



August 11, 2010

Mr. Edward Wethington, Treasurer  
Letter Carriers, NATL ASN, AFL-CIO  
Branch 4268  
P.O. Box 284  
Palatine, IL 60078-0284

Case Number: [REDACTED]  
LM Number: 084-008

Dear Mr. Wethington:

This office has recently completed an audit of Letter Carriers Branch 4268 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, President Carl Oefelein, Vice-President Jim Trickey, Recording Secretary Mario Flores, and Trustee Donald Wilke on August 4, 2010, the following problem was disclosed during the CAP. The matter listed below is 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 Branch 4268's records for fiscal year ending December 31, 2009 revealed the following recordkeeping violation:

#### General Expenses

Branch 4268 did not retain adequate documentation for expenses totaling at least \$560. Specifically, Branch 4268 failed to maintain the invoice documenting the purchase of calendars from Richdon INC.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The presidents and treasurer (or corresponding principle officers) of your union, who are required to sign under your union's LM report, are responsible for properly maintaining union records.

Based on your assurance that Branch 4268 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

#### Other Issue

#### Lost Time / Salary Vouchers

The audit of Branch 4268's records revealed that the vouchers used to support lost time / salary reimbursements did not require the requesting officer to detail the specific hours during which union business was conducted. The lack of this requirement may have resulted in an officer erroneously receiving duplicate salary reimbursements for the same 1¼ hours spent working on union business. While the audit indicated that the officer promptly reimbursed the Branch once he was advised of the error, I suggested that Branch 4268 revise its vouchers to require the specific hours be included as the additional information may prevent similar errors from occurring in the future.

I want to extend my personal appreciation to Letter Carriers Branch 4268 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. Carl Oefelein, President