

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
New Haven Resident Investigative Office
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Room 209
New Haven, CT 06510
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September 27, 2007

Mr. Thomas Sgro, Secretary Treasurer
Communication Workers
NABET Local 51014
60 Pool Rd.
North Haven, CT 06473

Re: Case Number: [REDACTED]

Dear Mr. Sgro:

This office has recently completed an audit of Communication Workers Local 51014 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 September 26, 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.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained for at least 5 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, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, 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 note can be written on it providing the additional information. An exception may be made only in

those cases where 1) other equally descriptive documentation has been maintained, and 2) there is evidence of actual oversight and control over disbursements.

In the case of receipts, the date, amount, purpose, and source of all money received by the union must be recorded in at least one union record. Bank records must also be retained for all accounts.

The audit of Local 51014's 2006 records revealed the following recordkeeping violations:

1. Officer and Employee Expenses

Local 51014 did not maintain adequate documentation for expenses paid by union credit/debit cards. The date, amount, and business purpose of meal expenses must be recorded on at least one union record. In addition, the names of individuals present for meal expenses and the locations (names of restaurants) where meal expenses were incurred must be recorded. OLMS audit found that on two occasions no documentation concerning meal expenses was found in the union records. There were an additional five instances where documentation lacked information concerning the purpose of the expense and the names of individuals present.

2. Lost Wages

Local 51014 did not maintain adequate documentation for lost wage reimbursement payments to union officers. Records must be maintained that identify the date, number of hours lost, rate of pay, and the specific union purpose for all lost wages. During the exit interview, I provided a sample expense voucher Local 51014 may use that identifies the type of information and documentation that must be maintained for lost wages and other officer expenses.

As agreed, provided that Local 51014 maintains adequate documentation as discussed above in the future, no additional enforcement action will be taken regarding these violations.

Other Issues

The audit disclosed the following additional issue:

During the audit, I advised you that authorization for the salary(dues rebate) amounts paid to union officers could not be found in union records. I recommend that Local 51014 document the authorized salary amounts in its bylaws or record them in meeting minutes or some other internal document (following discussion in the appropriate membership and/or executive board meeting). When the authorized salary amounts have been recorded in union records, I would appreciate it if you would forward a copy of the record documenting the authorization to me at the above address.

I want to extend my personal appreciation to Communication Workers Local 51014 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: George Roelofsen, President