

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Los Angeles District Office
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June 26, 2009

Ms. Peggy Erskine, Secretary-Treasurer
AFGE
Local 2452
20082 Mural Circle
Huntington Beach, CA 92646

Re: Case Number: [REDACTED]

Dear Ms. Erskine:

This office has recently completed an audit of AFGE Local 2452 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 today, 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.

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 for 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 2452's 2007 records revealed the following recordkeeping violation:

Local 2452 did not maintain any deposit records, including copies of itemized bank deposit slips, copies of deposit items, or bank deposit receipts. Union deposit records must include an adequate identification of all money the union receives and deposits. The records should show the date and amount of each check or cash receipt, and the source of the money.

Based on your assurance that Local 2452 will retain adequate deposit records in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to AFGF Local 2452 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: Dorothy Martin, President
John Gage, National President