

U.S. Department of Labor

Office of Labor-Management Standards
Birmingham Resident Investigator Office
Medical Forum Building
950 22nd Street North, Suite 601
Birmingham, AL 35203
(205) 731-0239 Fax: (205) 731-0305



September 30, 2021

Mr. Brent Hamilton, General Chairman
SMART GCA GO 347
3320 Stoneridge Drive
Mountain Brook, AL 35223

Case Number: 410-6021989()
LM Number: 541039

Dear Mr. Hamilton:

This office has recently completed an audit of SMART GCA GO 347 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 on September 30, 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 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 SMART GCA 347 2020 records revealed the following recordkeeping violations:

1. Lost Wages

GCA GO 347 did not retain adequate documentation for lost wage reimbursement payments to former General Chairman Willie Thomas totaling at least five different instances during the audit period of January 1, 2020 and December 31, 2020. 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 CAP found that GCA GO 347 did maintain vouchers and supporting documentation for all expenditures of union funds.

GCA 347 Bylaws, Article 4, Section 3 dated May 2, 2019 states that committee members may be compensated at a flat daily rate of \$305.22 (committee day). The article provides for the automatic raising of this daily rate with no additional authorization from the GCA membership or executive board. What the article does not explain is when a committee day is appropriate and when actual reimbursement for lost wages is appropriate.

The audit found no abuse of either lost time or committee days. In-fact, during his tenure, current General Chairman Hamilton has waived reimbursement for either the flat rate committee day or lost time on multiple occasions.

Based on your assurance that GCA 347 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

1. 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. GCA 347 amended its constitution and bylaws on May 2, 2019, but did not file a copy with its LM-3 report for that year.

GCA 347 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to SMART GCA GO 347 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,

[REDACTED]

Investigator

cc: [REDACTED] Accounting Supervisor, Smart Transportation Division