

U.S. Department of Labor

Office of Labor-Management Standards
Philadelphia District Office
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February 9, 2011

Ms. Karen Frazier- Kennedy, Treasurer
Communications Workers Local 13301
6. E. Hinckley Avenue
Ridley Park, PA 19078

Case Number: [REDACTED]
LM Number: 543265

Dear Ms. Frazier- Kennedy:

This office has recently completed an audit of Communications Workers Local 13301 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 President Anthony Cameron, Finance Committee Chairman John Carasquero, and you on February 8, 2011, 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 Violation

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 13301's 2009 records revealed the following recordkeeping violation:

Debit Card/ATM Expenses

Local 13301 did not retain adequate documentation for debit card expenses incurred by former President [REDACTED] totaling at least \$368.44. For example, on December 29, 2008, a purchase totaling \$89.99 to dri.symantecmyrod.com was made. Although the local did not maintain a receipt for this purchase, the audit revealed that this purchase was for anti-virus software for the local's computer.

As previously 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.

Based on your assurance that Local 13301 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations within 90 days after the end of your labor organization's fiscal year (12-month reporting period).

Delinquent Report

Although Local 13301's filed Form LM-3 for fiscal year ending September 30, 2009 within the mandatory 90 days time, the local is delinquent in filing Form LM-3 for fiscal year ending September 30, 2010. Local 13301 has agreed to submit future reports it files with OLMS within 90 days subsequent to the end of the local's fiscal year. In addition, the local agreed to have the delinquent report filed with this office no later than February 28, 2011.

I want to extend my personal appreciation to Communications Workers Local 13301 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,

[REDACTED]

Investigator

cc: Mr. Anthony Cameron, President