



July 13, 2015

Mr. John Hawkins, President
Transportation Union Ind, Local 1291
[REDACTED]

Case Number: 410-6003478([REDACTED])
LM Number: 011622

Dear Mr. Hawkins:

This office has recently completed an audit of Transportation Union Ind Local 622 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 Secretary Treasurer Dennis Latty on May 14, 2014, 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 Local 1291's 2014 records revealed the following recordkeeping violations:

1. Information not Recorded in Meeting Minutes

During the audit President John Hawkins advised OLMS that the membership authorized a one-time funeral payment to the Simpkins family in the amount of \$500.00 on October 15, 2014. This expense is not listed as an authorized payment in the local's bylaws. Article 48 of the International Constitution and By Laws (Local Funds) advises the local shall be authorized to pay such expenses if the membership approves. The minutes of the meetings

do not contain any reference to this issue. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

2. General Reimbursed Expenses

Local 1291 did not retain adequate documentation for reimbursed expenses incurred by union officers and employees totaling at least \$1,070.20. For example, a hotel lodging receipt at the Flamingo Las Vegas in the amount of \$270.00 for the period August 10-16, 2014 for Trustee David Jenkins was not retained in the union files. Additionally, an airline receipt for Southwest Airlines in the amount of \$530.20 on August 10, 2014, for travel to Las Vegas, NV, for President John Hawkins was not retained in the union files.

As 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 Local 1291 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

The audit disclosed the following reporting violation:

Failure to File Bylaws

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. Local 1291 amended its constitution and bylaws in 2012, but did not file a copy with its LM report for that year or any year since.

Local 1291 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Transportation Union Local 1291 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. Brandon Billingsley, Secretary Treasurer