

**U.S. Department of Labor**

Office of Labor-Management Standards  
Philadelphia-Pittsburgh District Office  
Mailstop OLMS/21  
1835 Market Street  
Philadelphia, PA 19103  
(215) 861-4820 Fax: (215) 861-4849



January 14, 2025

Mr. Christopher Rapciewicz, President  
Government Employees AFL-CIO (AFGE), Local 1023  
151 N Independence Mall East  
Philadelphia, PA 19106

Case Number: 140-6029787( )  
LM Number: 501498

Dear Mr. Rapciewicz:

This office has recently completed an audit of Government Employees AFGE, LU 1023 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 on January 14, 2025, 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 1023's 2023 records revealed the following recordkeeping violations:

1. Disposition of Property

Local 1023 did not maintain an inventory of hats, jackets, and other property it purchased, sold, or gave away. The union must report the value of any union property on hand at the beginning and end of each year in Item 30 (Other Assets) of the LM-3. The union must retain an inventory or similar record of property on hand to verify, clarify, and explain the information that must be reported in Item 28 / Item 30.

The union must record in at least one record the date and amount received from each sale of union hats, jackets and other items.

## 2. Failure to record receipts

Local 1023 did not record in its receipts records sales from t-shirts to union members. Local 1023 kept no record of t-shirt sales income or expenditures, so the amount of income is unknown. Union receipts records must include adequate identification of all money the union receives. The records should show the date and amount received, and the source of money.

## 3. General Reimbursed Expenses

Local 1023 did not retain adequate documentation for reimbursed expenses incurred by union officers totaling at least \$911.49. For example, there was no supporting documentation for a check issued to an officer on November 8, 2023, in the amount of \$350.00 for "Family Day."

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 Local 1023 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

## Other Issue

### Duplicate Receipts

Members of Local 1023 purchased t-shirts directly from the union. OLMS recommends that Local 1023 use a duplicate receipt system where the union issues original pre-numbered receipts to all members who make payments directly to the union and retains copies of those receipts. A duplicate receipt system is an effective internal control because it ensures that a record is created of income which is not otherwise easily verifiable. If more than one duplicate receipt book is in use, the union should maintain a

log to identify each book, the series of receipt numbers in each book, and to whom each book is assigned.

I want to extend my personal appreciation to Government Employees AFGE, LU 1023 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator