



February 7, 2011

Ms. Joan Gifford, Secretary Treasurer
Communications Workers AFL-CIO LU 9505
3820 E. Colorado Blvd
Pasadena, CA 91107-3937

Case Number: [REDACTED]
LM Number: 024228

Dear Ms. Gifford:

This office has recently completed an audit of Communications Workers AFL-CIO LU 9505 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 on January 21, 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 9505's 2009 records revealed the following recordkeeping violation:

Failure to Maintain Meeting Minutes

Local 9505 did not maintain records of the Executive Board Meeting Minutes for the months of January and February 2009; and Membership Meeting Minutes for the month of January 2009 to verify that expenditures reported in the general ledger was the authorized amount and therefore was correctly reported. Local 9505 must keep a record of the meeting minutes to show authorized expenditures by the entity or individual in the union. Minutes of all Membership or Executive Board Meetings must report any disbursement authorizations made at those meetings.

Based on your assurance that Local 9505 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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. The Labor Organization Annual Report Form LM-2 filed by Local 9505 for fiscal year ending September 30, 2009, was deficient in the following area:

Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 9505 revised its constitution and bylaws on July 14, 2003, but did not file a copy with its LM report for that year.

Local 9505 have now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Communications Workers AFL-CIO LU 9505 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. Tony Gonzales, President