U.S. Department of Labor   Employment Standards Administration
Office of Labor-Management Standards
Chicago District Office
230 South Dearborn Street
Room 774, Federal Office Building
Chicago, IL 60604
(312)596-7160 Fax: (312)596-7174

September 28, 2007

Connie Ostrander –Secretary-Treasurer
Government Employees, AFGE, AFL-CIO
Local 1963
1900 E. Main Street
BLDG 102 Rm. 124J
Danville, IL 61832

LM File Number 503-766
Case Number:

Dear Ms. Ostrander :

This office has recently completed an audit of AFGE Local 1963 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 you on September 27, 2007, 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 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 the total funds
handled by those individuals or their predecessors during the preceding fiscal year.
The officers and employees of Local 1963 are currently bonded for $25,000, but they
must be bonded for at least $38,000.

Local 1963 should obtain adequate bonding coverage for its officers and employees
immediately. Please provide proof of bonding coverage to this office as soon as
adequate coverage has been obtained, but not later than October 9, 2007.

I want to extend my personal appreciation to AFGE Local 1963 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

cc: Amie Pounds - President