



November 17, 2022

Mr. Christopher Delbaugh, Executive Vice President
Government Employees AFGE AFL-CIO
Local Union 527
Immigrations and Customs Enforcement
P.O. Box 742401
Boynton Beach, FL 33474

Case Number: 410-6025336()
LM Number: 544947

Dear Mr. Delbaugh:

This office has recently completed an audit of Government Employees AFGE AFL-CIO Local Union 527 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Civil Service Reform Act of 1978 (CSRA), 5 U.S.C. 7120, and the Department's regulations, 29 CFR 458. As discussed during the exit interview with you and Secretary-Treasurer Ryan Clark on November 11, 2022, 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 527's 2021 records revealed the following recordkeeping violations:

Reimbursed Travel Expenses

Local 527 did not retain adequate documentation for reimbursed travel expenses incurred by President Mike Donato, Executive Vice President Christopher Delbaugh, and Secretary-Treasurer Ryan Clark totaling at least \$4,840.75. There was no way to verify their travel expenditures were for union business. The purpose for the travel was not written on any of their expense vouchers, receipts, or other supporting documentation.

As noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The records must include 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. 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 527 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

Other Violations

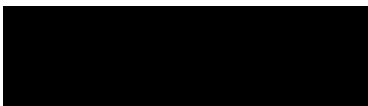
Inadequate Bonding

Pursuant to 29 C.F.R. Section 458.35, officers and employees of any labor organization subject to the CSRA are required to be bonded in accordance with Section 502(a) of the LMRDA. This provision requires that union officers and employees be bonded for no less than 10% of the total funds those individuals or their predecessors handled during the preceding fiscal year.

The audit revealed that Local 527's officers and employees were not bonded for the minimum amount required at the time of the audit. Because AFGE has disclaimed interest in representing Immigrations and Custom Enforcement employees and Local 527 is being disbanded, OLMS will take no further enforcement action regarding this issue.

I want to extend my personal appreciation to AFGE Local Union 527 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: Mr. Ryan Clark, Secretary-Treasurer