

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
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January 29, 2007

Mr. Frank Linck, President
Communication Workers of America
Local 14620
1269 Brenthaven Lane
Florissant, MO 63031

Re: Case Number: [REDACTED]

Dear Mr. Linck:

This office has recently completed an audit of CWA Local 14620 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, David Griffith, and Robert Mielziner on January 21, 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.

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least 5 years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, 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 the case of receipts, the date, amount, purpose, and source of all money received by the union must be recorded in at least one union record. Bank records must also be retained for all accounts.

The audit of Local 14620's 2006 records revealed a violation of Section 206 for failing to maintain adequate receipt records. Union receipt records must include an adequate identification of each receipt of money. The records should show the exact date the money was received, the identity of the source of the money, and the individual amount received from each source. Local 14620 did not maintain records that verified monies received during fiscal year ending September 30, 2006. You stated that you would implement a receipt system for all payments to Local 14620 and would list the date and reason for each payment.

As agreed, provided that Local 14620 maintains adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding this violation.

The CAP disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-3) filed by Local 14620 for fiscal year ending September 30, 2006, was deficient in that payments to officers were not properly reported in Item 24 of the LM-3 report.

Allowances paid on the basis of mileage or meals and all expenses directly reimbursed to the officer are to be reported in Column E of Item 24. Local 14620 reported all payments to the offices in Column D and did not separate the salary and lost time payments from the allowances and other disbursements.

After discussing this with you and Mr. Mielziner, I am not requiring that Local 14620 file an amended LM report for 2006 to correct the deficient items, but as agreed, Local 14620 will properly report the deficient items on all future reports filed with this agency.

It was also learned that there were a few occasions when a member paid dues in cash. On these occasions, you deposited this money into your personal account and then wrote checks to the local that were deposited into the general account. I strongly recommended that this practice be stopped. All monies received by the union should be deposited into the general fund.

I want to extend my personal appreciation to CWA Local 14620 for the cooperation and courtesy extended during this compliance audit. You mentioned during the exit interview that you will be retiring after the next two years. I would ask you pass this

Mr. Frank Linck
January 29, 2007
Page 3 of 3

letter, as well as the compliance assistance material provided, to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,

[REDACTED]

Investigator

cc: Robert Mielziner