



September 1, 2015

Robert Chucksa, Financial Secretary  
CWA Local 84716  
PO Box 4396  
Warren, OH 44482-4396

Case Number: 350-6004040( )  
LM Number: 055777

Dear Robert Chucksa:

This office has recently completed an audit of CWA Local 84716 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 on August 26, 2015, 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 84716 for the fiscal year ended September 30, 2014, was deficient in that:

##### Reported Cash Balances

Beginning and ending cash balances reported in item 25 of the 2014 LM-3 report did not include the funds of the union's Sick Relief savings account. This caused a cash recolonization error in excess of \$3,000.

You agreed to include the funds of the Sick Relief savings account in the cash balances of the 2015 LM-3 report. A note should be added in item 56 (additional Information) of this report explaining that this adjustment has caused the ending cash balance of 2014 and the beginning cash balance of 2015 not to match.

#### Other Violations

The audit disclosed the following other violation:

##### Inadequate Bonding

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

Assets plus receipts for fiscal year 2014 equaled approximately \$87,446.81 which would require bonding coverage of \$8,745. The union is currently bonded at a level of \$5,000.

The union agreed to increase its bond coverage to comply with the requirements of the LMRDA, and provide proof of this action to this office as soon as practicable.

Other Issues

During the audit it was discovered that the signature card on file with the bank does not show the current officers as authorized signatories on the union bank accounts. It appears that though a new signature card was completed by the current officers it was not scanned into the bank's system. This should be rectified as soon as possible to prevent the possibility of unauthorized access to union accounts.

I want to extend my personal appreciation to CWA Local 84716 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: Robert Stephens, President