



July 14, 2021

Mr. Samuel Carrington, Treasurer
American Postal Workers Union
LU 8004
PO Box 224666
Dallas, TX 75224

Case Number: 420-6021073()
LM Number: 542949

Dear Mr. Carrington:

This office has recently completed an audit of American Postal Workers Union (APWU) LU 8004 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 Vice President Michael Robinson on June 3, 2021, 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 APWU LU 8004's 2020 records revealed the following recordkeeping violation:

General Reimbursed Expenses

APWU LU 8004 did not retain adequate documentation for reimbursed expenses incurred by Union Representative Antonio Salazar totaling at least \$329.03.

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 APWU LU 8004 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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 LM-3 filed by APWU LU 8004 for the fiscal year ended December 31, 2020, was deficient in the following areas:

1. Disbursements to Officers

APWU LU 8004 did not include some reimbursements to Union Representative Antonio Salazar and Vice President Michael Robinson totaling at least \$630.09 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 54 (Other Disbursements).

The union also did not include salary disbursements to President Morris Castleman, Treasurer Samuel Carrington, Vice President Michael Robinson, and Union Representative Antonio Salazar totaling at least \$7,875.00 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 54 (Other Disbursements).

The union must report most direct disbursements to APWU LU 8004 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

2. Office and Administrative Expenses Improperly Reported

Disbursements totaling at least \$1,736.38 for general office expenses were reported on Item 56 (Other Disbursements). For example, office expenses such as disbursements to

Staples, USPS, and Dallas Hour Cards should be reported on Item 48 (Office and Administrative Expenses).

APWU LU 8004 has now filed an amended Form LM-3 for the fiscal year ended December 31, 2020.

I want to extend my personal appreciation to APWU LU 8004 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 solid black rectangular redaction box covering the signature of the investigator.

Investigator

cc: Mr. Morris Castleman, President
Mr. Michael Robinson, Vice President
Mr. Antonio Salazar, Representative