



January 27, 2017

Mr. Kevin Brown, Secretary/Treasurer
Glass Molders Plastics AFL-CIO Local 214
9740 Madison Blvd
Madison, AL 35758

Case Number: 410-6007190 [REDACTED]
LM Number: 508787

Dear Mr. Brown:

This office has recently completed an audit of Glass Molders Plastics AFL-CIO Local 214 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, Vice President Kristian Tuttle, and Recording Secretary Sam Howard on January 20, 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 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 214's 2016 records revealed the following recordkeeping violations:

1. Lost Wages

Local 214 did not retain adequate documentation for lost wage reimbursement payments

to union officers and employees totaling at least \$5,523.68. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that Local 214 maintained lost time vouchers however; 13 of the vouchers did not identify the nature of the union business conducted, hours claimed, claimant signature, or date of the claim.

During the exit interview, I provided a compliance tip sheet, *Union Lost Time Payments*, that contained a sample of an expense voucher Local 214 may use to satisfy this requirement. The sample identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

2. Information not recorded in Meeting Minutes

During the audit Secretary/Treasurer Brown advised OLMS that the membership authorized a payment of \$126.91 to Wal-Mart for office supplies at the January 11, 2016 membership meeting from the union's operating checking account. Article III, Section 5, of the bylaws require all disbursements to be approved by the membership. The minutes of the meeting do not contain any reference to this issue. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

3. General Reimbursed Expenses

Local 214 did not retain adequate documentation for reimbursed expenses incurred by union officers and employees totaling at least \$960.00. For example, check number [REDACTED] in the amount of \$320.00, dated August 1, 2016, for per diem payable to Member [REDACTED] did not have an expense voucher, invoice, or other supporting documentation to adequately support the payment.

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.

4. Meal Expenses

Local 214 did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$65.61. 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 214 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 purchase on October 14, 2016 in the amount of \$65.61 at Greenbrier

Restaurant in Madison, AL did not have a receipt, expense voucher, names of attendees, or nature of union business discussed. 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 Local 214 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violation

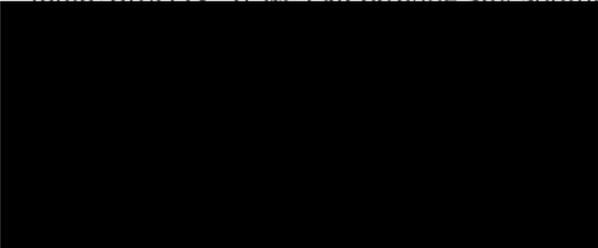
The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-3) filed by Local 214 for the fiscal year ended October 31, 2016 was deficient in the following area:

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 214 amended their bylaws in 2004, but did not file a copy with its LM report for that year.

Local 214 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Glass Molders Plastics AFL-CIO Local 214 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.


Investigator

cc: Mr. Whitt Satterfield, President