



September 1, 2015

Mr. Garry Frost, Treasurer
Alabama Pipe Trades Association
3803 West Meighan Blvd
Gadsden, AL 35904

Case Number: 410-6003479()
LM Number: 541610

Dear Mr. Frost:

This office has recently completed an audit of Alabama Pipe Trades Association 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 and President Keith Huntley on August 27, 2015, 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 Alabama Pipe Trades 2014 records revealed the following recordkeeping violation:

General Reimbursed and Credit Card Expenses

Alabama Pipe Trades did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by union officers and employees totaling at least \$148.63. For example, a credit card purchase receipt at Walmart in Northport, AL in the amount of \$148.63 on March 23, 2014 was not retained in the union files.

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

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

Reporting Violation

The audit disclosed the following reporting violation:

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. Alabama Pipe Trades amended its constitution and bylaws in 1971, but did not file a copy with its LM report for that year or any year since.

Alabama Pipe Trades has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Alabama Pipe Trades 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. Keith Huntley, President