



October 2, 2015

Ms. Debbie Arnet, President  
Communications Workers, AFL-CIO  
Local 1133  
821 Elk Street  
Buffalo, NY 14210

Case Number: 110-6005651( )  
LM Number: 529191

Dear Ms. Arnet:

This office has recently completed an audit of Communications Workers, Local 1133 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, Treasurer Greg Beck, and Vice President Kathy Kelly on September 29, 2015, 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.

#### Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records for at least five 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, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation 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 most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 1133's 2014 records revealed the following recordkeeping violations:

1. Credit Card Expenses

Local 1133 did not retain adequate documentation for credit card expenses incurred by union officers totaling at least \$3,900. For example, in May 2014 two local officers stayed at the Marriott Marquis in Washington, D.C. at \$572.50 each totaling \$1,145 with no invoice or supporting documentation.

As noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

2. Gift Cards

Local 1133 purchased \$3,300 in Wegman's Gift Cards during the fiscal year. Adequate supporting documentation was available for the purchase of the cards however, who received cards and how they were distributed was not available. An Executive Board meeting in November 2013 approved the purchase of "Christmas Gift Cards" in the amount of \$2,575. A list of names is available but the list does not verify whether or not all of the individuals on the list received a gift card. It also appears that only \$2,400 of the \$2,575 approved was identified for distribution. The remaining \$725 in gift card purchases had no documentation regarding distribution.

Based on your assurance that Local 1133 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Local 1133 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: Mr. Greg Beck, Treasurer  
Ms. Kathy Kelly, Vice President