

U.S. Department of Labor

Office of Labor-Management Standards
Cincinnati District Office
36 E 7th Street, Suite 2550
Cincinnati, OH 45202
(513)684-6840 Fax: (513)684-6845



September 22, 2009

Mr. Kenneth Sulfridge, President
AFSCME, AFL-CIO Local 101
15 Gates Street
Dayton, Ohio 45402

LM File Number: 504-801
Case Number: [REDACTED]

Dear Mr. Sulfridge:

This office has recently completed an audit of AFSCME Local 101 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 Secretary/Treasurer Ruth Ritchie on September 18, 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 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 101's 2008 records revealed the following recordkeeping violations:

1. General Disbursements

Local 101 did not retain adequate documentation for seven \$225 Christmas bonuses paid to AFSCME Ohio Council 8 staff members Stacey Benson-Taylor, Scott Thomasson, Joe Wilson, Dave McIntosh, Sheryl Nichols, Pat Kunk, and Marcia Knox. The only documentation found pertaining to the bonus payments was check 2517, dated December 5, 2008, payable to you, in the amount of \$1,575.00 and a bank transaction slip showing that you received cash for this check. There is no documentation showing that support staff members received cash bonuses. Local 101 also failed to maintain canceled union checks for its death benefit fund (# [REDACTED]) and benefit fund (# [REDACTED]) for the audit year.

Labor organizations must retain support documentation for all disbursements such as the one described above. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining these union records.

2. Information not Recorded in Meeting Minutes

During the audit, Secretary-Treasurer Ruth Ritchie told OLMS that, in May 2008, the executive board voted to authorize payment for a dinner for delegates attending the international convention in San Francisco, CA in July 2008. OLMS' review of the credit card statements found that Local 101 charged \$1,372.12 on its Visa credit card at John's Grill in San Francisco, CA on July 29, 2008. Secretary-Treasurer Ritchie confirmed authorization was given for the dinner even though delegates attending the convention received per diem.

Article VIII, Section 3 of Local 101's constitution requires that the secretary-treasurer "keep a record of the proceedings of all membership and executive board meetings." However, there is no mention of this authorization in the local's executive board meeting minutes. You agreed that, in the future, minutes of all membership or executive board meetings will reflect all disbursement authorizations made at those meetings.

Mr. Kenneth Sulfridge
September 22, 2009
Page 3 of 3

Based on your assurance that Local 101 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 AFSCME Local 101 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 solid black rectangular redaction box covering the signature of the investigator.

Investigator