

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
New York District Office
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February 19, 2009

Ms. Lorraine Guest, President
AFSCME
Local 215
75 Varick Street, 15th Floor
New York, NY 10013

LM File Number **507-188**
Case Number: [REDACTED]

Dear Ms. Guest:

This office has recently completed an audit of AFSCME, Local 215 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, Rose Tucker and Gina Thomas on February 11, 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.

The CAP disclosed a record keeping violation and a reporting violation.

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 215's 2008 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 215 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by President Lorraine Thomas and Recording Secretary Gina Thomas totaling at least \$1,108.48. For example, no documentation was provided for check number [REDACTED], dated 10/05/2007 in the amount of \$750 made payable to Lorraine Guest; check number [REDACTED], dated 10/05/2007 in the amount of \$193.70 made payable to Gina Thomas; and check number [REDACTED], dated 04/01/2008 in the amount of \$164.78 made payable to Gina Thomas.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. 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 union records.

Based on your assurance that Local 215 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 LM-3 filed by Local 215 for fiscal year ending May 31, 2008, was not filed.

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During the course of the audit, the Local 215 LM-3 for fiscal year ending May 31, 2008 was filed with OLMS and therefore, the violation has been resolved.

I want to extend my personal appreciation to AFSCME, Local 215 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,



Supervisory Investigator

cc: Rose Tucker, Secretary-Treasurer