

U.S. Department of Labor

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April 7, 2008

Mr. Tim Morrison, Secretary-Treasurer
Communication Workers AFL-CIO
Local 7290
5418 South 27th Street
Suite 8
Omaha, NE 68107-3492

LM File Number 030-206

Case Number: [REDACTED]

Dear Mr. Morrison:

This office has recently completed an audit of CWA Local 7290 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 April 3, 2008, 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 7290 for fiscal year ending September 30, 2007 was deficient in the following area:

1. Cash Reconciliation

It appears that the cash figures reported in Item 25 are not the cash figures according to the union'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.

The audit revealed the general fund failed to reconcile with the local's bank statements by \$492.50. Investigation showed this to be a recordkeeping error that has carried over from prior years. This error has inflated both the local's beginning and ending cash balances for the fiscal year.

The local also over-reported the vice-president's salary by \$122.00, and inadvertently over-reported disbursements by \$2,233.00, even though the book balance reflected the correct amount of total disbursements.

These errors were corrected and the local provided an amended report reflecting the correct amounts during the course of the audit. Local 7290 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to CWA Local 7290 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: A.C. Mumms, President