



August 24, 2018

Mr. Robert Roe, Financial Secretary
Sheet Metal, Air, Rail and Transportation Workers
(SMART) Local 1337
42204 Yokum Road
Ponchatoula, LA 70454

Case Number: 420-6014329 [REDACTED]
LM Number: 047560

Dear Mr. Roe:

This office has recently completed an audit of Sheet Metal, Air, Rail and Transportation Workers (SMART) Local 1337 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 on August 24, 2018, with yourself and President Burnell Price, 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.

Record Keeping 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 Local 1337's 2017 records revealed the following recordkeeping violations:

1. Lost Wages

Local 1337 did not retain adequate documentation for lost wage reimbursement payments to union officers totaling \$5,871.05. The union must maintain records 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 OLMS audit found that Local 1337 officers did not always identify on the voucher the union business conducted, in addition to, failing to include timesheets from the employer, Union Pacific (UP).

During the exit interview, I provided a compliance tip sheet, Union Lost Time Payments, which contained a sample of an expense voucher Local 1337 may use to satisfy this requirement. The sample identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

Based on your assurance that Local 1337 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

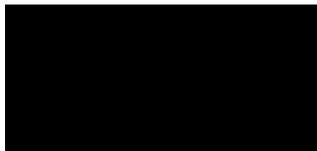
Failure to File Bylaws

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. Local 1337 amended its constitution and bylaws in 2012, but did not file a copy with its LM report for that year.

Local 1337 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Sheet Metal, Air, Rail and Transportation Workers (SMART) Local 1337 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. Burnell Price, President