



September 28, 2015

Mr. Thomas M. Roulley, Treasurer  
Communications Workers, AFL-CIO  
WNY Leadership Council  
821 Elk Street, Suite B  
Buffalo, NY 14210

Case Number: 110-6005811( )  
LM Number: 069907

Dear Mr. Roulley:

This office has recently completed an audit of Communications Workers, Western New York (WNY) Leadership Council 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 17, 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 the WNY Leadership Council for the fiscal year ended December 31, 2014, was deficient in the following areas:

##### 1. Per Capita Tax Receipts

The Leadership Council improperly reported per capita tax received in Item 38 (Dues). Rather, per capita tax receipts received by your organization if your organization is an intermediate or parent body should be reported in Item 39 (Per Capita Tax). Include the per capita tax portion of dues received directly by your organization from members of affiliates, per capita tax received from subordinates, either directly or through intermediaries, and the per capita tax portion of dues received through a checkoff arrangement whereby local dues are remitted directly to an intermediate or parent body by employers.

I am not requiring the WNY Leadership Council to file an amended LM report for 2014 to correct the deficient items, but Leadership Council has agreed to properly report the deficient items on all future reports it files with OLMS.

## 2. Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. The WNY Leadership Council amended its constitution and bylaws in 2012, but did not file a copy with its LM report for that year. The bylaws on file with OLMS were last amended May 1979.

Leadership Council has now filed a copy of its constitution and bylaws.

### Other Violation

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.

WNY Leadership Council's officers and employees are currently bonded for \$2,500, but they must be bonded for at least \$3,600. Leadership Council should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than October 30, 2015.

I want to extend my personal appreciation to the WNY Leadership Council 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: Mr. Thomas J. Antonio, President