



March 6, 2024

Mr. Kendall Martin, President
Iron Workers Mid-Atlantic States District Council
415 William Street
Fredericksburg, VA 22401

Case Number: 450-6027305()
LM Number: 033-037

Dear Mr. Martin:

This office has recently completed an audit of the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers Mid-Atlantic States District Council 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 Office Manager Aria DeSimini and you on February 28, 2024, 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 the Mid-Atlantic States District Council's 2022 records revealed the following recordkeeping violations:

1. Meal Expenses

The union's records of meal expenses charged to the union credit card did not always include a written explanation 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.

2. Information Not Recorded in Meeting Minutes

During the closing interview, you advised OLMS that the executive board authorized donations and officers and employees' travel. However, neither the meeting minutes nor anything else in the union's records reference those approvals. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

3. Inadequate Disbursement Descriptions

There were several disbursements in which the union business purpose was not sufficiently descriptive in the union's records. Some examples of inadequate disbursement descriptions were "representational" and "legislative." Union disbursement records must include a description of the nature of the union business requiring the disbursement.

4. Travel

The union records did not contain adequate information for travel incurred by union officers and employees. The union must maintain records which identify the travel dates, the location, the full name and title of all persons who traveled, and the business purpose for the travel/expenses.

Based on your assurance that the Mid-Atlantic States District Council 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-2, filed by the Mid-Atlantic States District Council for the fiscal year ended June 30, 2022, was deficient in the following areas:

Disbursements to Officers and Employees

The union did not include some reimbursements or payments to or on behalf of officers and employees in Schedule 11 (All Officers and Disbursements to Officers) and Schedule 12 (Disbursements to Employees). It appears that the local erroneously reported these payments in Schedules 15 through 19.

In addition, the union did not report per diem paid to officers and employees in Column F (Disbursements for Official Business) in Schedules 11 and 12. It appears that the union erroneously reported these payments in Column D (Gross Salary) in Schedules 11 and 12.

The union must report in Column F (Disbursements for Official Business) of Schedules 11 and 12 direct disbursements to officers and employees for reimbursement of expenses they incurred while conducting union business. In addition, the union must report in Column F of Schedules 11 and 12 indirect disbursements made to another party (such as a credit card company) for business expenses union personnel incur. However, the union must report in Schedules 15 through 19 indirect disbursements for business expenses union personnel incur for transportation by public carrier (such as an airline) and for temporary lodging expenses while traveling on union business. The union must report in Column G (Other Disbursements) of Schedules 11 and 12 any direct or indirect disbursements to union personnel for expenses not necessary for conducting union business.

I am not requiring the Mid-Atlantic States District Council to file an amended LM report for 2022 to correct the deficient items, but the union has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to the Iron Workers Mid-Atlantic States District Council 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,



Program Compliance Specialist