

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Philadelphia District Office
170 S. Independence Mall West
Room 760 W
Philadelphia, PA 19106
(215)861-4818 Fax: (215)861-4819



June 9, 2006

Mr. Dennis Pase, Treasurer
Government Employees (AFGE), AFL-CIO
Local 2935
RR2 Box 235
Ulster, PA 18850

Re: Case Number: XXXXXXXXXX

Dear Mr. Pase:

This office has recently completed an audit of AFGE, Local 2935 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 Dennis Pase and Robert Adomiak on June 1, 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.

During the audit, Mr. Pase and Mr. Adomiak confirmed that it is Local 2935's practice for Mr. Pase to be the sole signatory on all union checks. No one but Mr. Pase reviews the checks before they are issued. Article III, Section 3 of Local 2935's bylaws requires that checks be signed by the president and treasurer. The second signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. I recommend that Local 2935 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to AFGE, Local 2935 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. Dennis Pase
June 9, 2006
Page 2 of 2

Sincerely,

Peter Papinchak
District Director

cc: Robert Adomiak