

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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March 2, 2005

Michael Giardino, President
Communication Workers AFL-CIO
Local 88-123
491 Old York Road, Suite 301
Jenkintown, PA 19046

Re: 2

Dear Mr. Giardino:

This office has recently completed an audit of Local 88-123 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, as Amended (LMRDA). As discussed during the exit interview with you on February 25, 2005, 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 502 (Bonding), which requires that the union's officers and employees be bonded for no less than 10% of the total funds handled by those individuals or their predecessors during the preceding fiscal year. Local 88-123's officers and employees are currently bonded for \$60,000, but they must be bonded for at least \$64,000. During the exit interview the union provided documentation that it had increased its bonding coverage to \$65,000.

Additionally, the CAP disclosed a violation of LMRDA section 201(a) which requires that unions submit a copy of their current constitution and bylaws with its LM report when bylaw changes are made. Local 88-123 had amended its bylaws, but a copy was not provided to OLMS when Local 88-123's LM-2 report for that year. However, during the opening interview, a copy was provided to OLMS.

I want to extend my personal appreciation for your and your entire staff's cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,

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Investigator