



May 31, 2016

Mr. Tim Foster, President
Letter Carriers, NATL ASN, AFL-CIO
Branch 5141
1502 Florence Road
Monticello, AR 71655

Case Number: 420-6006272 [REDACTED]
LM Number: 080849

Dear Mr. Foster:

This office has recently completed an audit of Letter Carriers Branch 5141 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 [REDACTED] on May 25, 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.

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 Branch 5141's 2015 records revealed the following recordkeeping violation:

Information not Recorded in Meeting Minutes

During the audit, you advised OLMS that the members held an "unofficial membership meeting" in which the members voted and agreed to divvy union funds totaling, \$4,850,

between the members. However, Branch 5141 didn't maintain any minutes or documentation to substantiate the "unofficial meeting." Minutes of all membership meetings must report any disbursement authorizations made at those meetings.

Every person required to file any report under (29 U.S. C. 436) Section 206 of the Labor Management & Disclosure Act (LMRDA), shall maintain records on the matters required to be reported which will provide in sufficient detail the necessary basic information and data from which the documents filed with the Secretary may be verified, explained or clarified, and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts, and applicable resolutions, and shall keep such records available for examination for a period of not less than five years after the filing of the documents based on information which they contain.

Based on your assurance that Branch 5141 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

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 audit of Branch 5141's records revealed that Branch 5141 failed to file LM reports for fiscal years ending 2014 and 2015.

In as much as you submitted LM reports for fiscal years ending 2014 and 2015, during the compliance audit, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Letter Carriers Branch 5141 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