



November 30, 2022

Mr. Randy Hadley, President
Retail Wholesale, DC, UFCW, JC 932
1901 10th Ave S
Birmingham, AL 35205

Case Number: 410-6020091()
LM Number: 038582

Dear Mr. Hadley:

This office has recently completed an audit of Retail Wholesale, DC, UFCW, JC 932 (RWDSU JC 932) 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, Secretary Treasurer Allen Gregory, Business Representative Michael Foster, and Office Manager Shelley Caver on November 29, 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 RWDSU JC 932's 2021 records revealed the following recordkeeping violations:

1. General Expenses

RWDSU JC 932 did not retain adequate documentation for general expenses incurred totaling at least \$200.00. For example, check number [REDACTED] dated January 5, 2021, in the amount of \$200.00, payable to Jose Aguilar did not have any supporting documentation such as an invoice or receipt. The union advised it was reimbursement for union meeting space rental but could not provide any additional details.

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. Meeting Minutes

During the audit, President Hadley advised OLMS that the membership authorized the sale of three separate union vehicles during the January, March, and July 2021 membership meetings but the minutes do not reflect such approval. Additionally, Hadley advised the Executive Board members received a onetime Christmas bonus of \$250.00 each on November 15, 2021 however the membership approval was not documented in the meeting minutes. Article VIII of the bylaws requires that the membership must approve such transactions. However, the minutes of the meeting do not contain any reference to these issues. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

3. Disposition of Property

RWDSU JC 932 maintained an inventory of hats, jackets, and other property it purchased, sold, or gave away however the inventory for long sleeve T-Shirts did not match the inventory on hand. Specifically, the union reported 204 long sleeve RWDSU T-Shirts in its inventory however only 38 were located in the union offices and storage facilities. The union records did not reflect the shirts had been given away.

The union must report the value of any union property on hand at the beginning and end of each year in Item 28 of the LM-2. The union must retain an inventory or similar record of property on hand to verify, clarify, and explain the information that must be reported in Item 28. The union must record in at least one record the date and amount received from each sale of union hats, jackets, and other items.

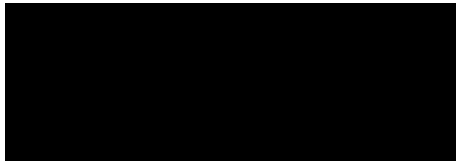
In addition, in the case of items given away to members, the union must retain records that identify the date the items were given away and the recipients of those items.

Based on your assurance that RWDSU JC 932 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to RWDSU JC 932 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,



Senior Investigator

cc: Mr. Allen Gregory, Secretary Treasurer