

U.S. Department of Labor

Office of Labor-Management Standards
Dallas District Office
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December 21, 2011

Ms. Tracy Cudjo, Secretary-Treasurer
APWU AFL-CIO Local 1348

Case Number: [REDACTED]
LM Number: 092526

Dear Ms. Cudjo:

This office has recently completed an audit of APWU AFL-CIO Local 1348 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 December 14, 2011, 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 Violation:

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-3 filed by Local 1348 for the fiscal year ended December 31, 2010, was deficient in the following area:

Disbursements to Officers (LM-3)

Local 1348 did not include some reimbursements to officers totaling at least \$500.00 per officer in the amounts reported in Item 24 E (All Officers and Disbursements to Officers-Allowances and Other Disbursements). A review of Local 1348's records revealed that six of the fifteen officers' mileage expenses were listed under Item 24 D. It appears the union erroneously reported these payments in Item 24 D (All Officers and Disbursements to Officers- Gross Salary). The union must report all expenses and reimbursements to officers that are not actual salary payments in Item 24 E.

Additionally, all of the officers' names must only be listed a single time under Item 24A (Name). If the officer held more than one position during the year, only the position held on the last day of the fiscal year should be listed under Item 24B (Title) on the LM-3. Officers who are paid salary and expenses from holding more than one position during the year must have the total amounts entered under Items 24D and 24E.

The union must report most direct disbursements to Local 1348 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).

Local 1348 must file an amended Form LM-3 for the fiscal year ended December 31, 2010, to correct the deficient items discussed above. I provided you with a blank form and instructions, and advised you that the reporting forms, instructions and the OLMS Electronic Forms System are available on the OLMS website (www.olms.dol.gov). The amended Form LM-3 should be submitted to this office at the above address as soon as possible, but not later than December 30, 2011. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

I want to extend my personal appreciation to APWU AFL-CIO Local 1348 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. Luther Franklin, President