

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Buffalo District Office
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July 5, 2005

Robert Snyder, Treasurer
CWA, Local 31026
726 Exchange Street, Suite 510
Buffalo, NY 14210

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Dear Bob:

This letter is a summary of the matters we (new hire ' 7cc1), you, Pat, and Paul discussed during our meeting on June 16, 2005:

We discussed the failure to keep adequate records and why it's important to do so. Supporting documentation for a number of disbursements was not available or missing. With respect to documentation retained in support of specific disbursements (including those in payment of credit card charges), the record retention requirement includes not only the retention of original bills, invoices, receipts, and vouchers, but also additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and all the recipients of the goods or services. In most instances, this documentation requirement can be most easily satisfied with a sufficiently descriptive receipt. If a receipt is not sufficiently descriptive, a note can be written on it providing the additional information. An exception may be made only in those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.

The review also disclosed a violation of LMRDA section 201(b), because the Labor Organization Annual Report (Form LM-2) filed for fiscal year ending September 30, 2004 was deficient in the following area. The End of Reporting Period Item 25 "Cash" on the LM filed for fiscal year ending September 30, 2003 was \$12,164. This should be the starting cash figure for the next years LM report. Instead the Start of Reporting Period Item 25 "Cash" figure was \$5,795; a \$6,369 difference. I am not requiring that the local file an amended LM report for 2004 to correct the deficient item because the difference can be explained in the reporting of Item 29 "Investments."

Finally we discussed the importance of more than one signature required and enforced on checks; especially for non-recurring disbursements. By adding one or two more names to the signature card at the bank, you may ease the burden of finding the second signator before releasing a check.

I want to extend my personal appreciation to you, Paul, (and Tammy) for your cooperation and courtesy during my visit. If I can be of any assistance in the future, please do not hesitate to call.

7(c)

Sincerely,

- 7cc1
Investigator

cc: Patrick J. Gromly, President
Paul Sippel, CPA