

U.S. Department of Labor

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December 1, 2008

Mr. Robert Winters, Treasurer
Letter Carriers Natl Asn, AFL-CIO
Branch 359
R. R. 2, Box 36
Lesage, WV 25537

LM File Number 080-834

Case Number: [REDACTED]

Dear Mr. Winters:

This office has recently completed an audit of Letter Carriers Branch 359 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 Homer Christian and you on November 20, 2008, 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 Branch 359's 2007 records revealed the following recordkeeping violations:

1. Information not Recorded in Meeting Minutes

During the audit, Mr. Winters advised OLMS that the minutes for the Executive Board meetings were not recorded. Article 6, Section 3 of the National Association of Letter Carriers Mountaineer Branch 359 By-laws requires that the "Recording Secretary shall keep a correct record of the proceedings of the Branch in a file to be kept for that purpose." However, Branch 359 maintained no minutes of the Executive Board meetings. Minutes of all membership or executive board meetings should report any disbursement authorizations made at those meetings.

2. General Reimbursed Expenses

Branch 359 did not retain adequate documentation for the following expenses incurred totaling at least \$850.00: Lamar Advertising for ten billboards for the NALC food drive; Don Hager for a Christmas donation to needy families; and Dwight Smith for a clown at the Branch 359 picnic.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all 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 Branch 359 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Branch 359 amended its constitution and bylaws

in 1999, but did not file a copy with its LM report for that year. Branch 359 has now filed a copy of its bylaws.

Other Violations

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

The audit revealed that Branch 359's president was not bonded yet was a signatory on the union's accounts. However, the union had the title of president added to the bonding coverage and provided evidence of this to OLMS during the audit. As a result, OLMS will take no further enforcement action regarding this issue.

I want to extend my personal appreciation to Letter Carriers Branch 359 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: Homer Christian, President