

U.S. Department of Labor

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November 1, 2023

Mr. George Jackson, Secretary Treasurer
Postal Workers, American, Local 1488
Kyowva Area
P.O. Box 656
Barboursville, WV 25504

Case Number: 140-6026334()
LM Number: 092544

Dear Mr. Jackson:

This office has recently completed an audit of American Postal Workers Local 1488 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Civil Service Reform Act of 1978 (CSRA), 5 U.S.C. 7120, and the Department's regulations, 29 CFR 458. As discussed during the exit interview with you on October 17, 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.

Reporting Violation

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 Local 1488 for the fiscal year ended December 30, 2022, was deficient in the following area:

Disbursements to Officers

Local 1488 did not include some reimbursements to officers totaling at least \$1,140.00 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 48, Office and Administrative Expense.

The union must report most direct disbursements to Local 1488 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).

I am not requiring that Local 1488 file an amended LM report for 2022 to correct the deficient items, but Local 1488 has agreed to properly report the deficient items on all future reports it files with OLMS.

Other Issue

Signing Blank Checks

During the audit, you advised that you occasionally sign blank checks. During the opening interview with OLMS, you reported the union requires two signatures on union checks. The two signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, signing a blank check in advance does not attest to the authenticity of a completed check, and negates the purpose of the two signature requirement. OLMS recommends that Local 1488 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to American Postal Workers Local 1488 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. David Dunkle, President