



September 11, 2023

Mr. Brandon Simmons, President  
Communications Workers of America Local 2105  
2 West Potomac Parkway  
Williamsport, MD 21795

Case Number: 450-6027173( )  
LM Number: 024699

Dear Mr. Simmons:

This office has recently completed an audit of Communications Workers of America (CWA) Local 2105 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, Executive Vice President Nathaniel Leavens, and Secretary-Treasurer Nancy Schrock on September 7, 2023, 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-3, filed by Local 2105 for the fiscal year ended September 30, 2022, was deficient in the following areas:

##### 1. Disbursements to Officers

Local 2105 did not include some reimbursements to officers in the amounts reported in Item 24 (All Officers and Disbursements to Officers). The union must report most direct disbursements to Local 2105 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

2. Failure to Accurately Report Receipts

Local 2105 failed to accurately report receipts in Item 43 (Other Receipts). The audit revealed that the local received funds from a local that was merged into Local 2105. These funds were reported in Item 38 (Dues) but should have been reported in Item 43 (Other Receipts). All money received by the union during the fiscal year which does not conform to one of the categories in Items 38 through 42 of the LM-3 report must be reported in Item 43 (Other Receipts).

3. 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 when it makes changes to its constitution or bylaws. Local 2105 amended its bylaws in June 2018, but did not file a copy at that time. Local 2105 has now filed a copy of its bylaws.

4. Failure to File Electronically

The Local 2105 officers did not personally attach their electronic signature to the union's LM report using the OLMS Electronic Filing System (EFS). All Labor Organization Annual Reports for the fiscal years beginning on or after January 1, 2017, are required to be filed using EFS and each officer must attach their own electronic signature.

Local 2105 must file an amended Form LM-3 for the fiscal year ended September 30, 2022, 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](http://www.olms.dol.gov). The amended Form LM-3 must be filed no later than September 30, 2023. Before filing, review the report thoroughly to be sure it is complete and accurate.

Other Issues

The audit disclosed the following other issue:

Signing Blank Checks

During the audit, it was revealed that an officer occasionally pre-signed checks that were used to pay regular union disbursements. The two-signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, signing a blank check in advance does not attest to the authenticity of a completed check, and negates the purpose of the two-signature requirement. As I discussed in the exit interview, all checks should have the amount filled out and a payee identified on the check prior to any signatures being applied. OLMS recommends that Local 2105 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to CWA Local 2105 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,

A solid black rectangular box redacting the signature of the investigator.

Investigator