

**U.S. Department of Labor**

Office of Labor-Management Standards  
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March 27, 2015

Mr. Larnie Greene, Secretary Treasurer  
Communications Workers of America Local 14514  
57 E. Exchange Street  
Akron, OH 44308-1534

Case Number: 350-6000625 [REDACTED]

LM Number: 008086

Dear Mr. Greene:

This office has recently completed an audit of Communications Workers of America Local 14514 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 March 24, 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.

Recordkeeping Violations

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 14514's 2013 records revealed the following recordkeeping violations:

### General Receipts and Disbursement Records

CWA Local 14514 was missing certain records and/or receipts and invoices for some of its receipts and disbursements. Receipts of payment for the two parking spaces that the union rents from the Akron Beacon Journal were not in the union's records. The union must maintain itemized receipts and/or invoices provided by merchants and vendors. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. Union receipts records must include an adequate identification of all money the union receives. The records should show the date and amount received, and the source of the money. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

Based on your assurance that Local 14514 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

### 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 14514 for the fiscal year ended September 30, 2013, was deficient in the following areas:

#### 1. Disbursements to Officers

Local 14514 did not include some reimbursements to officers totaling at least \$52.00 in the amounts reported Item 24 (All Officers and Disbursements to Officers). It appears the union erroneously reported these payments in Item 48.

The union must report most direct disbursements to Local 14514 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 Report Certain Receipts/Disbursements From Sale of Assets

CWA Local 14514 failed to report part of \$17,695.47 in receipts and none of this same amount in disbursements from the sale of its building in November 2012. While the union's building was sold for \$110,000.00, disbursements of \$17,695.47 were taken from the sale amount at closing for mortgage payoff, taxes, fees and other charges and deductions resulting in the union receiving a total of \$92,304.53 in actual funds, which it reported under Item 42 on the LM-3 report. The union only included approximately \$4,718.00 of the \$17,695.47 as a receipt on the report (earnest money and partial months' rent collected weeks prior to closing from tenants of the apartments located in the building), while none of the disbursements making up the \$17,695.47 were reported under Item 54, Other Disbursements.

I am not requiring that Local 14514 file an amended LM report for 2013 to correct the deficient items, but Local 14514 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to Communications Workers of America Local 14514 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]  
Senior Investigator

cc: Mr. Thomas Cowman, President