

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
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September 30, 2008

Mr. Mark Johnson, Treasurer
Communications Workers AFL-CIO
Local 6310
2258 Grissom Drive
St. Louis, MO 63146

LM File Number 007-466
Case Number: [REDACTED]

Dear Mr. Johnson:

This office has recently completed an audit of CWA Local 6310 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 29, 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 Violation

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-2 filed by Local 6310 for fiscal year ending September 30, 2007 was deficient in that certain receipts and disbursements were "netted" and therefore not properly reported on the LM-2.

Netting of Receipts and Disbursements

According to the LM instructions, netting is not permitted. "Netting" is the offsetting of receipts and disbursements and reporting only the balance (net) as either a receipt or disbursement. Local 6310 spent approximately \$37,000 in expenses for the new CWA Local 6300 building. CWA Local 6320 reimbursed them for approximately \$17,000 of the total amount. The LM-2 report shows a loan of \$20,010 for expenses incurred related to Local 6300. The \$17,000 was netted off the books, and therefore the LM underreported receipts and disbursements by that amount.

I am not requiring that Local 6310 file an amended LM report for 2007 to correct the deficient items, but Local 6310 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 6310 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: Anthony Ellebracht, President