



September 20, 2022

Mr. [REDACTED], International Representative
Auto Workers AFL-CIO, Region 8
151 Maddox-Simpson Parkway
Lebanon, TN 37090-5345

Case Number: 410-6022804([REDACTED])
LM Number: 066986

Dear Mr. [REDACTED]:

This office has recently completed an audit of Auto Workers AFL-CIO, Local 1617 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 on August 13, 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 Local 1617's 2020 records revealed the following recordkeeping violations:

1. Meal Expenses

Local 1617 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$100. 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.

2. Lost Wages

Local 1617 did not retain adequate documentation for lost wage reimbursement payments to Financial Secretary Dean Roach totaling at least \$300. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that Local 1617 failed to require Roach to identify the union business or a specific purpose for which he incurred lost time. For example, Roach routinely wrote “doing the books” for at least eight hours each week.

Local 1617 terminated following the closure of the plant employing its membership. OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to United Autoworkers 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