



September 22, 2020

Mr. Harrell Willis, President
Government Employees AFGE AFL-CIO
Leadership Council 172
[REDACTED]

Case Number: 410-6015624 [REDACTED]
LM Number: 543126

Dear Mr. Willis:

This office has recently completed an audit of Government Employees AFGE AFL-CIO Leadership Council 172 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 Treasurer Annette Crosby on August 19, 2020, 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 Violation

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 Leadership Council 172's 2018 records revealed the following recordkeeping violation:

General Reimbursed and Credit Card Expenses

Council 172 did not retain adequate documentation for reimbursed expenses incurred by President Harrell Willis and former Council President L.C. Williams totaling at least \$1,200. For example, President Willis like his predecessors received a monthly reimbursement of \$400. OLMS found only references to this amount in earlier Leadership Council 172 records, but no specific authorization in the Councils bylaws or constitution. The Leadership Council did not require or obtain documentation proving these expenses were incurred. OLMS found documentation in the form of meeting minutes which supported that this was the Leadership Council's past practice

As 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 Leadership Council 172 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Government Employees AFGE AFL-CIO Leadership Council 172 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: Ms. Annette Crosby, Treasurer