



February 26, 2019

Mr. Bill Wright, Secretary-Treasurer
Plumbers AFL-CIO Local 150
1211 Telfair Street
Augusta, GA 30901

Case Number: 410-6009794 [REDACTED]
LM Number: 044909

Dear Mr. Wright:

This office has recently completed an audit of Plumbers AFL-CIO Local 150 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, Attorney John R. Harney, and CPA Dennis G. Jenkins on February 13, 2019, 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 150's 2016 records revealed the following recordkeeping violations:

1. Lost Wages

Local 150 did not retain adequate documentation for lost wage reimbursement payments to a union officer in one instance. 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 150 did not meet the requirement because the union officer did not identify on the lost wage voucher the union business conducted.

During the exit interview, I provided a compliance tip sheet, *Union Lost Time Payments*, that contained a sample of an expense voucher Local 150 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. Failure to Record Disbursements

Local 150 did not record in its disbursement records withdrawals made to purchase investments with LPL Financial during the audit period. Union disbursement records must include an adequate identification of all money the union disburses. The records should show the date and amount of the disbursement, and the source of the payment.

Based on your assurance that Local 150 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Plumbers AFL-CIO Local 150 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 black rectangular redaction box covering the signature of the investigator.

Investigator