U.S. Department of Labor

Office of Labor-Management Standards
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September 1, 2026

Nick Daniels, President
Air Traffic Controllers NATCA NHQ
1325 Massachusetts Avenue NW
Washington, DC 20005

Case Number: 073-6031762([redacted])
LM Number: 000380

Dear President Daniels:

This office has recently completed an audit of National Air Traffic Controllers Association (NATCA) under the International Compliance Audit Program (I-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 Executive Vice President Christopher Devine, Comptroller Preet Virk, Deputy Comptroller Bill Bamford, General Counsel Rita Graf, and Certified Public Accountant Mark Buckberg on August 26, 2026, the following problems were disclosed during the I-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 (unless electronically maintained) 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 NATCA's 2024 records revealed the following recordkeeping violations:

1. Reimbursed and Credit Card Expenses

   NATCA did not retain adequate documentation for some reimbursed and credit card expenses incurred by union officers and employees. For example, Vice President Joel

Ortiz used his union credit card for a purchase at Stater (a supermarket chain) in the amount of $379.12. Mr. Ortiz maintained an itemized receipt. However, the itemized receipt, as scanned into the expense tracking software, is blurry and illegible. The scan does not clearly show the items that were purchased or the total dollar amount of the purchase.

As noted above, labor organizations must retain original (unless electronically maintained) receipts, bills, and vouchers for all disbursements as well as documentation showing the nature of the union business requiring the disbursement. In the case of electronically maintained records, the union must ensure that the records are legible and accessible. 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.

2. Meal Expenses

NATCA records of meal expenses did not always include the names and titles of the persons incurring the restaurant charges, totaling at least $4,500. NATCA retained the credit card statements or hotel folios and itemized meal receipts, but in some instances failed to include the names and titles of those incurring the meal expenses. For example, on September 16, 2023, union officers and/or employees spent $2,503.42 at Staton Social Prime and charged it to the union's hotel account (which was paid in January 2024). No union records identified the names or titles of those who incurred the restaurant charges. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

Based on your assurance that NATCA 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 (Form LM-2) filed by NATCA for the fiscal year ended December 31, 2024, was deficient in the following areas:

1. Purchase of Investments and Fixed Assets

NATCA did not properly complete Schedule 4 (Purchase of Investments and Fixed Assets). Schedule 4 shows that NATCA purchased "fixed assets" totaling $793,176. However, "fixed assets" is not sufficiently descriptive. To complete Column A (Description) of Schedule 4, the union must enter for each item a general description of the type of investment or fixed asset purchased, such as U.S. Treasury securities, stocks, bonds, land, automobiles, etc.

2. Per Capita Tax Receipts and On Behalf of Affiliates for Transmittal to Them

   NATCA did not properly report per capita tax receipts in Item 37 (Per Capita Tax) and receipts received on behalf of affiliates in Item 46 (On Behalf of Affiliates for Transmittal to Them). NATCA receives dues on behalf of most of its affiliated labor organizations through a checkoff arrangement with its employers. NATCA remits quarterly payments to local unions as “dues rebates” for their portion of the dues collected. It appears the union erroneously reported these receipts in Item 36 (Dues).

   The union must report in Item 37 the per capita tax portion of dues received directly by your organization from members of affiliates, per capita tax received from subordinates, either directly or through intermediaries, and the per capita tax portion of dues received through a checkoff arrangement whereby local dues are remitted directly to an intermediate or parent body by employers. Dues collected on behalf of subordinate organizations for transmittal to them must be reported in Item 46 (On Behalf of Affiliates for Transmittal to Them). When the receipts reported in Item 46 are transmitted, the disbursement must be reported in related Item 63 (To Affiliates of Funds Collected on Their Behalf).

I am not requiring that NATCA file an amended LM report for 2024 to correct the deficient items, but NATCA has agreed to properly report the deficient items on future reports.

I want to extend my personal appreciation to NATCA 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]

International Compliance Audit Program

cc: Christopher Mick Devine, Executive Vice President
Preet Virk, Comptroller
Rita Graf, General Counsel
Mark Buckberg, Certified Public Accountant