



February 22, 2024

Debora Battle, Secretary-Treasurer
Postal Workers (APWU) Oregon State Association (SA)
2360 SE Morrison Street
Portland, OR 97214

Case Number: 530-6026219()
LM Number: 507407

Dear Debora Battle:

This office has recently completed an audit of APWU Oregon SA 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 February 13, 2024, 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 Violation

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 APWU Oregon SA's 2022 records revealed the following recordkeeping violation:

Disposition of Property

The APWU Oregon SA did not maintain an inventory of shirts, bags and other property it purchased, sold, or gave away. The union must report the value of any union property on hand at the beginning and end of each year in Item 30 (Other Assets) of the LM-3. 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 30. The union must record in at least one record the date and amount received from each sale of union shirts, bags, 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 the APWU Oregon SA will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

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 the APWU Oregon SA for the fiscal year ended December 31, 2022 was deficient in that:

1. Cash Reconciliation

It appears that the cash figures reported in Item 25 (Cash) are not the figures according to the APWU Oregon SA's books after reconciliation to the bank statements. The instructions for Item 25 state that the union should obtain account balances from its books as reconciled to the balances shown on bank statements.

2. Receipts

It appears that the receipt amounts recorded in Items 38 through 43 are not the correct amounts according to the APWU Oregon SA's books and bank statements. The instructions for Items 38 through 43 state that receipts must be recorded when money is actually received by the labor organization.

3. Disbursements

It appears that the disbursement amounts recorded in Items 45 through 55 are not the correct amounts according to the APWU Oregon SA's books and bank statements. The instructions for Items 45 through 54 state that disbursements must be recorded when money is actually paid out by the labor organization.

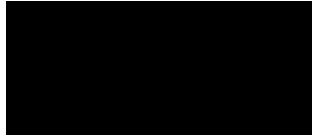
4. Failure to File Bylaws

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. APWU Oregon SA amended its constitution and bylaws in 2021, but did not file a copy with its LM report for that year.

APWU Oregon SA has now filed a copy of its constitution and bylaws. The APWU Oregon SA filed an amended LM report for 2022 correcting the deficient items.

I want to extend my personal appreciation to APWU OR SA 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: Bill Martin, President