

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Miami Resident Investigative Office
One East Broward Boulevard
Room 608
Ft. Lauderdale, FL 33301
(954)356-6850 Fax: (854)356-6852



February 1, 2008

Mr. Charles Kinsey, President
Electrical Workers, AFL-CIO
Local 1947
2643 Loch Laurel Road
Valdosta, GA 31601

LM File Number 051-924

Case Number: [REDACTED]

Dear Mr. Kinsey:

This office has recently completed an audit of Electrical Workers Local 1947 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 on January 25, 2008, 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. The CAP disclosed the following:

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 1947's 2007 records revealed the following recordkeeping violations: Local 1947 did not retain adequate documentation for lost wage reimbursement payments to Financial Secretary Gregory Alan Roberson for \$218.96 and to Vice President Thomas Devane for \$875.53. 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 1947 did not have any documentation to support the lost wage payments to either Mr. Roberson nor Mr. Devane; however, OLMS did find that there was adequate documentation submitted by President Charles Kinsey for \$255.93.

During the exit interview, I suggested that a system be implemented documenting the dates 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. I further suggested that employer time sheets could be provided along with lost wage vouchers as evidence that wages were, in fact, lost.

Based on your assurance that Local 1947 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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 1947 for fiscal year ending June 30, 2007, was deficient in the following areas:

Local 1947 did not include some reimbursements to officers totaling at least \$1,230.42 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously omitted these payments.

In addition, Local 1947 did not report Erick Hendricks, Recording Secretary, and any payments to him or on his behalf in Item 24 (All Officers and Disbursements to Officers). The union must report in Item 24 all persons who held office during the year, regardless of whether they received any payments from the union.

The union must report most direct disbursements to Local 1947 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).

Local 1947 must file an amended Form LM-3 for fiscal year ending June 30, 2007, to correct the deficient items discussed above. I am providing you with a blank form and instructions, and advised you that the reporting forms and instructions are available on the OLMS website (www.olms.dol.gov). The amended Form LM-3 should be submitted to this office at the above address as soon as possible, but not later than February 28, 2008. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

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 1947 amended its constitution and bylaws in 2000, but did not file a copy with its LM report for that year. Local 1947 has now filed a copy of its constitution and bylaws.

Other

As I discussed during the exit interview with you, the audit revealed that Local 1947 does not have a clear system for tracking receipts received from union members for the pager service negotiated by Local 1947; further, a clear system is recommended for tracking disbursements on behalf of the members for the pager service. In addition, the audit revealed that Local 1947 does not have a recently written policy regarding disbursements for flowers sent to members and the bi-annual audit. OLMS recommends that unions adopt written guidelines concerning such matters.

Conclusion

I want to extend my personal appreciation to Electrical Workers Local 1947 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

cc: Mark McLeod, Treasurer
Gregory Roberson, Financial Secretary