

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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July 25, 2006

Mr. Paul Tracy, President
Government Empls AFGE, AFL-CIO
Local 948
33 Columbia Street
Swampscott, MA 01907-1789

Re: Case Number: ~~XXXXXXXXXX~~

Dear Mr. Tracy:

This office has recently completed an audit of AFGE Local 948 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with Paul Tracy on July 19, 2006, 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.

The CAP disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial conditions and operations. The Labor Organization Annual Report (Form LM-3) filed by Local 948 for the fiscal year ending June 30, 2005, was deficient in that Local 948 failed to include some reimbursements to officers in Item 24 (All Officers and Disbursements to Officers). Such payments appear to have been erroneously reported in Column E.

I am not requiring that Local 948 file an amended report for 2005 to correct the deficient items, but as agreed, Local 948 will properly report the deficient items on all future reports filed with this agency.

The CAP disclosed a violation of LMRDA Section 201(a) which requires that a union submit a copy of its revised constitution and bylaws with its LM report when constitution or bylaw changes are made. Local 948 amended its constitution and bylaws in 1999, but a copy was not filed with its LM report for that year.

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A copy of Local 948's constitution and bylaws has now been filed.

In addition, the audit revealed a violation of LMRDA Section 502 (Bonding) which requires that union officers and employees be bonded for no less than 10 percent of total funds handled by those individuals or their predecessors during the preceding fiscal year. Local 948's officers and employees were bonded for \$10,000, but needed to be bonded for at least \$11,157.00.

Adequate bonding coverage was obtained and documentation provided during the audit. As such, no further enforcement action will be taken.

I want to extend my personal appreciation to AFGE Local 948 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