



September 29, 2020

Mr. Joseph Booher, Business Manager
Plumbers AFL-CIO Local 102
1216 Broadway NE
Knoxville, TN 37917

Case Number: 410-6017450
LM Number: 012-950

Dear Mr. Booher:

This office has recently completed an audit of Plumbers AFL-CIO Local 102 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, Attorney Jimmy Rodgers, and Certified Public Accountant Jeff Gowin, on September 24, 2020, 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.

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-2 filed by Local 102 for the fiscal year ended June 30, 2019, was deficient in the following areas:

1. Disbursements to Officers

Local 102 did not report the names of some officers and the total amounts of payments to them or on their behalf in Item 24 (All Officers and Disbursements to Officers). The union must report in Item 24 all persons who held office during the year, regardless of whether they received any payments from the union.

2. 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 102 amended its constitution and bylaws in 2017, but did not file a copy with its LM report for that year. Local 102 has now filed a copy of its constitution and bylaws.

I am not requiring that Local 102 file an amended LM report for 2019 to correct the deficient items, but Local 102 has agreed to properly report the deficient items on all future reports it files with OLMS.

Other Issue

Book Records

Local 102 did not maintain a book record of its promotional checking account and its certificate of deposit. The LMRDA does not prescribe any recordkeeping system for labor organizations to utilize. It is suggested that the union maintains a book record of its banking account. The instructions for Form LM-2 (Labor Organization Annual Report) requires that the checking account balances entered on the report should be obtained from the labor organization's books as reconciled with the balances shown on bank statements.

I want to extend my personal appreciation to Plumbers AFL-CIO Local 102 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,

A large black rectangular redaction box covering the signature of the investigator.

Investigator

cc: Mr. Jimmy Rodgers, Attorney
Mr. Jeff Gowin, Certified Public Accountant