

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Seattle District Office
1111 Third Avenue
Room 605
Seattle, WA 98101-3212
(206)398-8099 Fax: (206)398-8090



August 19, 2009

Mr. Dewey Guill, President
Government Employees AFGE
Local 1108
4815 N. Assembly
Spokane, WA 98498

LM File Number 542-378
Case Number: [REDACTED]

Dear Mr. Guill:

This office has recently completed an audit of AFGE Local 1108 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, John Bedwell, Ken Haugen, and Heather Mastel on August 13, 2009, 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 of the LMRDA and Title 29 of the Code of Federal Regulations (C.F.R.) Section 403.7 require, among other things, that labor organizations maintain adequate records for at least five years after reports are filed by which the information on the reports can be verified, explained and clarified. Pursuant to 29 C.F.R. Section 458.3, this recordkeeping provision of the LMRDA applies to labor organizations subject to the requirements of the Civil Service Reform Act of 1978 (CSRA) as well. Therefore, as a

general rule, labor organization must retain 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 1108's 2008 records revealed the following recordkeeping violation:

General Reimbursed Expenses

Local 1108 did not retain adequate documentation for reimbursed expenses incurred by officers and members totaling at least \$4,297.20. For example, food purchases for the picnic, holiday celebrations, and the wheel chair games; per capita payments; registration fees; and postage were not supported with receipts.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

Based on your assurance that Local 1108 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 AFGE Local 1108 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: John Bedwell