



March 6, 2018

Ms. Dorothy Warner, Secretary Treasurer
AFGE Local 2384
1 Medical Center Drive
Clarksburg, WV 26301

Case Number: 140-6010308
LM Number: 503373

Dear Ms. Warner:

This office has recently completed an audit of AFGE Local 2384 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 President Debbie Parks on March 2, 2018, 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 2384's 2017 records revealed the following recordkeeping violations:

1. Receipt Dates not Recorded

Entries in Local 2384's monthly financial reports recorded receipts; however, the union failed to record the date the money was received. Union receipts records must show the date of receipt. The date of receipt is required to verify, explain, or clarify amounts required to be reported in Statement B (Receipts and Disbursements) of the LM-3. The LM-3 instructions for Statement B state that the labor organization must record receipts when it actually receives money and disbursements when it actually pays out money. Failure to record the date money was received could result in the union reporting some receipts for a different year than when it actually received them.

2. Lack of Salary Authorization

Local 2384 did not maintain records to verify that the salary paid to the office secretary was the authorized amount. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

3. Disposition of Christmas Gifts

Local 2384 did not maintain records to identify the recipients of Christmas gifts at the union's annual Christmas party. The union must retain records that identify the date the items were given away and the recipients of those items.

Based on your assurance that Local 2384 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Other Issues

1. Union's Book Balance Reconciliation

As noted during the organizational interview, you noted that you do not balance the union's book balance to the bank statements and have carried the balance over from the previous secretary treasurer. The union should reconcile their book balance to the bank statements in order to properly report cash figures on their LM-3.

2. Travel Expenses

As discussed during the exit interview, if an officer fails to travel or returns from travel early, they must return the unused per diem money that was advanced prior to the trip. The audit revealed that two officers returned from a union training trip to Virginia Beach one day early and failed to return the unused per diem. The unused per diem was repaid prior to the exit interview.

I want to extend my personal appreciation to AFGE Local 2384 for the cooperation and courtesy

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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: Ms. Debbie Parks, President