



March 1, 2012

Ms. Maria Johnson, President
Postal Workers, AFL-CIO Local 96
Post Office Box 2174
Memphis, TN 38126

Case Number: [REDACTED]
LM Number: 509928

Dear Ms. Johnson:

This office has recently completed an audit of Postal Workers, AFL-CIO Local 96 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 and Secretary Treasurer Jacqueline Foxworth on February 17, 2012, 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.

Reporting Violations

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 96 for the fiscal year ended December 31, 2010, was deficient in that:

1. Cash Reconciliation

It appears that the cash figures reported in Item 25 (Cash) are not the figures according to Local 96's books after reconciliation to the bank statements. The instructions for Item 25 state that the union should obtain account balances from its books as reconciled to the balances shown on bank statements. Local 96 cash balance in their records did not match the cash reconciliation on the LM-2 report because the local had recording errors of their checks and some deposits. Specifically, a transfer in 2008 and a disbursement adjustment from 2005 were added as a pending deposit by mistake. This appears to have caused errors to be reported in Item 25.

2. 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 96 amended its constitution and bylaws in 2010, but did not file a copy with its LM report for that year.

Local 96 has now filed a copy of its constitution and bylaws.

Local 96 must file an amended Form LM-2 for the fiscal year ended December 31, 2010, to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. The amended Form LM-2 must be filed no later than March 31, 2012. Before filing, review the report thoroughly to be sure it is complete and accurate.

I want to extend my personal appreciation to Postal Workers, AFL-CIO Local 96 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: Ms. Jacqueline Foxworth, Secretary Treasurer