



August 15, 2017

Mr. Charles Lewis, Secretary Treasurer  
Graphic Communication Workers  
Local 226-M  
5686 Lewis Avenue  
Tulsa, OK 74130-1514

Case Number: 420-6010195 [REDACTED]  
LM Number: 041146

Dear Mr. Lewis:

This office has recently completed an audit of Graphic Communication Workers Local 226-M 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 Recording Secretary Richard Brasher on August 8, 2017, 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 Local 226-M's 2016 records revealed the following recordkeeping violation:

### Failure to Maintain Receipts

Local 226-M failed to maintain receipts totaling \$81.50 for food purchased at Tally's Café for two of the union's quarterly membership meetings, and receipts totaling \$80.60 for two purchases at the United States Post Office.

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.

Based on your assurance that Local 226-M will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

### Other Issues

#### 1) Single Signature on Checks

During the audit, you advised that you, President Ed Moscow, and Recording Secretary Richard Brasher are the three signatories on the union's checking account, and that it has always been past practice for only the Secretary Treasurer to sign checks. OLMS recommends that Local 226-M put procedures in place to improve internal control of union funds; requiring two signatures is an effective internal control of union funds.

#### 2) Officer Salary

During the audit, you advised that you are the only officer that receives a monthly salary, in which the amount was established and approved prior to you being elected Secretary Treasurer. The audit revealed that the Secretary Treasurer's total monthly salary is more than half of the union dues collected by Local 226-M. OLMS recommends that Local 226-M reconsider the salary amount paid to its Secretary Treasurer in order to preserve the union's assets and existence.

I want to extend my personal appreciation to Graphic Communication Workers Local 226-M 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 redacting the signature of the investigator.

Investigator

cc: Mr. Ed Moscow, President  
Mr. Richard Brasher, Recording Secretary