



July 8, 2016

Mr. Mike Begatto, Executive Director  
AFSCME District Council 81  
91 Christiana Road  
New Castle, DE 19720

Case Number: 140-6007219 [REDACTED]  
LM Number: 540411

Dear Mr. Begatto:

This office has recently completed an audit of AFSCME District Council 81 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 Accountant James Monk and you on June 13, 2016, 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.

Reporting Violation

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 District Council 81 for the fiscal year ended June 30, 2015 was deficient in the following area:

Failure to File 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. District Council 81 amended its constitution in 2014, but did not file a copy with its LM report for that year.

District Council 81 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to AFSCME District Council 81 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,

[REDACTED]  
Investigator