



June 15, 2023

Zachary Smith, Financial Secretary Treasurer  
Transportation Communications Union TCU/IAM AFL-  
CIO Local 6354  
161 Grand Oaks Way  
Stockbridge, GA 30281

Case Number: 410-6023740( )  
LM Number: 002753

Dear Zachary Smith:

This office has recently completed an audit of Transportation Communications Union TCU/IAM AFL-CIO Local 6354 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 on June 15, 2023, 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 6354's 2021 records revealed the following recordkeeping violations:

1. Meal Expenses

Local 6354 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 January 11, 2021, a check was written to Zachary Smith in the amount of \$77.02 for a meal reimbursement. The receipt for a meal at Golden Corral is attached, however, no names or titles of those present nor the type of union business conducted is noted on the receipt or attached documentation.

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.

## 2. Lost Wages

Local 6354 did not retain adequate documentation for lost wage reimbursement payments totaling at least \$1,528.73. 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 6354, officers did not identify on the lost wages vouchers what union business was conducted.

During the exit interview, I provided a compliance tip sheet, *Union Lost Time Payments*, that contained a sample of an expense voucher Local 6354 may use to satisfy this requirement. The sample identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

## 3. Information not Recorded in Meeting Minutes

During the audit, Mr. Smith advised OLMS that the membership authorized salary payments during a membership meeting. However, Local 6354 maintained no minutes of that meeting to validate that authorization. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

## 4. Lack of Salary Authorization

Local 6354 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 6354 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

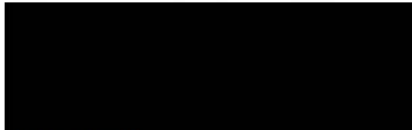
Reporting Violations

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. While the local does not maintain its own local bylaws, any bylaws that are being used by the local should be on file with OLMS. Local 6354 has agreed to file a copy of its current constitution and bylaws with the next LM report.

I am not requiring that Local 6354 file an amended LM report for 2021 to correct the deficient items, but Local 6354 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to Transportation Communications Union TCU/IAM AFL-CIO Local 6354 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,

A solid black rectangular box redacting the signature of the investigator.

Investigator