



December 4, 2013

Mr. Barry Abbott, General Chairman
Transportation Union GCA 721
30 S. Wacker Drive, Suite 1710
Chicago, IL 60606-7593

Case Number: 310-3123571 ()
LM Number: 543875

Dear Mr. Abbott:

This office has recently completed an audit of Transportation Union GCA 721 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 December 4, 2013, 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 GCA 721's 2012 records revealed the following recordkeeping violation:

Lost Wages

GCA 721 did not retain adequate documentation for lost wage reimbursement payments to officers totaling at least \$2,200. Records must be maintained 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 audit found that in most instances, GCA 721 maintained vouchers and quarterly reports identifying the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. However, on some lost wage claims, officers failed to include the date the lost wages were incurred. During the exit interview, I provided the compliance tip, *Union Lost Time Payments*, which identifies the type of information and documentation that the local must maintain for lost wages.

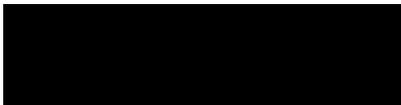
Based on your assurance that GCA 721 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

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 constitution or bylaw changes are made. GCA 721 amended its constitution and bylaws in 2011, but a copy was not filed with its LM report for that year. A copy of GCA 721's constitution and bylaws has now been filed with OLMS.

I want to extend my personal appreciation to UTU GCA 721 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,

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Investigator