

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Cleveland District Office
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April 30, 2007

Marcia Markley, Financial Secretary
Communication Workers Local 84704
113 N Sandusky Ave Rear
Bucyrus, OH 44820

LM File Number 042-114

Case Number: [REDACTED]

Dear Ms. Markley:

This office has recently completed an audit of Communication Workers Local 84704 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 yourself and Terry Naumann on April 11, 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.

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 84704 for fiscal year ending September 30, 2006 was deficient in the following areas:

- The local failed to include a savings account on Form LM-3 which affected reported cash on hand figures for the start and end of the reporting period as well as total receipts and disbursements.
- The local incorrectly reported reimbursements to officers on Item 48, Office and Administrative Expense, rather than in Item 24(E), which is the appropriate place to report direct and indirect reimbursed expenses paid to officers.

- Lost time payments were incorrectly reported, largely because payments made in September 2005 were booked in the disbursements journal for October 2005, which is a different fiscal year.
- The local incorrectly reported per capita tax as a receipt in Item 39, Per Capita Receipts.
- The local incorrectly reported payments to employees in Schedule 24, All Officers and Disbursements to Officers, rather than in Item 46, To Employees.
- The local did not report deductions withheld from lost time payment to officers in Schedule 24, Line 10, Less Deductions.

Local 84704 has submitted an amended 2006 LM-3 Report to the Cleveland District Office correcting these reporting errors. Therefore, no further action is being considered regarding these violations at this time.

I want to extend my personal appreciation to Communication Workers Local 84704 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,


District Director

cc: Terry Naumann, President