



February 18, 2016

Mr. Patrick Gore, President
Government Employees,
NAGE SEIU, AFL-CIO, LU R1-107
421 N. Main Street
Building 1 Room B116
Leeds, MA 01053-9714

Case Number: 110-6001095
LM Number: 509521

Dear Mr. Gore:

This office has recently completed an audit of Government Employees NAGE SEIU, AFL-CIO, LU R1-107 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 February 3, 2016, 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 R1-107's 2013 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local R1-107 did not retain adequate documentation for reimbursed expenses incurred by Patrick Gore totaling at least \$525. On two separate occasions, two checks totaling \$200 were withdrawn from the union's bank account by Patrick Gore and negotiated at the Northampton Walmart Store. An additional check in the amount of \$125 was also withdrawn by Patrick Gore and negotiated at the Northampton Walmart. During the opening interview, you informed OLMS that the checks were used to purchase office supplies, but you were unable to provide any receipts for the purchases.

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.

2. Failure to Record Receipts

Local R1-107 did not record in its receipts records any employer dues checkoff checks totaling at least \$1,863. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received, and the source of the money.

Based on your assurance that Local R1-107 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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