

U.S. Department of Labor

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February 7, 2018

Mr. Everett Kelley, National Vice President  
Government Employees, AFGE AFL-CIO  
AFGE Local 987  
1764 Watson Blvd  
Warner Robins, GA 31099

Case Number: 410-6010334 [REDACTED]  
LM Number: 501303

Dear Mr. Kelley:

This office has recently completed an audit of Government Employees AFGE AFL-CIO, Local 987 (AFGE Local 987), 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, acting Treasurer Jeanette McElhaney, and Bookkeeper Linda Baxter on January 16, 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.

#### Record Keeping 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 organizations 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 AFGE Local 987's 2016 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 987 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by union officers. For example, officers failed to maintain credit card receipts for travel related expenses such as shuttle and taxi services from January through April 2016. Officers also failed to maintain credit card receipts for small purchases related to the 2015 Christmas party.

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. Information not Recorded in Meeting Minutes

During the audit, you advised OLMS that any out of the ordinary expenses and also travel related expenses were authorized by the executive board and membership prior to spending. However, the minutes of the meetings for part of 2015 and also January, March, April, and June 2016 were not properly maintained. Therefore approval for travel and other purchases during these months could not be verified through the meeting minutes. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

Based on your assurance that AFGE Local 987 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Other Violations

The audit disclosed the following other violation:

1. Trusteeship Reports

29 CFR 408.4 states that within 30 days after the end of each six month period for the duration of the trusteeship, the parent union must file a semi-annual report, on form LM-15, explaining its reasons for extending the trusteeship. These semi-annual reports were not submitted by the parent body for the trusteeship currently in place.

Based on your assurance that these reports have been submitted, OLMS will take no further action at this time.

I want to extend my personal appreciation to AFGE Local 987 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.

Mr. Everett Kelley  
February 7, 2018  
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Sincerely,

A black rectangular redaction box covering the signature of the sender.

Senior Investigator