on an authorized expense, the member must submit an original document to receive a reimbursement for the expense, i.e. cell phone bill.
  5. December 2003, \$66.95 in phone charges was billed to the union. The union issued a check to reimburse the member for the authorized expense. However, the check did not have an attached supporting document for the expense. The investigator explained that the union has to retain all original supporting documents when issuing a disbursement check. Thompson informed the investigator that he had already notified the membership of this requirement. Thompson explained, if the member is seeking reimbursement from the union on an authorized expense, the member must submit an original document to receive a reimbursement for the expense, i.e. cell phone bill.

The investigator informed Thompson that the office is available to provide guidance regarding the requirements of the law, as they would pertain to any policies the union might adopt. The investigator told Thompson that if written guidelines are adopted in the near future, a copy provided to the investigators office would be appreciated. As agreed, provided that Local 1221 maintains adequate documentation for its disbursements in the future, no additional enforcement action will be taken regarding this violation.

The investigator strongly recommend that Thompson make sure that this letter, the compliance assistance materials, and suggestions that were provided be passed on at whatever time Thompson may leave office.

The investigator extended appreciation for Thompson's and the entire staff's cooperation and courtesy during this compliance audit. The investigator, in closing, told Thompson to call the office if the Department of Labor could be of any further help.

Sincerely,

  
HCC

cc:

President William Triner