



September 30, 2022

[REDACTED], President  
Letter Carriers, Natl Asn, AFL-CIO Branch 6070  
[REDACTED]

Case Number: 410-6023684 [REDACTED]  
LM Number: 081666

Dear [REDACTED]:

This office has recently completed an audit of Letter Carriers, Natl Asn, AFL-CIO Branch 6070 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 Treasurer Ahmad Mapp on September 26, 2022, 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 6070's 2021 records revealed the following recordkeeping violations:

#### 1. General Reimbursed and Credit Card Expenses

Branch 6070 did not retain adequate documentation for reimbursed expenses incurred by union officers totaling at least \$2,408.14. For example, on April 28, 2020, a check was written in the amount of \$500 for a union meeting. There are no receipts,

vouchers, or any other documentation to support the transaction. Executive board and general membership meeting minutes were not maintained, thus there was no authorization given for the disbursement.

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.

## 2. Meal Expenses

Branch 6070 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$3,776.07. The union must maintain itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

Branch 6070 records of meal expenses did not always include written explanations of union business conducted or the names and titles of the persons incurring the restaurant charges. For example, on September 2, 2020, there was a receipt for Longhorn Steakhouse that totaled \$403.47 that did not have any written explanation. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

## 3. Information not Recorded in Meeting Minutes

During the audit, you advised OLMS that the membership authorizes all expenses at the monthly membership meetings. However, Branch 6070 did not maintain any minutes to verify that expenses were discussed, voted on, and approved by the membership. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

## 4. Lack of Salary Authorization

Branch 6070 did not maintain records to verify that the salaries reported in Item 24 (All Officer and Disbursements to Officers) of the LM-3 was the authorized amount and therefore was correctly reported. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

Based on your assurance that Local 6070 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(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The

Labor Organization Annual Report (Form LM-3) filed by Branch 6070 for the fiscal year ended February 28, 2021, was deficient in the following areas:

1. Disbursements to Officers (LM-3)

Branch 6070 did not include some reimbursements to officers totaling at least \$2,708.84 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Items 48 and 51. The following are examples of payments not properly reported in Item 24.

Check number [REDACTED] written on March 17, 2020, for \$548.70 to Curtis Williams for food drive bags was not listed in Item 24.

Check number [REDACTED] written on June 19, 2020, for \$300.00 to Dashawn Johnson for breakfast was not listed in Item 24.

Check number [REDACTED] written on February 29, 2020, for \$300.00 to Dashawn Johnson for union catering was not listed in Item 24.

Check number [REDACTED] written on October 16, 2020, for \$40.00 to Curtis Williams for union meeting reimbursement was not included in Item 24.

The union must report most direct disbursements to Branch 6070 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

Branch 6070 must file an amended Form LM-3 for the fiscal year ended February 28, 2021, to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at [www.olms.dol.gov](http://www.olms.dol.gov). The amended Form LM-3 must be filed no later than September 28, 2021. Before filing, review the report thoroughly to be sure it is complete and accurate.

I want to extend my personal appreciation to Letter Carriers, Natl Asn, AFL-CIO Branch 6070 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,

[REDACTED]

Investigator

cc: Mr. Ahmad Mapp, Treasurer