



June 4, 2021

Mr. Jason McDuffie, Financial Secretary
Communications Workers of America
Local 86787
1121 Hampshire Drive, Suite 210
Richardson, TX 75080-4248

Case Number: 420-6020881 [REDACTED]
LM Number: 027270

Dear Mr. McDuffie:

This office has recently completed an audit of Communications Workers of America Local 86787 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 Vice President Corne Jones on June 4, 2021, the following problem was disclosed during the CAP. The matter listed below is not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Record Keeping 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 86787's 2020 records revealed the following recordkeeping violation:

Lost Wages

Local 86787 did not retain adequate documentation for lost wage reimbursement payments to Officers: Rick Morris, Corne Jones, James McDuffie, Lawrence D. Hobbs, Tanya Thompson, Nahn T. Do, George M. Harr, Miguel A. Rivera, Jason Reddin, Anthony White, Jorge L. Callicut, and Committee Members: [REDACTED]

[REDACTED] totaling at least \$14,489.30.

The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that the vouchers Local 86787 retained didn't meet the DOL requirement in that the vouchers solely had the recipient's name, check number, check date, check amount, date of lost time, and number of hours.

During the exit interview, I provided a compliance tip sheet, *Union Lost Time Payments*, that contained a sample of an expense voucher Local 86787 may use to satisfy this requirement. The sample identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

Based on your assurance that Local 86787 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Communications Workers of America Local 86787 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. Rick Morris, President
Mr. Corne Jones, Vice President