



January 19, 2016

Mr. Mark Adkins, President
Electrical Workers IBEW Local 841

Case Number: 410-6003480
LM Number: 030021

Dear Mr. Adkins:

This office has recently completed an audit of Electrical Workers IBEW Local 841 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, Treasurer Jerry Akers, and Sub Local Chairman [REDACTED] on January 7, 2016, 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

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 Local 841's 2015 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 841 did not retain adequate documentation for credit card expenses incurred by union officers and employees totaling at least \$1,200.92. For example, there was no hotel receipt in the amount of \$455.72, dated April 7-9, 2015, for President Mark

Adkins' stay at the Hilton Hotel in Portland, OR. Additionally there was no receipt or invoice in the amount of \$745.20, dated April 7-9, 2015, for Financial Secretary Jonathan Motte's travel to Portland, OR.

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.

2. Meal Expenses

Local 841 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$93.38. The union must maintain itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

Local 841 records of meal expenses did not always include written explanations of union business conducted or the names and titles of the persons incurring the restaurant charges. For example, a meal at Wintzell Oyster House in Saraland, AL, on August 8, 2014 in the amount of \$49.88 did not have the nature of union business discussed or the names of attendees.

3. Information not Recorded in meeting Minutes

During the audit President Adkins advised OLMS that the membership authorized expenses to be paid for gifts from United Memorial on March 11, 2015 in the amount of \$1,123.84. Article VI, Section 3 of the bylaws requires all disbursements to be approved by the membership. The minutes of the meetings do not contain any reference to these issues. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

Based on your assurance that Local 841 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

The audit disclosed the following reporting violation:

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 841 amended its constitution and bylaws in 2015, but did not file a copy with its LM report for that year or any year since.

Local 841 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Local 841 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 box used to redact the signature of the investigator.

Investigator

cc: Mr. Jerry Akers, Treasurer