



July 29, 2019

Mr. Marcus Hawley, President
Postal Workers Local 6768
P.O. Box 250333
Plano, TX 75025

Case Number: 420-6016540
LM Number: 085387

Dear Mr. Hawley:

This office has recently completed an audit of Postal Workers Local 6768 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 Maintenance Craft Director Calvin Applewhite on July 9, 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.

Reporting Violations

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 6768 for the fiscal year ended December 31, 2018, was deficient in the following areas:

1. Disbursements to Officers

Local 6768 did not include some reimbursements to officers totaling at least \$2,000 in the amounts reported in Item 24 (All Officers and Disbursements to Officers). President Marcus Hawley and Maintenance Clerk Director Calvin Applewhite received \$1000 each in bonuses. It appears the union erroneously reported these payments in Item 48.

The union must report most direct disbursements to Local 6768 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

2. Other Receipts

Local 6768 failed to include one restitution payment received from the Department of Treasury in the amount of \$150 in Item 43 (Other Receipts).

Local 6768 has filed an amended Form LM-3 for the fiscal year ended December 31, 2018, to correct the deficient items discussed above.

Other Violations

The audit disclosed the following other violations:

1. Election of Union Officers

Local 6768 has failed to hold an election of union officers since 2011. Every local labor organization must elect its officers not less than once every three years by secret ballot among the members in good standing.

2. Account Signatories

Local 6768 bank account signatories include President Hawley and the local's accountant. Maintenance Clerk Director Calvin Applewhite should be added to the signature card until a secretary-treasurer is elected.

I want to extend my personal appreciation to Postal Workers Local 6768 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,



Senior Investigator

cc: Mr. Calvin Applewhite, Maintenance Craft Director